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THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

1. PARTIES

A. Address

THIS AGREEMENT FOR TASER DEVICES, ACCESSORIES, SUPPLIES AND REPAIR SERVICES ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a home rule city of the State of Texas, and **GT DISTRIBUTORS, INC.**, ("Contractor"), a Texas corporation.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City	**Contractor**
City Purchasing Agent City of Houston P.O. Box 1562 Houston, Texas 77251	GT Distributors, Inc. 2545 Brockton Drive, Suite 100 Austin, TX 78761 Attn: William J. Orr, Jr. Phone: (512) 451-8298 (800) 443-6283 Fax: (800) 480-5845

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

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C. Parts Incorporated

The above described exhibits are incorporated into this Agreement.

D. Controlling Parts

If a conflict among the sections and exhibits arises, the sections control over the exhibits.

E. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

This Agreement is binding only after all parties listed below have signed this Agreement.

GT DISTRIBUTORS, INC.

By: _____
Name: William J. Orr, Jr.
Title: President

ATTEST/SEAL (if a corporation)
WITNESS (if not a corporation)

By: _____
Name: Deborah S. Orr
Title: Secretary & Treasurer

APPROVED:

_____
City Purchasing Agent

APPROVED AS TO FORM:

_____
Assistant City Attorney
L.D. No. 0371000045001

CITY OF HOUSTON, TEXAS
Signed by:

By: _____
Mayor

ATTEST/SEAL:

_____
City Secretary

_____
Chief, Houston Police Department

COUNTERSIGNED BY:

_____
City Controller

DATE COUNTERSIGNED:

9-10-10

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

"Agreement" means this contract between the Parties, including all exhibits and any written amendments authorized by City Council and Contractor.

"City" is defined in the preamble of this Agreement and includes its successors and assigns.

"Contractor" is defined in the preamble of this Agreement and includes its successors and assigns.

"Countersignature Date" means the date shown as the date countersigned on the signature page of this Agreement.

"Director" means the Chief of the Houston Police Department, or the person he or she designates.

"Documents" mean notes, manuals, notebooks, plans, computations, databases, tabulations, exhibits, reports, underlying data, charts, analyses, maps, letters, models, forms photographs, the original tracings of all drawings and plans, and other work products (and any modifications or improvements to them) that Contractor prepares or provides under this Agreement.

"Include" and "including", and words of similar import, shall be deemed to be followed by the words "without limitation".

"Manufacturer" means Taser International, Inc., the maker of Taser Devices.

"Notice to Proceed" means a written communication from the Director to Contractor instructing Contractor to begin performance.

"Parties" mean all the entities set out in the Preamble who are bound by this Agreement.

"Product" means Taser Devices.

"Purchasing Agent" means the City Purchasing Agent or the person he or she designates.

"Purchase Order" means a City of Houston Purchase Order issued to Contractor to purchase Taser Devices, Taser Accessories and Taser Supplies under the terms of this Agreement. The terms and conditions of this Agreement shall control in the event of a conflict between the terms and conditions of the Purchase Order and this Agreement.

"Taser Accessories" mean devices used in law enforcement that meet the specifications detailed in Section III, A below and any later models supplied by Contractor at the time City places orders for Taser Devices.

"Taser Supplies" mean the Taser 21' Single Shot Air Cartridge, the Taser 15' Single Shot Air Cartridge and Taser – Extended Digital Power Magazine XDPM.

III. DUTIES OF CONTRACTOR

A. Scope of Services

Services in General

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision necessary to supply the following:

(i) Taser Devices along with one year Manufacturer-provided free warranty;

(ii) Accessories for Taser Devices with the specifications listed in Exhibit "A;"

(iii) Supplies for Taser Devices with the specifications listed in Exhibit "A;"

(iv) Four-year unlimited extended Manufacturer's warranty on each Taser Device purchased from Contractor effective the day following the expiration of one year of free warranty provided by Manufacturer with each Taser Device; and

Master Instructor Training

(v) Training to HPD officers of the level required for certification as Master Trainer

Instructors. The training courses must include, but not be limited to a: (a) "Review of the history of Taser Devices;" (b) "Electricity and how electricity affects the human body;" (c) "Safety and Handling of Taser Devices;" (d) "Mechanics and Nomenclature of Taser Devices;" and (e) "Programming and retrieval of data from Taser Devices." HPD officers that undergo the training must pass the written exam administered and evaluated by Manufacturer to become certified as Master Trainer Instructors.

Replacement Of X26 Electronic Control Devices No Longer Under Warranty

(vi) Contractor shall replace at a cost of $350 per unit, the City's TASER X26 electronic control devices ("ECD") that are no longer under the manufacturer's warranty and Return Materials Authorization process and are returned by HPD for repair or replacement until December 31, 2015. In return, the City will buy the manufacturer's four-year warranty for each ECD returned to manufacturer for repair or replacement under this Agreement by December 31, 2015.

B. Coordinate Performance

Contractor shall coordinate its performance with the Director and other persons that the Director designates. Contractor shall promptly inform the Director and other person(s) of all significant events relating to the performance of this Agreement.

C. Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, or equipment for the performance of this Agreement. CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS. Contractor shall submit disputes

relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

D. **RELEASE**

CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVENT IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

E. **INDEMNIFICATION**

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

(1) **CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR")**

ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

(2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND

(3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT. CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO $500,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

F. <u>INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT</u>

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET.

CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.

WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

G. INDEMNIFICATION - SUBCONTRACTOR'S INDEMNITY

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

H. INDEMNIFICATION - PROCEDURES

(1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

(a) a description of the indemnification event in reasonable detail,

(b) the basis on which indemnification may be due, and

(c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

(a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

(b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

I. Insurance

Contractor shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, in duplicate form, before beginning its performance under this Agreement. All policies except Professional Liability and Workers' Compensation must name the City as an additional insured. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide. Contractor shall maintain the following insurance coverages in the following amounts:

(1) Commercial General Liability insurance including Contractual Liability insurance:

- $500,000 per occurrence; $1,000,000 aggregate

(2) Workers' Compensation including Broad Form All States endorsement:

- Statutory amount

(3) Professional Liability (from Manufacturer for the training it provides under this Agreement)

- $1,000,000 per occurrence; $1,000,000 aggregate

(4) Automobile Liability insurance

- $1,000,000 combined single limit

Defense costs are excluded from the face amount of the policy.
Aggregate Limits are per 12-month policy period
unless otherwise indicated.

All insurance polices must require on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against the City. Contractor shall give 30 days' written notice to the Director if any of its insurance policies are cancelled, materially changed or non-renewed. Within

the 30 day period, Contractor shall provide other suitable policies in lieu of those about to be canceled, materially changed, or nonrenewed so as to maintain in effect the required coverage. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may

(1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or

(2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

J. Warranties

Contractor warrants that it shall perform all work in a good and workmanlike manner, meeting the standards of quality prevailing in Harris County, Texas for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts and goods it furnishes, Contractor warrants:

(1) that all items are free of defects in title, design, material and workmanship,

(2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,

(3) that each replacement item is new or if repaired is in like new condition, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new), and

(4) that no item or its use infringes any patent, copyright, or proprietary right.

K. One Year Free Warranty

(i) Contractor warrants that each Taser Device supplied to the City shall be free from defects in workmanship and materials for a period of one year from the date of the Director's acceptance letter accepting the Taser Devices supplied to City under this Agreement. Contractor agrees to repair or replace defective Taser Devices which fail to function for any reason from the date of the Director's acceptance letter to the date of expiration of Contractor's one year free warranty.

(ii) The City shall follow the procedure set out below to file a warranty claim:

The Director shall first obtain by mail or by calling Contractor's toll free phone number, 1-800-978-2737, a Return Material Authorization ("RMA") number for each Taser Device purchased by the City. Contractor shall provide the Director with 30 days' written notice about the changes in the above phone number.

Contractor shall advise the Director about the parts that should be shipped to Contractor for repairs. The Director shall ship the defective parts with return shipping prepaid along with a written description of the defect to Contractor at the following address:

TASER International, Inc.

17800 N. 85th Street

Scottsdale, Arizona 85255-9603

Attn: Technical Services RMA

The Director shall provide the name of the City Department, address, and phone number along with the written description of the defect to enable Contractor to ship the package back to the City. Contractor shall promptly repair the Taser Device parts and ship the repaired parts to Director at the address provided with the written

description sent by the Director.

L. Four-Year Extended Warranty

Contractor shall provide a "No Questions Asked" Extended Warranty on each Taser Device purchased by the City. Contractor warrants that it will repair or replace any Taser Device which fails to function for any reason during the term of the four-year extended warranty which shall begin the day following the expiration of the one year free warranty. Contractor shall provide each Taser Device purchased by the City with its five-year warranty (one year free warranty plus the four-year extended warranty purchased by the City). Contractor and City shall identify warranties for each Taser Device by its serial number. The Director shall follow the procedure set forth in Section K (ii) above to file warranty claims during the four-year extended warranty period.

M. Post Warranty Repairs

Except for the post-warranty repair and replacement of X26 ECDs as set out in Section III, A (vi) above, after the warranty period, including the four-year extended warranty purchased by the City, Contractor shall repair or replace any defective Taser Devices on a time and materials basis subject to the allocation of funds therefor by the City. This warranty runs only to the initial purchaser who has the responsibility to return the defective Product to Manufacturer via prepaid postage and provide written information as to the nature of the defect together with proof of purchase within the warranty period. Contractor's sole responsibility under this warranty shall be either to repair or replace at Contractor's sole option, any such defective Product and return it via prepaid postage.

N. **WARRANTY EXCLUSIONS**

THE WARRANTY STATED ABOVE IS THE EXCLUSIVE WARRANTY WITH RESPECT TO THE PRODUCT EXCEPT THAT THIS EXCLUSION DOES NOT APPLY

TO THE INDEMNITIES SET OUT IN SECTION III. D, E AND J OF THIS AGREEMENT. CONTRACTOR DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, DESIGN OR FITNESS FOR A PARTICULAR PURPOSE OR ARISING FROM A COURSE OF DEALING, USAGE OR TRADE, PRACTICE, OR ANY WARRANTY AGAINST PATENT INFRINGEMENT. IF THE EXCLUSION OF IMPLIED WARRANTIES IS PROHIBITED BY STATE LAW, THEN ANY APPLICABLE IMPLIED WARRANTIES SHALL BE LIMITED TO THE DURATION OF THE EXPRESS WARRANTY DESCRIBED ABOVE AND OTHER PROVISIONS CONTAINED HEREIN.

O. Limitation of Remedies

Except for the remedies set out in Sections III. D, E and F of this Agreement, the remedies provided for in the above limited warranty are expressly in lieu of any other liability Contractor may have, or remedy purchaser or other party may have, including incidental and consequential damages.

P. Third Party Warranties

With respect to Taser Accessories and Taser Supplies that Contractor furnishes under this Agreement, Contractor agrees to (a) assign to City the respective manufacturer's product warranties as received by Contractor with respect to such Taser Accessories and Taser Supplies effective the date of the Director's acceptance letter accepting such accessories and supplies and (b) assist City in any warranty claims against the manufacturers related to such accessories and supplies pursuant to such warranty terms during the term of this Agreement. The Director shall follow the procedure set out in Section K (ii) of this Agreement to file warranty claims for Taser Accessories and Taser Supplies with Contractor's Warranty Department to enable Contractor to assist the Director with

such warranty claims against the manufacturers.

Q. Confidentiality - Protection of City's Interest

Contractor, its agents, employees, contractors, and subcontractors shall hold all City information, data, and documents (collectively, "the Information") that they receive, or to which they have access, in strictest confidence. Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the Director authorizes it in writing. Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors which bind them to the terms in this Section.

R. Use of Work Products - City May Use All Documents

(1) The City may use all notes, plans, computations, databases, tabulations, exhibits, photographs, reports, underlying data and other work products (collectively, the "Documents") that Contractor prepares or obtains under this Agreement.

(2) Contractor warrants that it owns the copyright to the Documents.

(3) Contractor shall deliver the original Documents to the Director on request. Within five working days after this Agreement terminates, Contractor shall deliver to the Director the original Documents, and all other files and materials Contractor produces or gathers during its performance under this Agreement.

S. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by any statute, ordinance, rule, or regulation. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against his or her license.

T. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations and the City Charter and Code of Ordinances.

U. Compliance with Equal Employment Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

V. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):

(a) a copy of its drug-free workplace policy,

(b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "E," together with a written designation of all safety impact positions and,

(c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "G."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance

Declaration in a form substantially similar to Exhibit "F." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

W. Minority and Women Business Enterprises

It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") have the full opportunity to compete for and participate in City contracts. The objectives of Chapter 15, Article V of the City of Houston Code of Ordinances, relating to City-wide Percentage Goals for contracting with MWBEs, are incorporated into this Agreement.

Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 5% of the value of this Agreement to MWBEs. The City's policy does not require Contractor to in fact meet or exceed this goal, but it does require Contractor to objectively demonstrate that it has made good faith efforts to do so. To this end, Contractor shall maintain records showing

(1) subcontracts and supply agreements with Minority Business Enterprises,

(2) subcontracts and supply agreements with Women's Business Enterprises, and

(3) specific efforts to identify and award subcontracts and supply agreements to MWBEs. Contractor shall submit periodic reports of its efforts under this Section to the Affirmative Action Director in the form and at the times he or

she prescribes.

Contractor shall require written subcontracts with all MWBE subcontractors and suppliers and shall submit all disputes with MWBE subcontractors to binding arbitration in Houston, Texas, if directed to do so by the Affirmative Action Director. All agreements must contain the terms set out in Exhibit "D." If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is $50,000 or less, then the subcontract must also be signed by the attorneys of the respective parties.

X. Pay or Play

The requirements and terms of the City of Houston Pay or Play program, as set out in Executive Order 1-7, are incorporated into this Agreement for all purposes. Contractor has reviewed Executive Order No. 1-7 and shall comply with its terms and conditions as they are set out at the time of City Council approval of this Agreement. Contractor shall complete and submit to the Director Exhibit "H," POP-2 Form prior to the execution of this Agreement.

Y. Delivery of Taser Devices, Taser Accessories and Taser Supplies

Upon receipt of a Purchase Order from the Director, Contractor shall ship the quantities of Taser Devices, Taser Accessories and Taser Supplies set out in the Purchase Order to The Director, Houston Police Department, City of Houston, 1200 Travis, Houston, TX 77000 within 30 days from the date of receipt of the Purchase Order. Contractor's price for Taser Devices, Taser Accessories and Taser Supplies set out in Exhibit "A" includes the cost of shipping the Taser Devices, Taser Accessories and Taser Supplies to City FOB.

IV. DUTIES OF THE CITY

A. Payment Terms

1) City shall pay and Contractor shall accept fees at the unit prices set out in Exhibit "A" for Taser Devices, Taser Accessories and Taser Supplies. The fees must only be paid from Allocated Funds, as provided in Section IV, E below.

2) Contractor's one-year free warranty shall be effective the date the Director completes the physical inspection of Taser Devices to physically verify the Serial Number on the Taser Devices and inspect the supplies and sends Contractor a letter stating that the City has accepted the Taser Devices supplied by Contractor in response to a Purchase Order issued to Contractor by the Director.

   City shall pay Contractor's invoice for the Taser Devices supplied within ten days from the date the Director sends Contractor a letter accepting the Taser Devices as set out above. Contractor shall disallow the two percent discount factored into the prices listed for the City in Exhibit "A" in the event City fails to pay Contractor's invoice within ten days from the date of the Director's acceptance letter.

3) The unit prices set out in Exhibit "A" are valid from the Countersignature Date of the Agreement until December 31, 2011. For Purchase Orders issued on or after January 1, 2012 and for each calendar year after that during the term of this Agreement, the Director and Contractor shall negotiate the unit prices for the period January 1 to December 31st of that year and establish unit prices for that year in an amount not to exceed 5% over the previous year's unit prices.

4) From the date the City issues Contractor a Notice to Proceed letter under this Agreement and up to December 31, 2015, City shall pay and Contractor shall accept a fee of $350.00 for each X26 Electronic Control Device no longer under warranty, that the City returns to Contractor for replacement. Upon manufacturer's

replacement of each X26 Electronic Control Device that was no longer under warranty and was sent in by City for replacement, subject to the allocation of funds as set out in Section IV, E below, City will purchase a four-year extended warranty on each such device at the manufacturer's then list price for such warranty.

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment

City shall issue a City Purchase Order to Contractor for each order of Taser Devices, Taser Accessories, and Taser Supplies or repairs placed with Contractor under this Agreement. The City shall pay Contractor within 30 days of the receipt and approval of invoices for each delivery made by Contractor in response to orders placed by City.

D. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

E. Limit of Appropriation

(1) The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.

(2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of $1,246,084.29 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:

(3) The City makes a Supplemental Allocation by issuing to Contractor a Service Release Order, or similar form approved by the City Controller, containing the language set out below. When necessary, the Supplemental Allocation shall be approved by motion or ordinance of City Council.

NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS

By the signature below, the City Controller certifies that, upon the request of the responsible director, the supplemental sum set out below has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

$ _____

(4) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement, and it has no other remedy in law or in equity against the City and no right to damages of any kind.

V. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Countersignature Date and remains in effect for three years unless sooner terminated under this Agreement (the "Initial Term").

B. Renewals

Upon expiration of the Initial Term, and so long as the City makes sufficient supplemental allocations, this Agreement will be automatically renewed for two successive one-year terms on the same terms and conditions. If the Director or the City chooses not to renew this Agreement, the Director shall notify Contractor of non-renewal at least 30 days before the expiration of the then-current term.

At the end of the second successive one-year term, if the Director extends this Agreement to permit Contractor to complete its performance, then, the Director may in his or her sole discretion extend the time so long as such extension does not exceed 90 days. The 90-day extension of time does not require an amendment of the Agreement and Contractor is not entitled to damages for delay(s) regardless of the cause of such delay(s).

C. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the

termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section IV, A unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM CITY'S TERMINATION FOR CONVENIENCE.

D. Termination for Cause

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

(1) Contractor fails to perform any of its duties under this Agreement;

(2) Contractor becomes insolvent;

(3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or

(4) a receiver or trustee is appointed by Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option,

may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

VI. MISCELLANEOUS

A. Independent Contractor

Contractor is an independent contractor and shall perform the services provided for in this Agreement in that capacity. The City has no control or supervisory powers over the manner or method of Contractor's performance under this Agreement. All personnel Contractor uses or provides are its employees or subcontractors and not the City's employees, agents, or subcontractors for any purpose whatsoever. Contractor is solely responsible for the compensation of its personnel, including but not limited to: the withholding of income, social security, and other payroll taxes and all workers' compensation benefits coverage.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. Force Majeure means: fires,

interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions, war, terrorist acts against the City or Contractor, riots, strikes, court orders, and the acts of superior governmental or military authority, and which the affected party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Force Majeure does not entitle Contractor to extra Reimbursable Expenses or payment.

2. This relief is not applicable unless the affected party does the following:

(a) uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and

(b) provides the other party with prompt written notice of the cause and its anticipated effect.

3. The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.

4. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

5. If the Force Majeure continues for more than 10 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES**

RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

E. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in

a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

H. Captions

Captions contained in this Agreement are for reference only, and therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

I. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

J. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

K. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

L. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

M. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

N. Publicity

Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

O. Risk of Loss

Unless otherwise specified elsewhere in this Agreement, risk of loss or damage for each Product passes from Contractor to the City upon acceptance by the City.

P. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

Q. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

R. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest as described in §9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's prior written consent.

S. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

T. CONTRACTOR DEBT

IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT

CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FROM ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR. CONTRACTOR SHALL FILE A NEW AFFIDAVIT OF OWNERSHIP, USING THE FORM DESIGNATED BY CITY, BETWEEN FEBRUARY 1 AND MARCH 1 OF EVERY YEAR DURING THE TERM OF THIS AGREEMENT.

EXHIBIT "A"

CONTRACTOR'S UNIT PRICES FOR TASER DEVICES, TASER ACCESSORIES AND TASER SUPPLIES

City of Houston Special Taser Pricing

All FOB Shipping Pt. with Net 30 Terms
Prices guaranteed until December 31st, 2011
Subsequent years could be subject to no more than a 5% price increase.

X26 Kit: Laser Sight, Low Intensity Lights, Digital Power Magazine (DPM) Kit without Holster

		Agency Price	Houston Pricing
26511	X26E Black / Silver grip plates without holster	$879.95	$835.95
26523	X26E Yellow / Black grip plates without holster	$879.95	$835.95
26517	X26E Clear / Black grip plates without holster	$879.95	$835.95

X26E Kit: Laser Sight, Low-Intensity Lights, Digital Power Magazine (DPM) Right Hand Blade-Tech Holster

		Agency Price	Houston Pricing
26011	X26E Black / Silver grip plates	$909.95	$864.45
26014	X26E Black / Black grip plates	$909.95	$864.45
26026	X26E Yellow / Silver grip plates	$909.95	$864.45
26023	X26E Yellow / Black grip plates	$909.95	$864.45
26020	X26E Clear / Silver grip plates	$909.95	$864.45
26017	X26E Clear / Black grip plates	$909.95	$864.45

X26E Kit: laser sight, low-intensity lights, Digital Power Magazine (DPM), and left hand Blade-Tech® holster			
		Agency Price	Houston Pricing
26311	X26E Black / Silver grip plates	$909.95	$864.45
26314	X26E Black / Black grip plates	$909.95	$864.45
26326	X26E Yellow / Silver grip plates	$909.95	$864.45
26323	X26E Yellow / Black grip plates	$909.95	$864.45
26320	X26E Clear / Silver grip plates	$909.95	$864.45
26317	X26E Clear / Black grip plates	$909.95	$864.45

X26E Kit: laser sight, low-intensity lights, Extended Digital Power Magazine (XDPM), kit without holster			
		Agency Price	Houston Pricing
26512	X26E Black / Silver grip plates without holster	$884.95	$840.70
26524	X26E Yellow / Black grip plates without holster	$884.95	$840.70
26518	X26E Clear / Black grip plates without holster	$884.95	$840.70

X26E Kit: laser sight, low-intensity lights, Extended Digital Power Magazine (XDPM), and right hand Blade-Tech ® holster			
		Agency Price	Houston Pricing
26012	X26E Black / Silver grip plates	$914.95	$869.20
26015	X26E Black / Black grip plates	$914.95	$869.20
26027	X26E Yellow / Silver grip plates	$914.95	$869.20
26024	X26E Yellow / Black grip plates	$914.95	$869.20
26021	X26E Clear / Silver grip plates	$914.95	$869.20
26018	X26E Clear / Black grip plates	$914.95	$869.20

X26E Kit: laser sight, low-intensity lights, Extended Digital Power Magazine (XDPM), and left hand Blade-Tech ® holster		Agency Price	Houston Pricing
26312	X26E Black / Silver grip plates	$914.95	$869.20
26315	X26E Black / Black grip plates	$914.95	$869.20
26327	X26E Yellow / Silver grip plates	$914.95	$869.20
26324	X26E Yellow / Black grip plates	$914.95	$869.20
26321	X26E Clear / Silver grip plates	$914.95	$869.20
26318	X26E Clear / Black grip plates	$914.95	$869.20

X26E Kit: laser sight, low-intensity lights, BLACKHAWK® Serpa holster options		Agency Price	Houston Pricing
26029	X26E Black / Black grip plates, XDPM and right hand BLACKHAWK® Serpa holster	$914.95	$869.20
26049	X26E Black / Black grip plates, XDPM and left hand BLACKHAWK® Serpa holster	$914.95	$869.20
26082	X26E Black / Silver grip plates, XDPM and right hand BLACKHAWK® Serpa holster	$914.95	$869.20
26083	X26E Black / Silver grip plates, XDPM and left hand BLACKHAWK® Serpa holster	$914.95	$869.20

Digital Power Magazine		Agency Price	Houston Pricing
26700	DPM - Digital Power Magazine -- 195 5-second firings at room temp	$37.95	$36.05
26701	XDPM - Extended Digital Power Magazine -- 195 5-second firings at room temp	$42.95	$40.80

Customer Care Extended Warranty (no battery included)		Agency Price	Houston Pricing
26730	One year extended customer care warranty	$99.95	$94.95
26744	Four year extended customer care warranty	$209.95	$199.45

Controlled Digital Power Magazine		Agency Price	Houston Pricing
26702	CDPM - Controlled Digital Power Magazine - Adds disconnect / deactivate safety feature to X26E	$59.95	$56.95
26703	CDPM Start-Up Kit -- Includes 1 Configure DPM, 1 Deconfigure DPM, 1 CDPM, and Carry case	$199.95	$189.95

Accessories		Agency Price	Houston Pricing
26750	TASER CAM™ Audio/Video Recording for Enhanced Accountability (United States)	$511.95	$486.35
26753	TASER CAM™ (United States) -- **Disabled** Audio Recording	$511.95	$486.35
26737	TASER CAM™ USB Download Kit ***No cost item***	N/C	N/C
85001	X-Rail - Rifle Attachment Clip -- Mounts X26 to Picatinny Rail / For X26E only	$139.95	$132.95
26500	X26E USB Dataport Download Kit (Windows® 98se, NT, 2000, XP compatible)	$169.95	$161.45
80002	Metallic Paper Practice Target (Single Target / Training Use Only)	$7.95	$7.55
85002	M26/X26 Maintenance and Cleaning Kit	$69.95	$66.45
85000	Air Cartridge w/ alligator clips (Training Use Only, for use with either M26 or X26)	$55.00	$52.25
44550	TASER® Simulation Training Suit (For scenario-based training exercises with either M26 or X26)	$550.00	$522.50
80100	Custom Laser Engraving *For M26 and X26 handles (Minimum order quantity of 10)	$7.50	$7.13

Cartridges – For use with M26, X26 and SHOCKWAVE models		Agency Price	Houston Pricing
34200	15ft (4.57m) *Yellow Blast Door / Training Use	$31.95	$30.35
44200	21ft (6.4m) *Silver Blast Door / Field Use	$33.95	$32.25
44203	25ft (7.62m) XP (Extra Penetration) *Green Blast Door / Field Use	$36.95	$35.10
44206	35ft (10.67m) XP (Extra Penetration) *Non-Reversible / Orange Blast Door /TacticalField Use	$42.95	$40.80
44205	21ft (6.4m) Non-Conductive Simulation *Blue/Blue Blast Door / Training Use	$32.97	$31.32

Holsters		Agency Price	Houston Pricing
44952	Blade-Tech® Short Hood with Thumb Break and Tek-Lok® Holster – Right hand	$59.95	$56.95
44953	Blade-Tech® Short Hood with Thumb Break and Tek-Lok® Holster – Left hand	$59.95	$56.95
44970	BLACKHAWK® Serpa holster – Right hand	$59.95	$56.95
44971	BLACKHAWK® Serpa holster – Left hand	$59.95	$56.95

Advanced TASER® M26 w/ integrated laser sight, dataport download capability, color kit			
		Agency Price	Houston Pricing
44000	Advanced TASER® M26 Black / Yellow labels	$599.95	$569.95
44005	Advanced TASER® M26 Yellow / Black labels	$599.95	$569.95

Holsters		Agency Price	Houston Pricing
44830	Ballistic Nylon Thigh Holster *Right Hand	$49.95	$47.45
44835	Ballistic Nylon Thigh Holster *Left Hand	$49.95	$47.45
44838	Ballistic Nylon Thigh Holster w/ Hood *Right Hand	$59.95	$56.95
44839	Ballistic Nylon Thigh Holster w/ Hood *Left Hand	$59.95	$56.95
44831	Ballistic Nylon Thigh Holster Belt Clip Only	$7.00	$6.65
44852	Blade-Tech® Paddle Holster *Right Hand	$84.95	$80.70
44871	Blade-Tech® Paddle Holster *Left Hand	$84.95	$80.70
44853	Blade-Tech® Paddle Holster w/ Thumb Break *Right Hand	$99.95	$94.95
44872	Blade-Tech® Paddle Holster w/ Thumb Break *Left Hand	$99.95	$94.95
44854	Blade-Tech® Tek-Lok® Holster *Right Hand	$84.95	$80.70
44874	Blade-Tech® Tek-Lok® Holster *Left Hand	$84.95	$80.70
44855	Blade-Tech® Tek-Lok® Holster w/ Thumb Break *Right Hand	$99.95	$94.95
44875	Blade-Tech® Tek-Lok® Holster w/ Thumb Break *Left Hand	$99.95	$94.95
44856	Blade-Tech® Thigh Holster w/ Thumb Break and Dual Cartridge Holder *Right Hand	$129.95	$123.45
44878	Blade-Tech® Thigh Holster w/ Thumb Break and Dual Cartridge Holder *Left Hand	$129.95	$123.45
44877	Blade-Tech® Thigh Holster w/ Hood and Dual Cartridge Holder *Right Hand	$139.95	$132.95
44876	Blade-Tech® Thigh Holster w/ Hood and Dual Cartridge Holder *Left Hand	$139.95	$132.95
44931	Blade-Tech® Tek-Lok® Holster w/ Hood *Right Hand	$109.95	$104.45
44930	Blade-Tech® Tek-Lok® Holster w/ Hood *Left Hand	$109.95	$104.45
44942	Blade-Tech® Holster w/ Thumb Break, 3" Belt Attachment Clip, Single Cartridge Pouch *Right Hand	$109.95	$104.45

44943	Blade-Tech® Holster w/ Thumb Break, 3" Belt Attachment Clip, Single Cartridge Pouch *Left Hand	$109.95	$104.45
44944	Blade-Tech® Tek-Lok® Holster w/ Thumb Break and Dual Cartridge Pouch *Right Hand	$119.95	$113.95
44945	Blade-Tech® Tek-Lok® Holster w/ Thumb Break and Dual Cartridge Pouch *Left Hand	$119.95	$113.95
44946	Blade-Tech® Holster w/ Thumb Break, 3" Belt Attachment Clip, Dual Cartridge Pouch *Right Hand	$119.95	$113.95
44947	Blade-Tech® Holster w/ Thumb Break, 3" Belt Attachment Clip, Dual Cartridge Pouch *Left Hand	$119.95	$113.95
44948	Blade-Tech® Paddle Holster w/ Thumb Break and Single Cartridge Pouch *Right Hand	$109.95	$104.45
44949	Blade-Tech® Paddle Holster w/ Thumb Break and Single Cartridge Pouch *Left Hand	$109.95	$104.45
44956	Blade-Tech® Paddle Holster w/ Thumb Break and Dual Cartridge Pouch *Right Hand	$119.95	$113.95
44957	Blade-Tech® Paddle Holster w/ Thumb Break and Dual Cartridge Pouch *Left Hand	$119.95	$113.95
44958	Blade-Tech® Holster w/ Thumb Break and 3" Belt Attachment Clip *Right Hand	$99.95	$94.95
44959	Blade-Tech® Holster w/ Thumb Break and 3" Belt Attachment Clip *Left Hand	$99.95	$94.95
44960	Blade-Tech® Tek-Lok® Holster w/ Thumb Break and Single Cartridge Pouch *Right Hand	$109.95	$104.45
44961	Blade-Tech® Tek-Lok® Holster w/ Thumb Break and Single Cartridge Pouch *Left Hand	$109.95	$104.45
44933	Blade-Tech® Single Cartridge Pouch Attachment (Mounts to Blade-Tech® Holsters)	$29.95	$28.45
44934	Blade-Tech® Single Cartridge Pouch w/ Tek-Lok® Belt Attachment Clip	$29.95	$28.45
44935	Blade-Tech® Dual Cartridge Pouch w/ Tek-Lok® Belt Attachment Clip	$39.95	$37.95
26899	Tek-Lok® Belt Attachment Clip	$11.95	$11.35
44932	Blade-Tech® 3" Belt Attachment Clip	$11.95	$11.35

NiMH Batteries and Advanced TASER® Battery Charger		Agency Price	Houston Pricing
44700	8 - NiMH Batteries w/ Magazine	$34.95	$33.20
40403	NiMH Battery - Single Battery	$3.99	$3.79
44710	NiMH Battery Charger	$79.95	$75.95
44705	NiMH Battery Charger and 8 - NiMH Batteries w/ Magazine	$99.95	$94.95

Extended Warranty		Agency Price	Houston Pricing
44018	4 Year Extended Customer Warranty *_*Must purchase at the time of initial M26 purchase***	$60.00	$57.00

Accessories		Agency Price	Houston Pricing
44860	Secondary Cartridge Clip (Holds 1 cartridge on base of M26 handle)	$29.95	$28.45
44500	M26 Dataport Download Kit (Windows® 98se, NT, 2000, XP compatible)	$169.95	$161.45
44900	Secure Kevlar Storage Case	$211.97	$201.37

2009 Law Enforcement Pricing – X3

X3 kit: Integrated Dual Laser Sight, low-intensity lights, Tacom Digital Power Magazine (DPM), and ambidextrous holster			
		Agency Price	Houston Pricing
33200	X3 Carbon/Black w/ Magnesium Transporter holster *Universal Holster (right or left handed)	$1,799.95	$1,709.95
33201	X3 Yellow/Black w/ Magnesium Transporter holster *Universal Holster (right or left handed)	$1,799.95	$1,709.95

X3 Ambidextrous Holster		Agency Price	Houston Pricing
33204	X3® Magnesium Transporter Holster *Universal Holster (right or left handed)	$59.95	$56.95

X3 Enhanced Digital Power Magazine		Agency Price	Houston Pricing
33203	X3 Enhanced Digital Power Magazine (DPM)	$69.95	$66.45

Customer Care Extended Warranty (no battery included)		Agency Price	Houston Pricing
33501	Three year extended warranty service program	$449.95	$427.45

X3 Air Cartridges		Agency Price	Houston Pricing
33100	15ft (4.7M) - YELLOW Smart Cartridge/ *Training Use*	$33.95	$32.25
33101	25ft (7.62M) - GREEN Smart Cartridge / Field Use	$35.95	$34.15
33102	25ft (7.62M) - BLUE Smart Cartridge / *Training Use*	$34.95	$33.20
33103	35ft (10.67M) - ORANGE Smart Cartridge / Field Use	$44.95	$42.70
33104	35ft (10.67M) - BLUE Smart Cartridge / *Training Use*	$42.95	$40.80

2009 Law Enforcement Pricing - TASER® XREP and TASER® X12

	TASER® XREP	Agency Price	Houston Pricing
50002	TASER XREP Live Round 5 Pack *not sold individually*	$749.95	$712.45
50005	TASER XREP Training Round 5 Pack *not sold individually*	$99.95	$94.95
	TASER® X12	**Agency Price**	**Houston Pricing**
50024	TASER X12 Less-Lethal Shotgun by Mossberg	$599.95	$569.95

2009 Law Enforcement Pricing – SHOCKWAVE®

		Agency Price	Houston Pricing
90012	TASER Shockwave 1 - Up Kit - includes AC Adapter, 1- 50 Meter cable, 1- control box	$2,495.00	$2,370.25
90011	TASER Shockwave 3 - Up Kit -TACTICAL - Includes three TASER Shockwave devices, one 50-meter cable, one .6-meter cable, two .2-meter cables, one control box, one rack mount case, one AC Adapter.	$5,995.00	$5,695.25
90013	TASER Shockwave 3 - Up Kit- Mobile (we are still working on this model) – This will include three TASER Shockwave devices, one 50-meter cable, one .6-meter cable, two .2-meter cables, one control box, one clam shell case, one AC Adapter	$5,995.95	$5,696.15
90010	TASER Shockwave 6 - Up Kit - Includes six TASER Shockwave devices, one 50-meter cable, one 10-meter cables, two .6-meter cables, four .2 meter cables, one control box, one six-pack case, one AC adapter.	$9,995.00	$9,495.25
90002	50 M Cable	$100.00	$95.00
90003	10 M Cable	$69.00	$65.55
90004	.6 M Cable	$55.00	$52.25

90008	.2 M Cable	$45.00	$42.75
90001	Control Box	$199.00	$189.05
90005	Cable AC Adapter	$65.00	$61.75
90007	SHOCKWAVE Power Magazine SPM Battery	$149.95	$142.45

EXHIBIT "B"
EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.

2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.

3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.

5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.

7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

EXHIBIT "C"

MWBE SUBCONTRACT TERMS

Engineer shall insure that all subcontracts with MWBE subcontractors and suppliers are clearly labeled "**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT**" and contain the following terms:

1. _____ (MWBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Affirmative Action Director ("the Director").

2. _____ (MWBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform (1) audits of subcontractor's books and records, and (2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for inspection for at least 4 years after the end of its performance under this subcontract. Nothing in this provision shall change the time for bringing a cause of action.

3. Within 5 business days of execution of this subcontract, Engineer (prime engineer) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of such agent.

4. As concluded by the parties to this subcontract, and as evidenced by their signature hereto, any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this subcontract shall, on the written request of one party served upon the other or upon notice by Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 -- "the Act"). Arbitration shall be conducted according to the following procedures:

a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within thirty (30) days or the matter may be referred to arbitration.

b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with American Arbitration Association on file in the Office of the City's Affirmative Action Division.

c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.

d. If the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures as necessary to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

e. All arbitrations shall be conducted in Houston, Texas unless the parties agree to another location in writing.

EXHIBIT "D"

DRUG POLICY COMPLIANCE AGREEMENT

I, Clint Welch Sales Manager as an owner or officer of
Name) (Print/Type) **(Title)**

GT Distributors Inc. (Contractor)

(Name of Company)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed.

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).

2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.

3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.

4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

January 8, 2010
Date

Contractor Name GT Distributors, Inc.

Signature

Title Sales Manager

EXHIBIT "E"

DRUG POLICY COMPLIANCE DECLARATION

I, Clint Welch (Name) (Print/Type) Sales Manager (Title) as an owner or officer of

GT Distributors, Inc. (Contractor)

(Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding six months from N/A to N/A 20 ____

CW Initials A written Drug Free Workplace Policy has been implemented and employees notified. The policy meets the the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

N/A Initials Written drug testing procedures have been implemented in conformity with the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order 1-31. Employees have been notified of such procedures.

N/A Initials Collection/testing has been conducted in compliance with federal Health and Human Services (HHS) guidelines.

CW Initials Appropriate safety impact positions have been designated for employee positions performing on the City of Houston contract. The number of total employees on safety impact positions during this reporting period is All

CW Initial From N/A (start date) to N/A (end date) the following testing has occurred:

*We have never had suspicion or probable cause to require a "random," "suspicion" or "accidental" drug testing.

	Random	Reasonable Suspicion	Post Accident	Total
Number of Employees Tested	0	0	0	0
Number of Employees Positive	0	0	0	0
Percent Employees Positive	0	0	0	0

CW Initials Any employee who tested positive was immediately removed from the City worksite consistent with the Mayor's Policy and Executive Order No. 1-31.

CW Initials I affirm that falsification or failure to submit this declaration timely in accordance with established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

January 8, 2010
Date

Contractor Name GT Distributors, Inc.

Signature

Title Sales Manager

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EXHIBIT "F"

Contractor's Certification of No Safety Impact Positions In Performance of a City Contract

I, Clint Welch (Name) (Print/Type) Sales Manager (Title) as an owner or officer of GT Distributors, Inc. (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

January 8, 2010
Date

Contractor Name: GT Distributors, Inc.

Signature:

Title: Sales Manager

ATTACHMENT D

CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES FOR CONTRACTORS

I, N/A (Name) (Print/Type) (Title) as an owner or officer of N/A (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer than fifteen (15) employees during any 20-week period during a calendar year and also certify that Contractor has no employee safety impact positions as defined in 5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Safety impact position means a Contractor's employment position involving job duties that if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent threat to the personal health or safety of the employee, co-workers, and/or the public.

January 8, 2010
Date

Contractor Name: GT Distributors, Inc.

Signature:

Title: Sales Manager

EXHIBIT "G"

CITY OF HOUSTON
STANDARD SPECIFICATION
FORM POP 2 (DOCUMENT 00630)

AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE
CERTIFICATION BY BIDDER
EFFECTIVE 7.1.07

CERTIFICATION OF AGREEMENT TO COMPLY WITH PAY OR PLAY PROGRAM

Contractor Name: GT Distributors, Inc. (Contractor/Subcontractor) $ 4,452,310.25 (Amount of Contract)

Contractor Address: 2545 Brockton Drive, Suite 100, Austin, Texas 78758-4411

Project No.: [GFS/CIP/AIP/File No.] L23515

Project Name: [Legal Project Name] Taser Services for the Houston Police Department

In accordance with the City of Houston Pay or Play Program authorized by Ordinance 2007-534, Contractor agrees to abide by the terms of this Program. This certification is required of all contractors for contracts subject to the program. You must agree EITHER to PAY or to PLAY for each covered employee, including those of subcontractors subject to the program.

[ ] Yes [✓] No Contractor agrees to Pay $1.00 per hour for work performed by covered employees, including compliance for covered subcontractors' employees and contract labor, under the contract with the City.

[✓] Yes [ ] No Contractor agrees to offer health benefits to each covered employee, including compliance by the covered subcontractors that meet or exceed the following criteria:
(1) the employer will contribute no less than $150 per employee per month toward the total premium cost; and
(2) the employee contribution, if any amount, will be no greater than 50% of the total premium cost.

[ ] Yes [✓] No Contractor agrees to pay on behalf of some covered employees and contract labor and play on behalf of other covered employees, in accordance with program requirements, including subcontractors' employees, if applicable.

[ ] Yes [✓] No If contract labor is utilized the Contractor agrees to report hours worked by the contract laborer and Pay $1.00 per hour for work performed.

[✓] Yes [ ] No Contractor will comply with all provisions of the Pay or Play Program and will furnish all information and reports requested to determine compliance with program provisions.

[ ] Yes [✓] No For Prime Contractors Only: Contractor will file compliance reports with the City, which will include activity for subcontractors subject to the program, in the form and to the extent requested by the administering department or the Affirmative Action and Contract Compliance Office. Compliance reports shall contain information including, but not limited to, documentation showing employee health coverage and employee work records.

Following Information is Mandatory	Prime Contractor	Sub-Contractor
Total No. Of Employees on City Job	0	0
No. Of Employees-"Playing"	ALL	0
No. Of Employees –"Paying"	0	0
No. Of Employees "Exempt"	0	0

I hereby certify that the above information is true and correct.

CONTRACTOR (Signature)

June 18, 2010
DATE

William J. Orr, Jr., President
NAME AND TITLE (Print or type)