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04-1082

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

I. PARTIES

A. Address

THIS AGREEMENT FOR IMPLEMENTATION OF THE PROPworks® REVENUE AND LEASE MANAGEMENT SYSTEM FOR THE HOUSTON AIRPORT SYSTEM ("Agreement") is made by and between the **CITY OF HOUSTON, TEXAS** ("City"), a municipal corporation, and **AIR-TRANSPORT IT SERVICES, INC.** ("Contractor"), a Delaware corporation doing business in Texas.

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

City	Contractor
Director, Houston Airport System or City Purchasing Agent City of Houston P.O. Box 60106 Houston, Texas 77205-01061	Air-Transport IT Services, Inc. 6675 Westwood Blvd, Ste. 210 Orlando, Fl 32821 Attn: Tom Strange, Executive Vice-President

The parties agree as follows:

B. Table of Contents

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C. Parts Incorporated

The above-described Exhibits are incorporated into this Agreement.

D. Controlling Parts

In the event that the terms of any Exhibit mutually agreed upon by the parties and made a part of this Agreement conflict or are inconsistent with the terms of the body of this Agreement, the terms of the body of this Agreement shall govern as to the subject matter contained herein to the extent necessary to resolve such conflict or inconsistency and the terms of such Exhibit shall continue to govern with respect to the remaining terms of such Exhibit.

E. Signatures

This Agreement may be executed in any number of counterpart signature pages each of which shall be deemed an original and all of which when attached to the Agreement shall be deemed one and the same signature page.

ATTEST/SEAL:

By:
Name:
Title:

AIR-TRANSPORT IT SERVICES, INC.

By:
Name: BETROS WOKIM
Title: CEO
Tax Identification No. 36 444 5196

ATTEST/SEAL:

City Secretary

CITY OF HOUSTON, TEXAS
Signed by:

Bill White
Mayor

APPROVED:

City Purchasing Agent

COUNTERSIGNED BY:

Annette G. Goldberg
City Controller

APPROVED AS TO FORM:

Assistant City Attorney
L.D. File No. 004-0300202-001

DATE COUNTERSIGNED:

OCTOBER 29, 2004

II. DUTIES OF CONTRACTOR

A. Scope of Services

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision necessary to implement the System for the Houston Airport System as described in this Agreement and the Exhibits attached hereto (such implementation, the "Project"). Specifically, Contractor shall perform the services described in the Statement of Work attached hereto as Exhibit "B" within the timeframes identified in the Project Work Plan attached hereto as Exhibit "E". The Director and the Contractor may mutually agree to revise the time frames for Milestone completion contained in the Project Work Plan as appropriate over the course of the Project. Contractor shall not initiate services under this Agreement until it receives a written notice to proceed from the Director.

B. Coordination of Performance; Project Personnel

Each party shall cooperate fully with the other as necessary to implement the Project and shall disclose such information to each other as may be required or necessary to implement the Project. The parties agree that joint planning and experienced personnel are critical factors for successful completion of the Project.

City shall provide sufficient, qualified personnel to perform City's obligations hereunder. The Statement of Work shall designate the City project manager ("City Project Manager") for the Project. The City Project Manager shall act as a liaison between City and Contractor for all matters related to this Agreement and shall have overall responsibility for ensuring City's performance of its responsibilities and obligations as set forth in this Agreement.

Contractor shall provide sufficient personnel to perform its obligations under this Agreement. The Statement of Work shall designate the Contractor project manager ("Contractor Project Manager") for the Project, who shall act as a liaison between City and Contractor, coordinate Contractor resources, coordinate Contractor personnel and have overall responsibility for meeting Contractor's responsibilities and obligations.

C. Status Meetings and Reports

On the dates and at the locations specified in the Statement of Work, the City Project Manager, the Contractor Project Manager, other appropriate representatives of the parties, and any necessary third parties shall meet at a Contractor-designated site or by telephone conference, as determined by Contractor, to discuss the status of the Project, the development or implementation of any individual tasks within the Project and any difficulties or issues that may exist, including personnel issues and any proposed changes

to any Milestones and/or changes to any date or other item set forth in the Statement of Work or Project Work Plan.

D. Changes and Cancellations

(1) Changes in Deliverables and Services.

(a) If either party believes that a change in the Project (whether in Milestones or other time frames, costs, or Deliverables) is necessary or desirable, such party shall submit a written change request to the other (a "Change Request"). Contractor represents to City that it has factored into Contractor's fee adequate contingencies for *de minimis* change orders. Accordingly, if Change Requests are made, they will be presumed not to impact the fees under this Agreement; provided, however, that if the Change Request consists of other than a *de minimis* deviation from the scope of the Project, Contractor shall provide City with written notification of such other deviation within ten (10) business days after receipt of the Change Request. If agreed to by City, a change in the fee shall be made. In the event of a City-initiated Change Request, within ten (10) business days of Contractor's receipt of such Change Request, Contractor shall provide to City a written statement describing in detail: (a) the impact on System performance, if any, and the modifications to the System that will be required as a result of the Change Request including, without limitation, changes in Software, Third Party Software, Hardware, if any, and corresponding services; (b) the effect of the Change Request on the Project Work Plan and Statement of Work, including any impact on any Milestone dates; and (c) an estimate of the cost to implement the Change Request. If Contractor submits a Change Request to City, such Change Request shall include the information set forth in items (a), (b), and (c) above. A party shall accept or reject any Change Request submitted by the other party within five (5) business days after receipt of same from the other party, unless the parties otherwise agree in writing. Upon such time as the parties agree upon the terms of any Change Request, Contractor will issue a change order to be signed by each party reflecting the agreed upon terms ("Change Order") which shall become part of this Agreement. If a party rejects the other party's Change Request, Contractor shall proceed to fulfill its obligations under this Agreement as though no Change Request had been made.

(b) The total charges for additions to this Agreement must never exceed 25% of the original contract amount unless:

(i) the additions are exempt from the competitive bidding or proposal requirements, set forth in Tex. Local Govt. Code Chapter 252; or

(ii) the City acquires the additions from Contractor through a competitive bid or competitive proposal.

(2) Cancellation.

(a) The Director may cancel Contractor's provision of any work described herein by giving 30 days written notice to Contractor (a "Cancellation Notice").

(b) On receiving the Cancellation Notice, Contractor shall, unless the Cancellation Notice directs otherwise, immediately discontinue its provision of all work identified in such Cancellation Notice and, to the extent it is able, cancel all existing orders and subcontracts that are chargeable to such work. As soon as practicable after receiving the Cancellation Notice, Contractor shall submit an invoice showing in detail the canceled work performed up to the cancellation date. The City shall then pay Contractor the fees associated with such work, but not already paid for by the City, in the same manner as prescribed in Section III, unless the fees exceed the Allocated Funds remaining under this Agreement.

(c) CANCELLATION OF WORK, AND RECEIPT OF PAYMENT FOR SUCH WORK, ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S CANCELLATION, 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 THE CITY'S CANCELLATION OF WORK HEREUNDER.

E. Approval of Individual Milestones

Contractor must successfully complete all Milestones set forth in Exhibit "E". Major Milestones identified in Exhibit "E" have a completion date and an associated fee as set forth in Exhibit "O". For each Milestone that requires testing in accordance with the Statement of Work or Project Work Plan, the testing

must be successfully completed within the completion date established for the Milestone. Payment for each Milestone is contingent on the Director's Approval of the Milestone.

Upon completion of a particular Milestone, Contractor shall submit an approval form, in the form set out in Exhibit "M" (the "Approval Form"), to the Director for her Approval. Each Milestone shall be complete when the Director grants her Approval, as indicated by the Director executing an Approval Form. The Director shall not unreasonably withhold or delay Approval of a successfully completed Milestone. Upon the Director's Approval of a Milestone, Contractor shall invoice the City for the completed Milestone. The City shall pay Contractor for each completed Milestone within thirty (30) calendar days of the Director's receipt of an invoice for such completed Milestone.

As time is of the essence of this Agreement, the parties acknowledge and agree that if Contractor fails to perform any Milestone on time, and such failure is not caused in any part by the action or inaction of the City, the Director, or its agents or representatives, the City will suffer harm, although actual damages from that harm are difficult to estimate. If the Contractor is not able to complete a Milestone by the completion date specified in Exhibit "E", such failure is not caused in any part by the action or inaction of the City, the Director, or its agents or representatives, and such time for completion is not otherwise extended as provided herein, then the Director may, in her sole discretion, reduce the Milestone payment amount according to the schedule below. The parties acknowledge and agree that said reduction amount is a reasonable forecast of just compensation for the harm to the City, shall serve as liquidated damages under this Agreement, and as such serve as the City's sole and exclusive remedy in the event of any delay in the Project. The Director, in exercising her discretion hereunder, shall act in good faith and shall consider mitigating circumstances in determining whether or not to reduce the Milestone payment. Failure to complete major Milestone 7 within the applicable timeframe shall not trigger the aforementioned payment reduction provided that the completion does not adversely affect the completion date of Milestone 24 as set forth in the Project Work Plan.

Number of Calendar Days that Actual Completion Extends Beyond Due Date	Potential Milestone Payment Reduction
0-15	Up to 0%
16-30	Up to 10%
31 and beyond	Up to 15%

The Milestone completion dates may be extended, but not reduced, by the Director at her sole discretion. To the extent that a delay in the successful completion of a Milestone results in slippage in the completion dates of successor Milestones, as displayed in Exhibit "E", an extension of the remaining Milestone completion dates may be jointly agreed to by the Director and Contractor and the Project Work Plan may be amended accordingly. Upon Final Acceptance, the interim reduction of any Milestone payments under this provision shall be restored and Contractor's account fully credited if Final Acceptance of the Project occurs no later than the completion date of Milestone 92 as set forth in the Project Work Plan.

(1) Test Plan

Contractor shall be responsible for testing the System in accordance with the test plan(s) identified in the Statement of Work ("Test Plan"), which Test Plan will incorporate testing methodologies to confirm that the System, and each of its elements, operates in substantial accordance with its corresponding Documentation and the requirements set forth in Exhibit "L". Approval of any Milestone requiring the delivery of System components shall be contingent upon successful testing of same, as applicable. During the testing, the Director may request, and Contractor shall provide, as defined in Exhibit "B", on-site assistance of Contractor personnel. Other support of Contractor during the testing, including telephone support, shall be provided as described in Exhibit "B." The testing shall be performed so as to determine: (i) whether the System, and its components, as the case may be, substantially conforms to and performs in accordance with Exhibit "L" and the Documentation as relative to the particular Milestone; (ii) whether the components of the System associated with the particular Milestone operate with a variety of test data without any substantial failures; and (iii) that the Documentation associated with the components of the System corresponding to the particular Milestone is of sufficient detail so as to properly describe each feature and function of the corresponding component.

(2) Non-Approval and Subsequent Test Periods

Testing for the System and its various components shall commence and take place on the various dates specified in the Statement of Work relative to the components of the System to be tested for the applicable Milestone. If any Defects are discovered during the testing process, the Director shall notify Contractor in writing of same, and Contractor shall use commercially reasonable efforts to correct such Defects. Upon such time that Contractor notifies the Director that the aforementioned Defects have been corrected, the parties shall thereafter have fourteen (14) calendar days to run a second series of testing on the applicable components of the System. In the event Defects are discovered during the second round of

testing and Contractor fails to correct such Defects within a commercially reasonable period of time following receipt from the Director of written notice thereof, the Director, at her option, shall be entitled to either allow Contractor to continue to correct any Defects or, provided City has fulfilled its obligations hereunder, to terminate this Agreement for cause in accordance with Article IV, Section D, of this Agreement.

The above time periods are subject to change, as jointly agreed to by the Director and Contractor in writing during the course of the Project.

F. Final Acceptance of System

Final Acceptance of the System by the City will occur upon completion of Milestone 92 and Approved by the Director, the System has been finally tested and the System performs in substantial accordance with its Documentation and the requirements set forth in Exhibit "L".

Contractor, with the aid of the City, shall initiate Final Acceptance testing following successful completion of Milestone 92. During Final Acceptance testing, the City shall have the right to use the System with live data. Final Acceptance testing shall be completed within an initial period of thirty (30) calendar days following initiation of the same.

Following completion of the initial Final Acceptance testing period, the Director shall notify Contractor in writing of all Defects disclosed by the Final Acceptance test, if any, and Contractor shall use thereafter use commercially reasonable efforts to correct such Defects. Upon such time as Contractor notifies the Director that the aforementioned Defects have been corrected, the parties shall thereafter have an additional period to be mutually determined in good faith by the Contractor and the Director to re-conduct the Final Acceptance test. In the event of a second non-acceptance, Contractor shall, within a commercially reasonable period of time following notice of such non-acceptance, correct any Defects discovered. Failure of the System to thereafter complete the Final Acceptance tests without the occurrence of Defects shall entitle the Director, at her option, to determine in her sole discretion to allow the Contractor to continue to correct any Defects and retest the System or, provided City has fulfilled its obligations hereunder, to terminate this Agreement in accordance with Article IV, Section D, of this Agreement.

Contractor shall provide all final documentation, set forth in Exhibit "B", to verify each stage of acceptance and testing.

G. Invoicing

Contractor shall submit its invoices on forms approved in advance by the Director. Each invoice must be accompanied by support documents as may be requested by the Director. Each invoice Contractor submits must be in duplicate and each copy must include required support documents. Each invoice must be identified by the Contract name and Contractor number. All invoices are to be delivered or mailed to the following location:

The City of Houston
Houston Airport System
Accounts Payable Section
P.O. Box 60106
Houston, Texas 77205-0106

H. Indemnification - General

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "INDEMNIFIED PARTIES") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR PERSONAL INJURY, INCLUDING DEATH, AND TANGIBLE PROPERTY DAMAGE ARISING OUT OF CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', OR SUBCONTRACTORS' NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE INDEMNIFIED PARTIES HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR THE SHORTER OF FOUR YEARS AFTER THE AGREEMENT TERMINATES OR THE LIMITATIONS PERIOD APPLICABLE TO THE UNDERLYING ACTION GIVING RISE TO THE INDEMNIFICATION OBLIGATION.

I. Indemnification - Patent, Copyright, Trademark, And Trade Secret Infringement

Contractor shall indemnify, defend and hold the Indemnified Parties harmless from and against any claim asserted or any claim, suit, or proceeding brought against City alleging that the Software or City's use of the Software constitutes a misappropriation or infringement upon any United States patent, trademark, copyright, trade secret, or other intellectual property or proprietary right of any Third Party. Contractor shall defend against, and hold the Indemnified Parties harmless from, any such claims and pay all litigation costs, all reasonable attorneys' fees, settlement payments and any and all damages awarded or

resulting from any such claim; provided, however, that after receiving notice thereof, City shall promptly advise Contractor of any such claim, suit, or proceeding. If the Software or any part thereof is held to infringe upon any United States patent, trademark, copyright, trade secret, or other intellectual property or proprietary right of any Third Party and City's use of such Software, or any part thereof, is enjoined or interfered with in any manner, at its option and sole expense, within thirty (30) calendar days of such injunction or interference, Contractor shall either: (a) procure for City the right to continue using such Software free of any liability for infringement or violation; (b) replace or modify such Software with a non-infringing system or product of equivalent or better functionality that is reasonably satisfactory to City; or (c) in the event Contractor is unable, after exercising commercially reasonable efforts to implement one of the options set forth in subsection (a) or (b) above, accept return of the Software at Contractor's sole cost and expense and refund to City an amount equal to the amounts paid by City to Contractor for the Software hereunder depreciated over the following term and in the following amounts (commencing upon Final Acceptance of the Project):

Year(s)	Percentage of Depreciation	Percentage of Refund
1	0%	100%
2	0%	100%
3	25%	75%
4	50%	50%
5	75%	25%
6	100%	0%

J. [Reserved]

K. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

(1) Risks and Limits of Liability. Contractor shall maintain the following coverages and limits of liability:

(Coverage)	(Limit of Liability)
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident $500,000 (each accident) Bodily Injury by Disease $500,000 (policy limit) Bodily Injury by Disease $500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of $500,000 each Occurrence and $1,000,000 aggregate

Automobile Liability Insurance (for vehicles Contractor uses in performing under this Agreement, including Employer's Non-Owned and Hired Auto Coverage)	$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.

(2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.

(3) Issuers of Policies. 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.

(4) Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.

(5) Deductibles. Contractor shall be responsible for and pay any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.

(6) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

(7) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees.

(8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.

(9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.

(10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than $500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.

(11) Proof of Insurance.

(a) Within the 30 days immediately following the Countersignature Date and at any time during the term of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

(b) Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. 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.

The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

L. Personnel of the Contractor

City shall have the right to require Contractor to replace any Contractor personnel whom City deems to be unfit or otherwise unsatisfactory to perform Contractor's duties hereunder. Without limiting

the foregoing, during the seventy-two (72) hour period immediately following City's notice to Contractor of such request for replacement, designated representatives from each party shall meet to discuss the request and any alternative solutions. Race, gender, age, religion, national origin and other legally discriminatory characteristics shall not be valid grounds for any such request by City.

M. Liability for Loss or Corruption of Data

If as a result of Contractor's performance under this Agreement, any City data in the System is lost or corrupted, Contractor shall use commercially reasonable efforts to restore such System data to its previous uncorrupted state, provided that the City has maintained sufficient back-up measures to enable Contractor to restore such data in such a fashion.

N. Confidentiality

(a) For the purposes of this Agreement, the following terms shall have the following meanings ascribed to them: (i) "Trade Secrets" shall mean information related to the business of the disclosing party that derives economic value, actual or potential, from not being generally known to or readily ascertainable by other persons who can obtain economic value from its disclosure or use and is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy; (ii) "Confidential Information" shall mean any and all proprietary or otherwise confidential business information of a party that does not constitute a Trade Secret; and (iii) "Protected Information" shall mean, collectively, the Confidential Information and the Trade Secrets.

(b) The parties acknowledge that their personnel may gain access to Protected Information of the other party. Each party shall use the same care to prevent disclosing to third parties the Protected Information of the other party as it employs to avoid disclosure, publication, or dissemination of its own information of a similar nature, but in no event less than a reasonable standard of care. Furthermore, except as contemplated by this Agreement, neither party shall: (i) make any use of the other party's Protected Information except to perform its obligations under this Agreement; (ii) acquire any right in or assert or permit any lien against the other party's Protected Information; or (iii) refuse to promptly return, provide a copy of, or destroy the other party's Protected Information upon request of the other party. The receiving party shall immediately notify the disclosing party, orally and in writing, upon gaining knowledge of any disclosure, loss, or use of the disclosing party's Protected Information in violation of this Agreement. Notwithstanding the foregoing, the restrictions against disclosure contained in this Section shall not apply to any information that the receiving party can demonstrate (without a breach of duty owed to the disclosing party): (iv) was published or in the public domain through no fault of the receiving party; (v)

came into the possession of the receiving party from a third party who had a lawful right to such information and disclosed such information to the receiving party; or (vi) was independently developed by the receiving party without reference to Protected Information of the disclosing party. The parties acknowledge that any breach of this Section by the other party, or its personnel or subcontractors, will cause immediate and irreparable injury to the non-breaching party for which monetary damages would be an inadequate remedy. In the event of such breach, the non-breaching party shall be entitled to injunctive relief and an order compelling specific performance of the requirements of this Section, without bond or other security, in addition to any and all other remedies available at law or in equity. Each party's obligations of confidentiality set forth herein shall commence upon the Countersignature Date and continue: (vii) with respect to Trade Secrets, through any and all times during which such Trade Secrets retain their status as such under applicable law; and (viii) with respect to Confidential Information, for a period equal to the shorter of (x) two (2) years after termination of this Agreement, or (y) the elapsed time until such Confidential Information no longer qualifies for protection under applicable law. Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors which bind them to the terms in this Section.

(c) If a court of competent jurisdiction or any other governmental agency serves a party with a subpoena or order or other compulsory instrument pursuant to which such party is obligated to disclose all or any part of the other party's Protected Information, or if counsel for such party advises it that it has a legal obligation to disclose the foregoing information, such party shall: (i) provide the other party with prompt written notice of the existence, terms, and circumstances surrounding such request or requirement; (ii) consult with the other party on the advisability of taking steps to resist or narrow that request; (iii) if disclosure of the other party's Protected Information is required, furnish only such portion of the Protected Information as such party's counsel advises in writing such party is legally required to disclose; (iv) exercise commercial best efforts to obtain assurance that confidential treatment will be accorded the other party's Protected Information; and (v) cooperate with the other party in its efforts to obtain an order excusing the Protected Information from disclosure or providing the other party with reliable assurance that confidential treatment will be accorded to that portion of the Protected Information that is required to be disclosed.

O. Rights and Restrictions in Use of System; Terms Relating to Hardware

Rights and restrictions relating to City's the use of the Software and Third Party Software are set forth with more specificity in Exhibits "J.1" and "J.2" hereto. Exhibit "G" sets forth a list of the Hardware

components that will be provided by Contractor to City under the Statement of Work. Contractor shall provide to City a bill of sale transferring title, free of any liens or encumbrances, to City of any Hardware provided by Contractor hereunder. All Hardware purchased under this Agreement shall include the original manufacturer's warranty; no warranty of any kind with respect to the Hardware is made by Contractor.

Contractor shall cause the Hardware to be delivered to the installation location on the date specified by in the Project Work Plan. Contractor may require City to perform certain site preparation.

Title to any Hardware acquired by City from Contractor shall remain vested in Contractor until the Hardware has been certified to operate in accordance with the applicable manufacturer's specifications and full payment is made. Upon City's payment to Contractor, Contractor shall issue the bill of sale referenced above for the applicable Hardware components. Risk of damage or loss to the Hardware shall pass to City after possession transfers to City; provided, however, that Contractor shall remain responsible for damage or loss to Hardware caused by its employees, agents and subcontractors.

P. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation.

Q. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations and the City Charter and Code of Ordinances in completing its performance under this Agreement, including the applicable non-discrimination provisions required by the United States of America, including but not limited to the provisions of 49 CFR Part 21.

R. Compliance with Equal Opportunity Ordinance

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

S. 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 "R", 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 "S".

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 "T". 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.

T. Escrow Account

Within the 30 days immediately following the Countersignature Date, Contractor shall add the City as beneficiary to the escrow agreement set out in Exhibit "K". Contract shall be responsible for payment of all fees associated with City being added as a beneficiary to said agreement.

U. Airport Security

The Federal Aviation Administration may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR 1540 and 1542, as amended from time to time, or by agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days after receiving written notice from the Director stating the amount of any fine or penalty, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 or 1542, or other applicable laws or regulations.

V. Prompt 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.

W. [Reserved]

X. Limitation of Liability

IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE OR LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF THE OTHER PARTY OR ANY THIRD PARTY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL CONTRACTOR'S RESPONSIBILITY FOR ANY DAMAGES HEREUNDER EXCEED THE FEES ACTUALLY PAID TO CONTRACTOR HEREUNDER. THE LIMITATION IN THE PRECEDING SENTENCE SHALL NOT APPLY IN THE EVENT OF DAMAGES RESULTING FROM CONTRACTOR'S FRAUD OR OTHER INTENTIONAL WRONGDOING. AFTER FINAL ACCEPTANCE (AS DEFINED IN THIS AGREEMENT), CONTRACTOR'S RESPONSIBILITY FOR ANY DAMAGES HEREUNDER SHALL NOT EXCEED THE ANNUAL FEE PAID TO CONTRACTOR FOR ANNUAL SUPPORT AND MAINTENANCE.

Y. Warranties

(1) Contractor warrants the Software will perform during the Warranty Period in substantial conformance with the requirements in Exhibit L (applicable to the Software) and its Documentation. In the event the Software fails to so perform during the Warranty Period, the Contractor will repair, replace, and/or upgrade the non-conforming component(s). Replacement shall be at no additional cost to the City, whether for equipment, labor, testing, freight, or any other charges.

(2) For any Third Party Software and Hardware provided by Contractor to City, Contractor hereby assigns to City all end-user warranties and indemnities relating to same. To the extent that Contractor is not permitted to assign any of such end-user warranties and indemnities through to City, Contractor shall enforce such warranties and indemnities on

behalf of City to the extent Contractor is permitted to do so under the terms of the applicable Third Party agreements.

(3) Upon initiation of the Project and enduring throughout the life of this Agreement, including renewals, Contractor further warrants:

(a) 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.

(b) That Contractor shall provide the City with Documentation that reasonably describes the operation and usage of the Software as provided by Contractor under this Agreement, including updates thereto.

Z. MWBE Compliance

Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 11% of the total contract amount to MWBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration to be conducted in Houston, Texas, if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Exhibit "U".

III. DUTIES OF CITY

A. Payment Terms

Subject to the terms of Section D below, the City shall pay Contractor for the Project in accordance with the following:

1. Milestones

The City shall pay Contractor for each completed and Approved Milestone the fee associated with such Milestone as set forth in Exhibit "O", subject to the provisions of Article II, Section E.

2. Ongoing Support

Terms and conditions relating to the ongoing support and maintenance of the System are set forth with more specificity in Exhibit "I", and the City shall pay Contractor for ongoing support in accordance

with the provisions of the agreements set forth therein. Contractor shall in turn distribute appropriate payments to all third party vendors providing support to the City as set forth in Exhibit "O". Contractor shall be timely in its payments to such third party vendors and shall coordinate with such third party vendors to ensure that the City receives ongoing support as specified in Exhibit "I". Ongoing costs, whether as a result of services provided directly by the Contractor, or provided through third party vendors, shall not exceed the amounts listed in Exhibit "O".

The City shall make available to Contractor access to City facilities and the computer equipment as required in the performance of its support and maintenance obligations, including access after normal working hours and on weekends. The City shall provide City personnel as necessary to provide such access or to maintain security of the facility as deemed appropriate by the City.

The City shall, within thirty (30) days of the Countersignature Date, at its own expense, grant remote WebEx access to the City's computer system through a 56kb or T1 phone line.

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

The City shall make all payments due under this Agreement only after having received an invoice from Contractor for such payment and only after the Director has approved such invoices, which approval shall not be unreasonably withheld or delayed. The City's payments shall be made within thirty (30) days of the Director approving an invoice.

D. 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 $683,085.00 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 sending a notice signed by the Director and the City Controller to Contractor in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]
FROM: City of Houston, Texas (the "City")
DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the"[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of $_____, upon the request of the below-signed Director, 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.

The aggregate of all sums allocated for the purpose of such Contract, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is $_____.

SIGNED:

(Signature of the City Controller)
City Controller of the City

REQUESTED:

(Signature of the Director)
Director

(4) City Council delegates to the Director the authority to approve up to $242,196.00 in supplemental allocations for this Agreement without returning to Council.

(5) The Original Allocation plus all supplemental allocations are the "Allocated Funds". The City shall never be obligated to pay any money under this Agreement for services rendered or products delivered 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.

E. Access to Site

Contractor may enter and leave the premises where it is to perform the services set out in this Agreement at all reasonable times without charge. Contractor and its employees may use the common areas and roadways of the premises where it is to perform the services together with all facilities, equipment, improvements, and services provided in connection with the premises for common use. This excludes parking for Contractor's personnel. Contractor shall repair any damage caused by it or its employees as a result of its use of the common areas.

F. Access to Data

The City shall, to the extent permitted by law, allow Contractor to access and make copies of data and documents in the possession or control of the City or available to it that are reasonably necessary for Contractor to perform under this Agreement.

The City does not, however, represent that all existing conditions are fully documented, nor is the City obligated to develop new documentation or data for Contractor's use.

During the term of this Agreement, the City will use its best efforts to notify the Contractor of any new material documents or data or material changes to existing documents or data that are reasonably necessary for Contractor to perform under this Agreement.

G. Personnel of the City

Contractor shall have the right to require City to replace any City personnel whom Contractor deems to be unfit or otherwise unsatisfactory to perform City's duties hereunder. Without limiting the foregoing, during the seventy-two (72) hour period immediately following Contractor's notice to City of such request for replacement, designated representatives from each party shall meet to discuss the request and any alternative solutions. Race, gender, age, religion, national origin and other legally discriminatory characteristics shall not be valid grounds for any such request by Contractor.

IV. TERM AND TERMINATION

A. Agreement Term

This Agreement is effective on the Countersignature Date and remains in effect for three (3) years, unless sooner terminated under this Agreement.

B. Renewals

The Director, at his sole discretion, may extend the Term of this Agreement for up to 2 successive one-year option periods, under the same terms and conditions by giving written notice of renewal to

Contractor at least 30 days before expiration of the Term, or first option period, as applicable, and subject to the limit of appropriation in Article III.D.

C. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 60 days' written notice to Contractor. 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 (i) a prorata portion of the amount set forth in Exhibit "O" of any Milestone that Contractor can verify to the Director that it has partially performed; (ii) any amount then owing for any completed Milestones; (iii) for any additional services that have been performed by the Contractor at the Director's request at the hourly rates shown in Exhibit "P"; and (iv) if Final Acceptance has occurred, any amounts owing for further services and Deliverables provided thereafter. All payments shall be made in the same manner as prescribed in Section III 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 THE 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. Default by Contractor occurs if:

(1) Contractor fails to perform any of its material 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 for Contractor.

If a default occurs, the Director shall deliver a written notice to Contractor describing the default and the termination date. The date must be at least 30 days after the written notice is delivered to the

Contractor. The Director, at his or her sole option, may extend the termination date to a later date. If Contractor cures the default 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. However, if the Director desires to continue using the Software, then Contractor shall be entitled to keep any fees associated with the Software license, the City shall continue to be permitted to use the Software in accordance with the terms of the license agreement for same attached as Exhibit J (provided City has paid in full any license fees owing thereunder), and said license agreement and the City's use of the Software thereunder, shall survive the termination of this Agreement. City acknowledges and agrees that any continued use or return of any Third Party Software provided hereunder ancillary to the termination of this Agreement shall be governed solely by the applicable Third Party agreement relating to such Third Party Software, and that Contractor shall have no responsibility or liability relating to same.

E. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date. Upon such a termination, the City shall pay to Contractor (i) a prorata portion of the amount set forth in Exhibit "O" of any Milestone that Contractor has partially performed; (ii) any amount then owing for any completed Milestones; (iii) for any additional services that have been performed by the Contractor at the Director's request at the hourly rates shown in Exhibit "P"; and (iv) if Final Acceptance has occurred, any amounts owing for further services and Deliverables provided thereafter.

V. MISCELLANEOUS

A. Independent Contractor

Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

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 necessarily excuse a party's obligations to complete performance under this Agreement. For the purposes of 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, court orders, labor and union-related activities, the acts of superior governmental or military authority, and other similar matters 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 expensive.

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

(a) uses commercially reasonable efforts to remove the effects of the Force Majeure 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. If the Force Majeure continues for more than 14 days from the date performance is affected, the affected party may terminate this Agreement by giving 30 days' written notice to the other party. 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 THE FORCE MAJEURE.**

C. Severability

If any provision of this Agreement is for any reason found to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable any other part or provision of this

Agreement, but the Agreement shall be construed as not containing the particular provision or provisions held to be invalid or unenforceable.

D. Entire Agreement

This Agreement, together with all of the Exhibits hereto, sets forth the entire, final and exclusive agreement between the parties as to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written. between the parties relating to its subject matter. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the parties regarding the subject matter of 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.

G. Notices

Any written notice required or permitted to be delivered pursuant to this Agreement shall be in writing and shall be deemed delivered: (a) upon delivery if delivered in person; (b) three (3) business days after deposit in the United States mail, registered or certified mail, return receipt requested, postage prepaid; (c) upon transmission if sent via telecopier, with a confirmation copy sent via overnight mail; and (d) one (1) business day after deposit with a national overnight courier.

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.

J. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records related to this Agreement, and (2) inspections of all places where work is undertaken in connection with this Agreement during normal working hours with reasonable prior notice. Contractor shall keep its books and records related to this Agreement available for this purpose for at least three (3) years after this Agreement terminates. This provision does not affect the applicable statute of limitations. The aforementioned audits and inspections shall not be conducted more than twice in any 12-month period.

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

Each party shall remain obligated to the other party 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, or unless otherwise required by law.

O. Risk of Loss

Unless otherwise specified elsewhere in this Agreement, risk of loss or damage for any Deliverables provided by Contractor under this Agreement passes from Contractor to the City upon delivery of said Deliverables to the location at which they are be installed.

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 or Contractor.

R. Business Structure and Assignments

Contractor shall not assign this Agreement without the Director's prior written consent, which consent shall not be unreasonably withheld or delayed; provided, however, that Contractor may assign this Agreement and its rights and obligations hereunder, without the need to obtain such consent of the Director, to an affiliate of Contractor, or to a successor in interest (including any subsidiary, trust, partnership, or other business organization) whether by merger, consolidation, purchase, sale of assets or other form of succession, to substantially all of the business of Contractor to which this Agreement relates. An assignee of either party authorized hereunder shall be bound by the terms of this Agreement and shall have all of the rights and obligations of the assigning party set forth in this Agreement. If any assignee shall fail to agree to be bound by all of the terms and obligations of this Agreement, then such assignment shall be deemed null and void and of no force or effect. Nothing in this clause 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.

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.

EXHIBIT "A"

DEFINITIONS

Capitalized terms used in the Agreement shall have the meanings ascribed to them in the body of the Agreement and/or in the Exhibits and other documents attached thereto, or as defined in this Exhibit "A". Project-specific definitions, if any, shall be included in the applicable Statement of Work.

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

"AOA" means the Air Operations Area and includes without limitation runway, ramps, taxiways and aprons.

"Approval" means a written and signed statement in the form of Exhibit "M" between the Director and Contractor indicating that the Director has authorized that the Contractor has successfully completed the services required for a particular Milestone.

"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 it successors and assigns.

"Countersignature Date" means the date this Agreement has been countersigned by the City's City Controller.

"Customizations" means the custom programming, if any, required to modify the Contractor's baseline application Software to meet the requirements listed in Exhibit "L". The customizations needed are listed in Exhibit "C".

"Defect" means a defect which adversely affects the Software such that the Software is prevented from operating substantially in accordance with its applicable Documentation.

"Deliverables" means any tangible product that must be provided by Contractor under the terms of this Agreement.

"Director" means the director of the Houston Airport System or the person he designates in writing. The designee may only perform the functions delegated, for the time period the designation is in effect and within the limits of authority set out in the written notice.

"Documentation" means, collectively: (a) all of the written, printed, electronic or other format materials published or otherwise made available by Contractor that relate to the functional, operational and/or performance capabilities of the Software and/or System; and (b) all user, operator, system administration, technical, support and other manuals and all other written, printed, electronic or other format materials published or otherwise made available by Contractor that describe the functional, operational and/or performance capabilities of the Software and/or System.

"Final Acceptance" means a written and signed statement between the Director and the Contractor indicating that the Director has authorized that the Contractor has completed the services required in accordance with the provisions of Section II.F. of this Agreement.

"Hardware" refers to the items of equipment including peripheral hardware, listed in Exhibit "G".

"Houston Airport System" or "HAS" means the property and facilities of the Houston Airport System which include without limitation George Bush Intercontinental/Houston ("IAH"), William P. Hobby Airport "HOU", Ellington Field "EFD" and the Houston Airport Systems Administration Buildings.

"Milestones" means the specific checkpoints during System implementation with associated Deliverables and completion dates as identified in the Project Work Plan.

"Project Work Plan" means the listing of Milestones, tasks, and Deliverables, along with task durations, dependencies and completion status as shown in Exhibit "E".

"Software" means Contractor's proprietary, commercial off-the-shelf software revenue and lease management system known as PROPworks® that is being provided under the Statement of Work, including any Customizations thereto.

"System" means the combination of products delivered by Contractor pursuant to this Agreement and its attendant Statement of Work; namely, the Software, Third Party Software, and Hardware.

"Third Party" means persons, corporations, and entities other than the parties to this Agreement.

"Third Party Software" means those limited portions of the Oracle eBusiness Suite being provided hereunder as further specified in the Statement of Work, as well as all other software being provided by Contractor hereunder that is proprietary to a Third Party.

"Warranty Period" means ninety (90) days from the date of Final Acceptance.

EXHIBIT "B"
STATEMENT OF WORK

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Introduction

This Statement of Work document describes the requirements, assumptions and methodology to implement the PROPworks® revenue and lease management system for the Houston Airport System (HAS) by AirIT. The version of PROPworks® implemented will be the current release at the date the Project Kick-off meeting is scheduled, currently 5.1.x assuming a first half of, 2004 project start date. The core PROPworks® modules to be implemented are Agreement Management, Company/Contact Management, Billing & Invoicing and Retail Sales Management. Optional modules to be implemented are Aeronautical Statistics, Space Management including Space API interface, Utilities, Tenant Alterations and the Oracle Financials Interface.

The Oracle E-Business suite is included in the project related software being acquired by HAS, to provide basic A/R functionality. The configuration will be performed by Oracle Corp. consultants under AirIT direction. A goal of the implementation is to create a data transfer mechanism to the AMS financial system that maximizes functionality within the constraints of the AMS system.

The PROPworks® production instance will be configured in phases matching the licensed modules. This means parts of the system will be loaded with "live" data, requiring maintenance, relatively early in the project. The nominal "Go Live" event is considered to be the first run of monthly "fixed" or rent-type invoices.

AirIT understands that the introduction and implementation of PROPworks® at HAS will represent a significant change from the way property management has been performed, and in the communication between the properties and accounts receivable work groups. The Airport System's goals for the implementation include realizing immediate productivity gains and being prepared to make further improvements as HAS invests in additional technology. We realize that the technology changes will be accompanied by process changes that support the productivity improvement goals, and a strong focus on business process development will be part of the implementation. AirIT has partnered with Mir, Fox & Rodriguez P.C. to maintain the necessary focus, and to assist with developing and documenting the processes that will achieve the desired productivity improvements.

Other factors determining the focus and approach to the implementation include:

- HAS uses AMS as its financial system, and will continue to do so through the completion of the PROPworks® implementation.
- The software to be provided for use by HAS includes the Oracle E-Business Suite. The intended use of this product is to provide minimal, but adequate, Accounts Receivable functionality that will enhance the A/R process, enable additional interface functionality and represent a step towards the next level of automation.
- The implementation goal, in respect of the financial system interface, is to provide the maximum interface functionality between PROPworks®/E-Business and AMS, subject to system and process constraints to be identified early in the implementation. The minimum functionality will provide a method of transferring invoice and payment transaction data between the systems, based on the ASCII file transfer functions included in PROPworks® and/or the E-Business Suite.
- The current chart of accounts structure will be maintained through the implementation project.

- Certain AR functions, cash posting and account enquiries, are to be performed using Oracle E-Business Suite functionality.

PROPworks® is a "Commercial Off-the-shelf" (COTS) software product that is standard at each AirIT client site for the release version. Each release is fully supported and upgradeable as new releases are made available. The implementation effort focuses on configuring the standard "COTS" software to meet HAS's unique needs and requirements. AirIT support also covers PROPworks® configuration and data management issues, subject to the license agreement.

The Oracle E-Business Suite is a comprehensive, full-featured, enterprise financial management system that will be implemented and used in the current project only to provide the Accounts Receivable functionality required by the Airport System. Licensing, maintenance and support of Oracle products is covered under separate agreements with Oracle Corporation.

CLIMB-IT Methodology

AirIT, the sub-contractors and airport staff will work together on the project, following AirIT's *Client Integrated Module-Based Implementation Technique* (CLIMB-IT) methodology as a guide to the phased implementation of PROPworks® and the E-Business Suite. The standard methodology for PROPworks® implementation will be adapted for the Houston project to accommodate the implementation of the Oracle E-Business Suite as an integral part of the project to meet the airports goals for Accounts Receivable functionality and performing transfers to the General Ledger. Oracle Consulting is the sub-contracted resource for the E-Business Suite A/R configuration.

The minority sub-contractor, Mir, Fox & Rodriguez will perform significant work related to developing and documenting the high-level business processes impacted by the PROPworks® implementation at HAS and assisting with end-user procedure development, a HAS responsibility, by providing sample formats and content, reviewing drafts for applicability and conformity with PROPworks® precepts and high-level process descriptions.

CLIMB-IT is intended to be sufficiently flexible to meet client-specific requirements, while providing the framework for a successful implementation covering all licensed modules and relevant HAS business processes.

Note that while the CLIMB-IT phases are numbered, this does not indicate that they are strictly sequential. It is expected that work included in different phases will occur concurrently, and in some cases the learning and configuration processes may be iterative.

The fully developed project plan is a Phase 0 deliverable, based on the following summary of the CLIMB-IT based implementation approach for the HAS PROPworks® and E-Business Suite implementation.

A successful and on-schedule implementation is dependent on a number of factors; the availability of key staff at appropriate times and their overall commitment is critical. The AirIT and HAS project managers will work together on creating short-term detailed work schedules and resource allocations, based on the overall schedule, as a continuing project management task.

Phase 0 – Strategy, Planning and Installation

The planning process is the best opportunity to assure the project's success. AirIT works jointly with HAS project managers and owners to identify project goals, priorities and milestones.

The nominal project start event is the management "Kick-off Meeting". A substantial amount of the planning effort occurs before this meeting, which occurs in "Project Week 1". The planning phase is designated "Phase 0" and the project weeks are "-", indicating they occur before the actual kick-off.

There are two project milestones in Phase 0

Phase 0.1– Hardware & Software Installation

In this phase, AirIT will:

- Procure and pre-load the hardware with the software specified in the PROPworks® release notes for the current versionfor a web deployment, subject to the terms of the implementation and license agreements.
    - The required, specified hardware is:
        - One Database server for PROPworks® and Oracle E-Business Suite databases (Test and production instances)
        - One application and web server for Oracle E-Business Suite
        - One application and web server for PROPworks®
    - The required, specified software (current and compatible versions) is:
        - Operating systems (Microsoft Windows NT/2000)
        - Oracle Database
        - PROPworks® (Database and application)
        - Oracle E-Business Suite (Database and application)
        - Oracle IAS (Internet Application Server)
        - Adobe Acrobat
    - Current Support and Maintenance agreements are required for:
        - Oracle Database
        - Oracle E-Business Suite
        - Oracle Internet Application Server (IAS)
        - PROPworks®
- Install a minimum of two database instances of PROPworks® and the E-Business Suite to allow configuration development, testing and training to occur in a non-production database.

- The databases will have the minimum configuration required for startup, with no or minimal site-specific items configured
- The web deployment will require user workstations to have Microsoft Internet Explorer 5.5 or higher, configured to run with the Oracle Jinitiator, and Adobe Acrobat.
- Note that the hardware configuration does not provide for an on-site application test environment, which is not a requirement or recommendation of AirIT.

- Test the system core functions.
- Ship the hardware loaded with PROPworks® and Oracle software, software media and documentation to HAS.
- Ensure that HAS staff is trained on operating and managing the Oracle E-Business Suite and Discoverer upon the start of on-site implementation.

Items to be performed by HAS:

- Confirmation of the location where the servers will be installed.
  - Confirmation that rack space and connections are available
  - The physical specifications of the rack system.
  - Confirmation of the shipping address
  - Provide the desired computer names, IP addresses and domain name(s) to AirIT
- Physical installation of servers at HAS
- Additional end-user training on these products may be required later in the project. If required, this training is not included in the scope of the project.

Deliverables: PROPworks® & Oracle installation on specified hardware and system documentation, Project Status Report 0.1

Phase 0.2 – Functional Strategy and Planning

- Work with HAS to refine the project priorities, scope and schedule for inclusion in the project plan.
- Work with HAS to define the project team, including respective roles, responsibilities and commitments.
- Prepare the project management "Kick-off Meeting" agenda and schedule the meeting.
- Participate in the Project Kick-off meeting with the HAS project manager, leads and sponsors to review and confirm the project goals, priorities, schedule, contractual requirements, and organize the implementation team consistent with the decisions made.

Deliverables: Project Work Plan documents (Kick-off Meeting Agenda/Record, Task & Deliverables Mapping, Project Schedule and Trip Detail Schedules), Project Status Report 0.2

HAS Responsible for: Staff and physical resource commitments; participation in preliminary planning effort, and the kick-off meeting, including preparation and subsequent review and sign-off on the project plan;

Phase 1 - Requirements Definition & Mapping (RD)

In the *Requirements Definition* phase the goal is to establish a baseline of how HAS conducts its business related to airport revenue generation, management and control. The subsequent phases build on this baseline to identify improvements in processes, from management oversight and efficiency perspectives, that can be realized with PROPworks® functionality and incorporated in the final configuration and user procedures.

AirIT will:

- With assistance from HAS staff, collect information about relevant HAS business processes and create a summary of the current business and technology baseline. AirIT uses a questionnaire, developed from our experience of working with airport clients to facilitate this interview and supporting document collection process, and to document the results in summary form.
- Develop a list of existing reports, information flows and systems applicable to the project.
- Perform the Data and Report Mapping/Gap Analysis. This is a technique where AirIT documents any "gaps" between the business requirements identified during the RD process, available data, features in current computer systems and the core functionality of the PROPworks® software. The result of the Gap Analysis is a list of items that cannot be performed or addressed directly in PROPworks®. Additional analysis solution design is subsequently performed to identify acceptable alternatives such as changing business processes or developing "work arounds" to meet agreed requirements within the current scope.
- Review and analyze the Chart of Accounts with the goal of determining the best approach to configuring the E-Business suite and developing the current financial system interface.
- Work with HAS to develop a matrix of all PROPworks® users, by department and location. This matrix will be used as the basis for defining the security access controls in the systems and to facilitate the creation of the implementation team.
- Assist HAS in identifying as many as 5 airport agreements, which are broadly representative of the Airport's business model.
- Use the selected agreements as examples to perform an initial configuration of PROPworks®, based on information acquired in the questionnaire and interview process.
- Conduct the introductory workshop, using PROPworks® loaded with the initial client company and agreement data

- Create a preliminary list of HAS lease & revenue management procedures to be documented.
- Update the work plan and project schedule and prepare a Project Status Report

Deliverables: Current Business Baseline Summary (Completed questionnaire); Data, Report and Functional Specification (Exhibit L) Mapping and Gap Analysis, Initial system configuration and sample data load; Initial User and Security Matrix; Introductory Workshop; Preliminary procedure list; Project Status Report # 1.

HAS Responsible for: Providing requested information and supporting material. Timely reviews and sign-offs on deliverables.

Phase 2 - Business Requirements Definition (BR)

In the "BR" phase elements of the "future process" are identified and used as a guide to configuring the test instance of PROPworks. The term "Conference Room Pilot (CRP)" is used to describe the many activities that occur in phases 2 and 3. The goal of this phase is to explore viable options for the final configuration and for key users to gain expertise in understanding and using PROPworks. The later stages of the BR phase will overlap with the Solution Design, and involve iterative changes.

AirIT will:

- Assist HAS in reviewing the business baseline and developing future process outlines.
- Make business process improvement recommendations, such as audit and management control improvements with the goal of achieving productivity and efficiency gains.
- Provide recommendations on resolving "Gaps" identified in the RD phase.
- Initiate an "Open Items" list to record issues that are overdue, require resolution at a later phase, have the potential to delay or adversely affect the project outcome, or are out of scope.
- Conduct a series of workshops, designed for "key users", that cover the core functionality, and corresponding configuration options. (See Workshops table below)
- Schedule and conduct the workshop and CRP activity related to the optional modules. (Aeronautical Statistics, Space, Utilities and Tenant Alterations)
- Assist the HAS "key users" in configuring PROPworks® and entering sample data to test options for adoption in the production configuration. (The "CRP")
- Provide guidance and a framework, based on the workshops, for the configuration decision making process
- Draft a preliminary data migration/conversion and system cut-over plan.
- Assist HAS with documenting the configuration decisions.
- Assign tasks to Oracle Consulting and Mir, Fox & Rodriguez, as necessary, to ensure that the items necessary to configure the E-Business Suite are covered in this phase and that decisions made are reflected in the high-level process documentation.

Deliverables: Workshop Documents (Core and Optional); Future Business Process Outlines covering all licensed PROPworks® modules and E-Business Suite Accounts Receivable; First draft configuration documents; Project Status Report #2; Open Items List – including Report, Data and functional (Exhibit L) "Gap" resolution recommendations; First draft data conversion plan; First draft of interface plan.

HAS Responsible for: Participation in CRP by "Key Users", including commitment to configuration decisions; assisting with configuration documentation. Review and sign-off on PSR #2

Phase 3 - Solution Design & Localization (SD)

In the localization process AirIT consultants assist HAS in finalizing and making the PROPworks® configuration settings that are unique to HAS, in the production instance. This is a continuation of the CRP, building on the knowledge and experience gained in the BR phase. Also in the SD phase the focus on procedure development and end-user training increases. Testing, primarily by copying the production instance back to the test environment and running appropriate tests, a BR item, continues concurrently.

In the SD (Localization/CRP) phase, AirIT will:

- Guide and assist HAS in performing and documenting the core and optional module PROPworks® configuration and localization on-site at HAS, based on the decisions made in the CRP, and future business requirements established in the BR phase.
- Coordinate the tasks assigned to Oracle Consulting and Mir, Fox & Rodriguez to configure the E-Business suite to perform the following functions:
    - Interface with PROPworks® for:
        - Customer and contact data from PW to Oracle
        - Invoice data from PW to Oracle
        - Payment data from Oracle to PW.
        - Account code validation from Oracle to PW
        - A/R open period validation Oracle to PW.
    - Perform core Accounts Receivable functionality:
        - Process invoice data from PW, including interface management
        - Perform cash posting and related reporting
        - Support collections activity with aging and related reporting
    - Create a mechanism for transferring summary-level journal entries to the current General Ledger system, subject to limitations of the current GL. The "best case" scenario/goal is to perform the transfer via an ASCII file load function

- Finalize the PW/Oracle Interface configuration, test and document.
    - Finalize business process development and provide draft documentation, including mapping to needed end-user procedures.
    - Provide guidance to HAS on creating end-user procedures (Sample formats and content)
    - Provide review comments on end-user procedures produced by HAS
- Finalize business process development and provide draft documentation, including mapping to needed end-user procedures.
- Assist HAS "Key" implementation team members, on a maximum of three occasions throughout the project, to present "Confirmation Demonstrations", reflecting the configuration and process decisions made during the CRP, to HAS managers and end-users, using actual HAS data.
- Finalize the user/security matrix, based on HAS review and comments. Create users, roles and set up the system security scheme in PROPworks® and the E-Business Suite, with the HAS DBA participating as desired by HAS.
- Finalize the data migration/conversion/input plan.
    - Note that it is often possible to load customer and contact data provided by the client in an acceptable electronic format.
    - The agreement data will be loaded manually – it is extremely unlikely that HAS will have agreement data in a format that could make agreement data entry more efficient by any other means. PROPworks® has several features to make on-going agreement creation and maintenance an efficient process.
- Draft a "cutover" plan.
- Assist HAS with maintaining and updating the configuration documentation
- Monitor project progress against the schedule and scope.
- Maintain the Open Issues List
- Modify the Project Work plan (if required).
- Prepare Project Status Report 3.

Deliverables: Production systems (PW and EBS) configured for data migration; Configuration Documents (Pre data-migration), Security Setup and Profiles; Data Conversion Plan; Review comments on end-user procedures; Open Issue log report; Draft Cutover Plan; Project Status report #3.

HAS Responsible for: Participation in continuing CRP; Preparing the final version of end-user procedures; Sign-off on production configuration (HAS takes ownership of procedures and configuration) Sign-off on PSR #3.

Notes on AirIT CRP Workshops/Training Approach for PROPworks®

"Training" occurs on several levels. It is on-going and fundamental through the whole implementation. This "No-Name or Number" section of the project description is included to emphasize the importance of staff development – even though the actual training effort is integral to all the project phases, and beyond. The goals of the approach are:

- To create core expertise in a small group of "Super Users", who are :
  - The HAS system experts
  - The end –user training and assistance resource (The functional "Help Desk")
  - System advocates – leading & developing additional HAS applications for PROPworks® that create internal efficiencies and customer service enhancements.
  - The point of contact for AirIT system & functional support.

Note that the implementation project does not include training on managing or using the Oracle E-Business Suite or Oracle Discoverer, which are being implemented. Oracle Corp. offers training on these products and AirIT offers training for end-users on the PROPworks® EUL (Discoverer End-User Layer)
The AirIT CLIMB-IT methodology avoids the "big bang" approach, where all training is offered at the start of project, and the consequences (users don't have enough experience with the product to recognize subtle differences and value in features and miss the opportunity to fully participate in developing a viable business solution). AirIT will provide implementation team training to the HAS implementation team members, who become the in-house system and process experts, and provide guidance to these HAS "Key Users" in preparing and presenting end-user training – A "Train the Trainer" approach which leverages the implementation experience into training and other long-term efficiencies The method also minimizes the amount of time end-users are removed from their regular duties, ensures there is no gap in time between training and actual work, establishes the "super users" in their roles and uses the actual configuration and data that are in the HAS production environment for training.

Implementation training is presented to the HAS implementation team "Key Users in the CRP by the on-site AirIT consultants. A subject-matter specialist consultant may present optional module workshops if needed. The training occurs first in instructor guided "hands-on" Workshops. The Workshops focus on the functionality of the software and the configuration steps required to best accommodate HAS's business processes. The second training step in the CRP involves the user selecting business scenarios and developing solutions, using the Workshops, on-line-help and AirIT consultants as reference and guidance resources. The final configuration results from iterative adjustments and testing. The confirmation demonstrations and finalizing end-user procedure documents are the "Final Exams" for the key users.

The training approach described is inherent in the PROPworks®/CLIMB-IT methodology and has multiple benefits, while the workshops and follow on work in the CRP are relatively informal.

The Workshops planned for HAS are listed below, and may be updated based on the version of PROPworks® and corresponding workshops that are current during implementation.

Workshop Number	Workshop Name	Core/Option
5000	Implementation Demonstration	Core
5010	Managing Customer Agreements, Leases & Fixed Billing	Core
5011	PROPworks® Management Tools	Core
5020	Managing Concessionaires & Variable Billing	Core
5021	Managing Aeronautical Statistics & Airline Billing	Option
5022	Managing Utility Usage and Billing	Option
5030	Managing Space	Option
5032	Managing Tenant Alterations	Option
5040	Advanced Billing Topics	Core
5043	Managing Late Fees	Core
5042*	Managing CPI Updates to Tenant Charges	Core

* Workshop 5042 will only be conducted if it is determined there is a practical application for the PROPworks® rent escalation by index function. The determination will be made in the RD/BR phases.

Additional workshops and training will be included in respect of operating the interface, as determined necessary in the BR/SD phases.

CRP Confirmation work sessions/presentations (Maximum of three with AirIT assistance) are held every few weeks during the CRP. These sessions are presented by HAS team members to show other HAS staff PROPworks® functionality, configuration and processes using actual HAS data.
The goals of the CRP Confirmation Presentations are to:

- Verify system setup through feed back from the end-user group.
- Involve the end-users in the project and decision making process.
- Establish the "Key Users" as system experts.

There is an expectation of continual communication between the project team and the end-users not involved on a day-to-day basis, which the confirmation demonstrations reinforce.

End-user training is typically held in the few weeks before "Going live" to demonstrate the business procedures and functionality of the software as configured and developed by the HAS project team. This training focuses on the end user procedures developed by HAS staff during the CRP. This "train-the-trainer" approach allows HAS implementation team members to play a significant role in leading these sessions. All required training will occur during the implementation, or will be conveyed to other users during subsequent "on the job" sessions.

AirIT does offer end-user training as an additional service that can be acquired at HAS' discretion.

The user procedures have several uses that leverage their value, they include:

- Confirmation of key user training and skills – and the learning experience of preparing them

- Used as end-user training and reference materials for current employees and new hires.
- Used as test scripts and logs at appropriate points in implementation.
- A reference for the "help-desk" to support system users.

HAS is responsible for providing and scheduling all training facilities and equipment as defined in the "Assumptions" section of this document.

Phase 4 - Data Migration (DM) (Data Entry or Conversion)

Data entry and conversion tasks are planned for early in the project (RD & BR Phases) and commence as module configuration is completed. Deciding on the type and volume of data to be entered varies for each module, and the precise phasing of data conversion work must be based on HAS priorities. HAS may decide to postpone entry of some items until later.

The goals of the Data Conversion Plan are:

- Establish the source, quantity, structure and format of data to be converted, primarily by module.
- Decide on the most efficient and effective conversion method.
- Determining the period in which conversion can be accomplished.
- Assigning the conversion tasks, including quality control.
- Assuring open account balances are successfully transferred from the legacy system, if necessary.

AirIT may provide sample matrices /spreadsheets to HAS to use in extracting and collecting information for their companies, agreements and charging schemes, based on the approach decided on for converting the data and reflected in the Data Conversion Plan. The matrices typically include information on:

- customers and contacts
- leased areas and rental rates
- key agreement dates,
- history of agreement amendments
- maintenance and utility responsibilities
- key contract provisions and terms
- contract insurance requirements, bonds, and security deposits
- authorized concessionaire products and services

Special attention will be given to issues relating to open account balances and the application of late fees.

Alternately, HAS may provide reports and listings from the current system that contain this information for AirIT Review and recommendation on appropriate use in conversion.

- HAS will be expected to complete these matrices and arrange for their review and verification. This data collection process will start early in the project and be performed concurrently with other phases. It must be complete at the same time as the production configuration is accepted.

AirIT consultants will assist in the data conversion effort by producing "Quality Control" reports and output from PROPworks® showing the converted data and by monitoring conversion progress. HAS staff will be expected to review these reports and verify that the information was interpreted and entered correctly.

Deliverables: Data Conversion Plan Progress and Analysis reports as needed. Project Status Report #4

HAS Responsible for: Primary data conversion effort; Review of data quality/accuracy testing. Sign-off on PSR #4.

Note that HAS is responsible for the data conversion. This phase will require intensive effort by HAS staff to perform all data conversion, including manual data entry. The scope does not include a fee for AirIT to perform conversion and data entry tasks. The AirIT responsibility is to assist in planning the data conversion effort to achieve the goals outlined above.

Phase 5 - Confirmation and Delivery (CD)

The project and system acceptance is an on-going, cumulative project process that is finalized at "Go Live". Testing will occur at each stage of configuration, by using HAS sample data to follow the user procedures finalized by HAS in the SD phase, following the process guidelines adopted in the BR phase. The procedure documents are also used as the test scripts, and a list of procedures is maintained that indicates the progress of procedure development, testing and acceptance.

This phase also includes "Post Go-live" support. This includes AirIT consultants:

- Assisting the "Key Users" with end-user training
- Managing practical aspects of cutting over to the new system.
- Performing a hand-over from AirIT from on-site implementation to off-site support.
    - This includes a review of technical aspects of PROPworks® directed at IT staff, as well as guidance to using the support system for technical and functional HAS staff.
- Conducting a final on-site visit, primarily to assist with the first round of concession type billings that typically will be scheduled after a break in on-site implementation activity.

Deliverables: Business Process Check List - Final, Review of Test Scenarios – End User Procedures; First Live" billing runs. PSRs # 5 & 6

HAS Responsible for: Test monitoring and participation; first bill runs; Sign-off on PSRs #5 & 6.

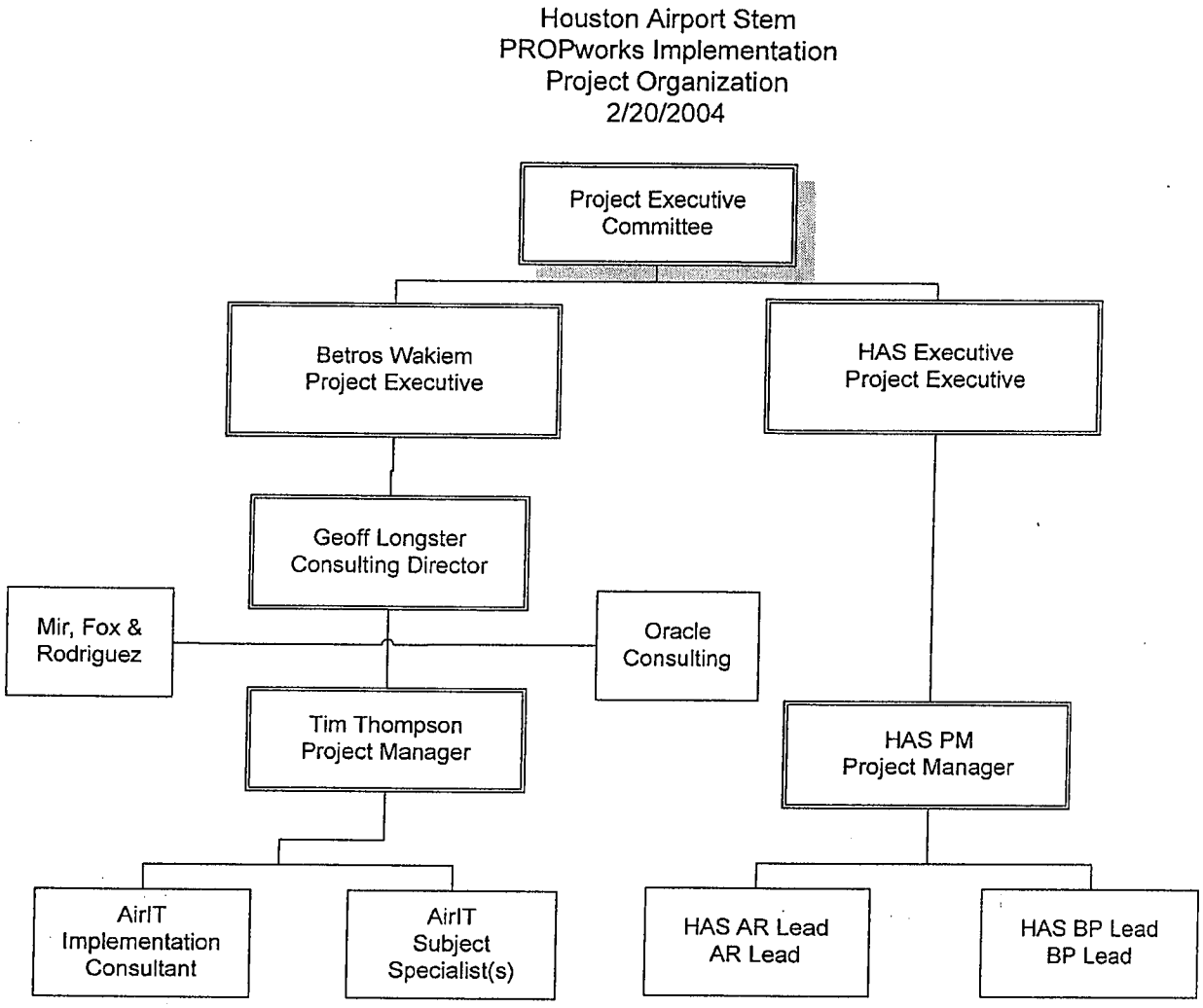
The steps described above are "typical" steps. The actual implementation steps for the HAS project may vary and will not be fully defined until the approval and acceptance of the project plan.

Project Management

The CLIMB-IT approach is designed to support the management, administration, and control of all of the tasks assigned to the project, and is critical to a successful implementation at the airport. The CLIMB-IT approach allows for AirIT assistance, as needed, in these areas. The project management tasks are to:

- Provide guidance and advice to the project teams
- Facilitate the selection of project resources
- Confirm time and resource estimates for work to be undertaken by team members
- Review and approve AirIT deliverables
- Obtain and schedule AirIT resources as required.
- Administer the escalation of issues for resolution
- Review project meeting minutes, project deliverables and documentation
- Identify issues outside the scope of the project and include in the Request for Change process
- Work cooperatively with all parties by managing change requests to minimize impacts on the work plan.
- Prepare and distribute project status reports, including the Issues Log.
- Deliverables review with HAS, and sign off.

Project Organization



Management Control

To facilitate the management and control of the project, the following policies will be put into place:

Project Sponsor/Executive Committee.

HAS may schedule executive sponsor committee meetings, to be updated on project progress and address project issues. AirIT will attend up to 6 one-hour regular meetings, at HAS' request, and be available to address any immediate concern as needed. Meeting agendas and records are the responsibility of HAS.

Status Reports

- Delivered at each project phase completion, including open items list, updated schedule, and jointly reviewed by the HAS and AirIT project managers
- Reports communicated to executive management via the HAS project manager.

Project Review Meetings

A project schedule and review meeting will be held between the HAS project manager and the AirIT project coordinator approximately once per week. Items reviewed at the meeting may vary by project phase and include:

- The Open Items list, including action assignments.
  - The AirIT project manager will maintain the Open Issues Log on an HAS project administration network directory that is available to all project team members.
- The overall schedule
- The short-term schedule and resource allocations
- Confirmation of current activity and participation records.

Project Work Plan Changes

The work plan, as described in Phase 0.2, will be "frozen" upon completion of the *Business Requirements* stage of the project. Subsequent changes to the plan require written approval of the AirIT and HAS Executive Sponsors. Any approved changes to the plan will be distributed to the project team through the respective project managers. The AirIT project manager will maintain the work plan and forward to the HAS project manager for distribution as changes occur and when required at project milestones.

The work plan includes the project schedule and task assignments. AirIT and HAS are jointly responsible for maintaining the schedule. AirIT is responsible for timely presentation of most project deliverables. HAS is responsible for performing certain tasks in a timely manner, including making configuration decisions and reviewing project deliverables that are on the critical path. Delays by either party may affect the overall project end-date and outcome, and increase the cost budgeted by AirIT. In the interest of maintaining the project schedule and enabling AirIT to deliver as required within the project budget, it is important that HAS make a "Best Effort" to review, comment and sign off or reject deliverables and progress/status reports within three business days. Should a situation occur in which a required review is not performed, or no response is received, within 10 business days AirIT will perform the following actions at its discretion:

- Notify HAS Executive Sponsor of the "no-response" situation, including estimates of overall schedule impact, actual & potential "lost" consulting hours, and other costs.
- Initiate the scope change process, to recover "lost" hours, expenses and re-mobilization costs as appropriate.
- Continue on-site work pending resolution of the scope change process.
- Cease on-site work pending resolution of the scope change process and causes of delayed reviews/approvals.

Implementation Project Fees

The project implementation fees and other related project costs, including expenses and hardware are provided in the attached Exhibit "O". Exhibit "O" also details the payment schedule, linked to the project milestones.

Assumptions

The following assumptions were used in the development of the Scope of Services and Fees for this project:

1) The system will be implemented using Commercial Off-The-Shelf (COTS) software, which will require no modifications.
2) Each deliverable and/or project status report will require an acceptance and sign-off to indicate the completion of the process or task. Project completion may be signified when all of the deliverables in the contract are signed-off and accepted.
3) In the interest of maintaining the project schedule, HAS will make a "Best Effort" to review, comment and sign off on deliverables and progress/status reports within three business days. Delays caused by non-timely reviews will be managed through the scope change process, as described in the "Project Work Plan Changes" section above.
4) All scope changes must have Scope Change documentation and approval by HAS and AirIT executive management before being implemented.
5) Any custom reports not previously identified and mutually agreed to by HAS and AirIT will be the responsibility of HAS or subject to a change order.
6) Members of the AirIT- HAS team will be available in accordance with the project work plan. If the unavailability of HAS or Air IT staff causes delays in meeting scheduled task deliverables, HAS and AirIT agree to adjust the work plan accordingly. Such delays will be managed through the scope change process.
7) It is the responsibility of HAS to provide Help Desk services in a timely manner as required to support the project and subsequent end-user problems needing resolution. HAS will provide all network and PC support and be responsible for installation of all software on end-user PCs.
8) All project training will be held on-site at HAS facilities. It is the responsibility of HAS to establish and maintain the training environment for end-user training, which is defined as one server and up to eight workstations in an environment that is conducive to workshop and classroom style training.
9) HAS will insure that all user workstations to be used in the implementation meet the minimum specifications and configuration requirements prior to any implementation activities to be performed by AirIT.
10) It is assumed that all project implementation work and training (the CRP) will be conducted at one facility and that appropriate HAS personnel will come to the CRP facility for project work.

11) HAS will provide office space and support facilities, communications and infrastructure dedicated to the project team, including:

- 2 Workstations/Desks/Chair in workspace assigned to the AirIT consultants for the project.
- An internal e-mail account and inclusion in the calendar/scheduling program.
- Internet access via the workstations provided.
- Access to Telephone
- Access to FAX Machine
- Access to Photocopier
- One outbound analog line for modem use (or internet connection for AirIT Laptop computers)
- Wall white boards
- XGA Projection Device
- Access to conference room facilities
- Access to printer (HPLJ4 or better)
- Training Facilities on a scheduled basis with at least eight workstations, with intranet access.

12) HAS will be responsible for maintenance of all third-party relationships including but not limited to temporary help agencies for manual conversion, outsourcing vendors, third-party administrators, hardware vendors, installers, etc.

13) HAS will assign a project manager to facilitate the project, expedite project decisions, provide access to key personnel as required, and ensure management commitment to the implementation.

14) AirIT will honor all holidays honored by AirIT or HAS.

15) HAS staff will be responsible for providing all database and system administrator functions.

16) Training for database administration is not included in the scope.

17) Training for the use and administration of Oracle Discoverer and the Oracle E-Business Suite is included in this scope.

18) AirIT is responsible for providing customized end user documentation with the exception of the System Documentation (including On-line Help) that is delivered with the software and updated with each release. All software customized for HAS that AirIT determines will be included in the standard product <u>will</u> be documented in the System Documentation; however, the official release of these documents may lag the project by several months. Working drafts will be made available to HAS as available for use in internal training and procedure development.

Performance and response time of PROPworks® is heavily dependent on technical architecture and hardware. AirIT is not responsible for specific tasks related to network design, hardware capacity and/or planning, network performance testing, network upgrades, etc.

EXHIBIT "C"
CUSTOMIZATION LISTING

not applicable

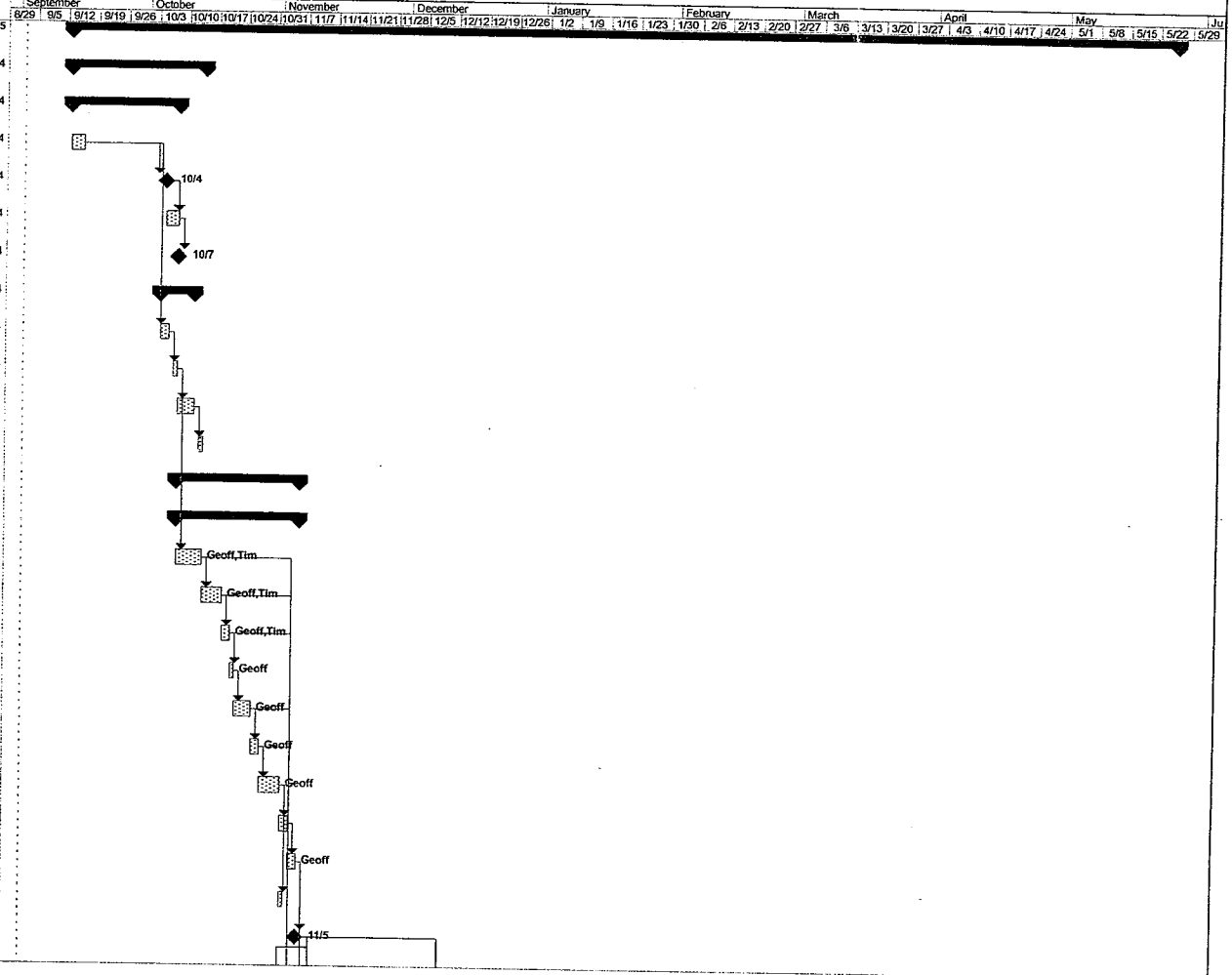
EXHIBIT "D"
INTERFACE LISTING

not applicable

EXHIBIT "E"
PROJECT WORK PLAN

Exhibit E - Project Schedule

ID	Task Name	Duration	Start	Finish
1	**Implementation of PROPworks @ HAS**	**183 days**	**Mon 9/13/04**	**Wed 5/25/05**
2	**Phase 0 – Strategy & Planning**	**23 days**	**Mon 9/13/04**	**Wed 10/13/04**
3	**PROPworks® Installation and system documentation**	**19 days**	**Mon 9/13/04**	**Thu 10/7/04**
4	Installation of PW & Oracle Software: 'TEST' & "PROD'	3 days	Mon 9/13/04	Wed 9/15/04
5	On-Site Hardware & Software Delivery	0 days	Mon 10/4/04	Mon 10/4/04
6	Connect Hardware & Test on Network	3 days	Tue 10/5/04	Thu 10/7/04
7	PSR_0.1 Invoice $276,060.40	0 days	Thu 10/7/04	Thu 10/7/04
8	**Kick Off Meeting**	**6 days**	**Mon 10/4/04**	**Mon 10/11/04**
9	Kick Off Meeting Preparation	2 days	Mon 10/4/04	Tue 10/5/04
10	Kick Off Meeting	1 day	Thu 10/7/04	Thu 10/7/04
11	Project Work Plan Definition	2 days	Fri 10/8/04	Mon 10/11/04
12	PSR_0.2 Invoice $ 48,814.00	1 day	Tue 10/12/04	Wed 10/13/04
13	**Phase 1 - Requirements Definition & Mapping (RD)**	**21 days**	**Fri 10/8/04**	**Fri 11/5/04**
14	**Interview, Questionnaire Responses, and Consolidated Analysis I**	**21 days**	**Fri 10/8/04**	**Fri 11/5/04**
15	RD020 Questionnaire 1st Draft	4 days	Fri 10/8/04	Wed 10/13/04
16	RD100 Reports Matrix 1st Draft	3 days	Thu 10/14/04	Mon 10/18/04
17	RD021 Fee Type Matrix 1st Draft (See BR050)	2 days	Tue 10/19/04	Wed 10/20/04
18	RD023 User/Security Matrix 1st Draft	1 day	Wed 10/20/04	Thu 10/21/04
19	RD022/25 – Process/Procedure Listing 1st Draft	2 days	Thu 10/21/04	Mon 10/25/04
20	RD024 Agreement Inventory Matrix 1st Draft (by HAS)	2 days	Tue 10/26/04	Wed 10/27/04
21	BR030 Gap Analysis 1st Draft	3 days	Thu 10/28/04	Mon 11/1/04
22	COA Analysis	2 days	Tue 11/2/04	Wed 11/3/04
23	Financial Interface Approach/ Plan 1st Draft	2 days	Thu 11/4/04	Fri 11/5/04
24	Workshop 5000 - Introduction & Navigation	1 day	Tue 11/2/04	Tue 11/2/04
25	PSR_1.0 Invoice $ 61,433.00	0 days	Fri 11/5/04	Fri 11/5/04

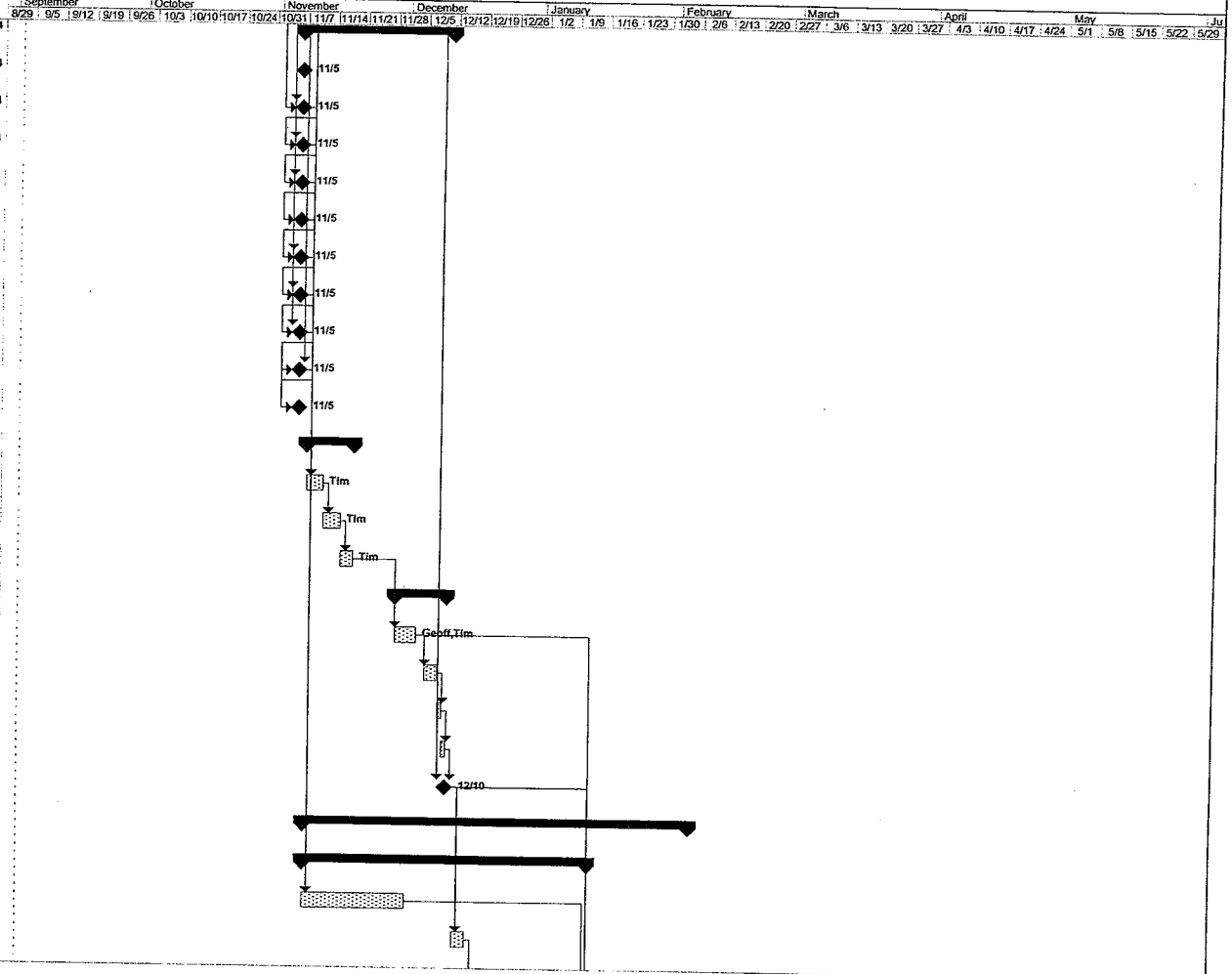


Project: HAS PROPworks
Date: Thu 9/2/04

Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone

Exhibit E - Project Schedule

ID	Task Name	Duration	Start	Finish
26	**Phase 2 - Business Requirements Definition (BR))**	**25 days**	**Fri 11/5/04**	**Fri 12/10/04**
27	**Final Version of Documentation Delivered to Client:**	**0 days**	**Fri 11/5/04**	**Fri 11/5/04**
28	RD20 Questionnaire	0 days	Fri 11/5/04	Fri 11/5/04
29	RD100 Reports Matrix	0 days	Fri 11/5/04	Fri 11/5/04
30	RD21 Fee Type Matrix - See BR050	0 days	Fri 11/5/04	Fri 11/5/04
31	RD23 User/Security Matrix	0 days	Fri 11/5/04	Fri 11/5/04
32	RD022 – Process/Procedure Listing	0 days	Fri 11/5/04	Fri 11/5/04
33	RD024 Agreement Inventory Matrix	0 days	Fri 11/5/04	Fri 11/5/04
34	BR030 Gap Analysis	0 days	Fri 11/5/04	Fri 11/5/04
35	Financial Interface Approach/ Plan	0 days	Fri 11/5/04	Fri 11/5/04
36	Open Items List PM050 – including "Gap" resolution recommenda	0 days	Fri 11/5/04	Fri 11/5/04
37	**Workshops (Core Modules)**	**9 days**	**Mon 11/8/04**	**Thu 11/18/04**
38	Workshop 5010 - Managing Customer Agreements, Leases & Fix	4 days	Mon 11/8/04	Thu 11/11/04
39	Workshop 5042 Managing CPI Updates to Tenant Charges	2 days	Fri 11/12/04	Mon 11/15/04
40	Workshop 5020 - Managing Concessionaires & Variable Billing	3 days	Tue 11/16/04	Thu 11/18/04
41	**Workshops (Optional Modules)**	**10 days**	**Mon 11/29/04**	**Fri 12/10/04**
42	Workshop 5021 - Aeronautical Statistics & Airline Billing	5 days	Mon 11/29/04	Fri 12/3/04
43	Workshop 5022 - Utilities	3 days	Mon 12/6/04	Wed 12/8/04
44	Workshop 5030 - Space (Part A)	1 day	Thu 12/9/04	Thu 12/9/04
45	Workshop 5032 - Tenant Alterations	1 day	Fri 12/10/04	Fri 12/10/04
46	PSR_2.0 Invoice $64,320.00	0 days	Fri 12/10/04	Fri 12/10/04
47	**Phase 3 - Solution Design & Localization (SD)**	**65 days**	**Mon 11/8/04**	**Fri 2/4/05**
48	**Production System Configured For Data Migration**	**48 days**	**Mon 11/8/04**	**Wed 1/12/05**
49	Oracle E-Business Suite	18 days	Mon 11/8/04	Wed 12/1/04
50	Core Modules - Company/Contacts and Agreements (Fixed Billing	3 days	Mon 12/13/04	Wed 12/15/04



Project: HAS PROjects
Date: Thu 9/2/04

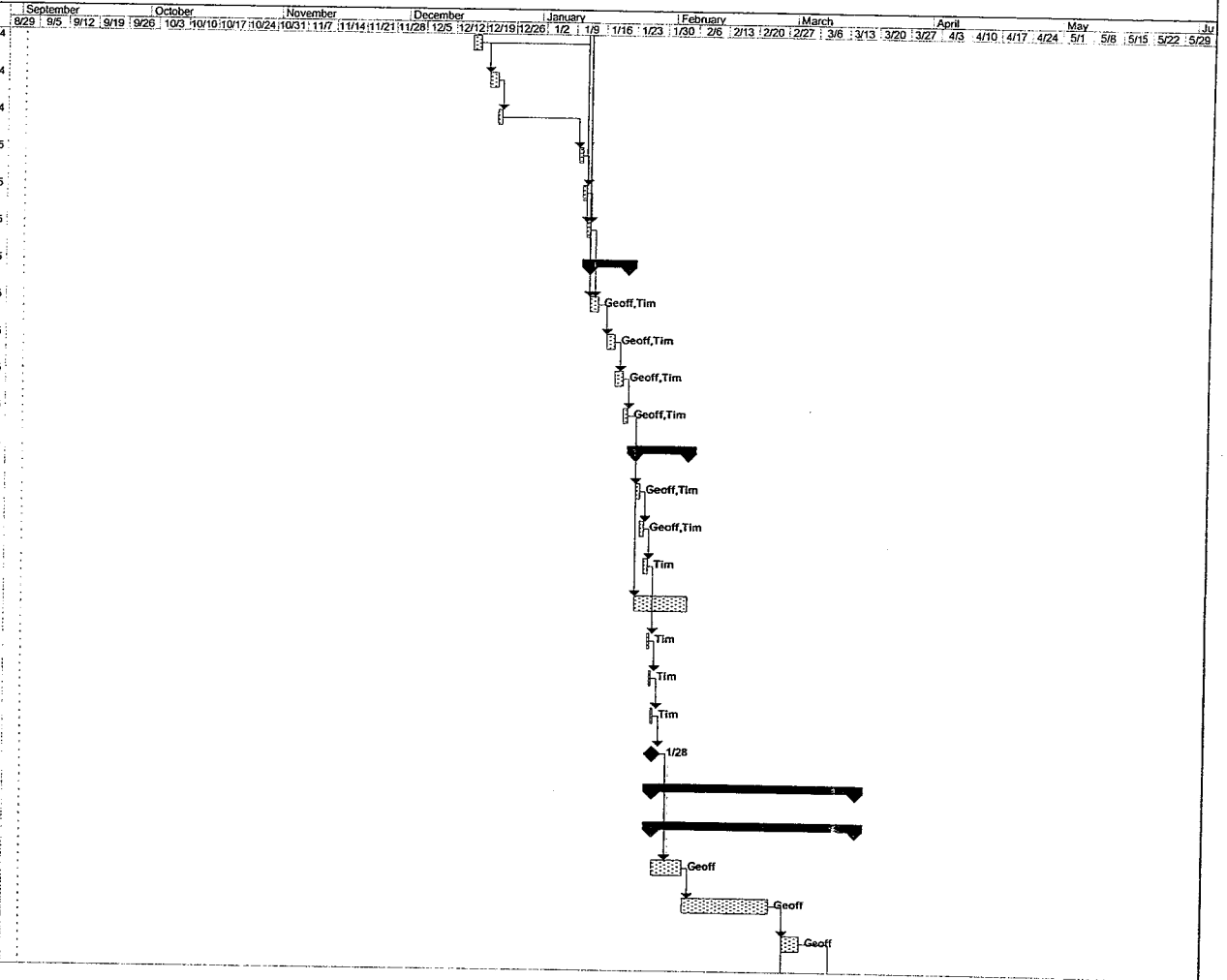
Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone

HAS_PM010_ProjectSchdv41

Printed Thu 9/2/04

Exhibit E - Project Schedule

ID	Task Name	Duration	Start	Finish
51	Concessionaires & Variable Billing	2 days	Thu 12/16/04	Fri 12/17/04
52	Aeronautical Statistics	2 days	Mon 12/20/04	Tue 12/21/04
53	Space	1 day	Wed 12/22/04	Wed 12/22/04
54	Utilities	1 day	Mon 1/10/05	Mon 1/10/05
55	Tenant Alterations	1 day	Tue 1/11/05	Tue 1/11/05
56	Interface	1 day	Wed 1/12/05	Wed 1/12/05
57	**CRP Workshops/Training**	7 days	Thu 1/13/05	Fri 1/21/05
58	Workshop 5040 Advanced Billing Topics	2 days	Thu 1/13/05	Fri 1/14/05
59	Workshop 5043 Managing Late Fees	2 days	Mon 1/17/05	Tue 1/18/05
60	Workshop Managing the Interface, Aging, Cash Posting, & State	2 days	Wed 1/19/05	Thu 1/20/05
61	Confirmation Demo #1	1 day	Fri 1/21/05	Fri 1/21/05
62	**Configuration & Procedure Documents Final Draft**	10 days	Mon 1/24/05	Fri 2/4/05
63	BR110-Final Sytem Configuration – Pre DM Includes BR050 & B	1 day	Mon 1/24/05	Mon 1/24/05
64	RD023 User/Security Matrix – Revised	1 day	Tue 1/25/05	Tue 1/25/05
65	BR040 Data Conversion Plan - Final	1 day	Wed 1/26/05	Wed 1/26/05
66	SD030 (User Procedures – HAS to complete)	10 days	Mon 1/24/05	Fri 2/4/05
67	RD022 – Process/Procedure Listing - Update- Final	0.5 days	Thu 1/27/05	Thu 1/27/05
68	Completion of confirmation demos to HAS staff. (#2) (By HAS)	0.5 days	Thu 1/27/05	Thu 1/27/05
69	PM050 – Open Issues (Ongoing)	0.5 days	Fri 1/28/05	Fri 1/28/05
70	PSR_3.0 Invoice $50,753.00	0 days	Fri 1/28/05	Fri 1/28/05
71	**Phase 4 - Data Migration (DM) (Data Entry or Conversion)**	33.5 days	Fri 1/28/05	Wed 3/16/05
72	**Production Instance data loaded (HAS)**	33.5 days	Fri 1/28/05	Wed 3/16/05
73	Company & Contacts	5 days	Fri 1/28/05	Fri 2/4/05
74	Agreements	14.5 days	Fri 2/4/05	Thu 2/24/05
75	Airlines & Statistics (Concurrent)	4 days	Mon 2/28/05	Thu 3/3/05

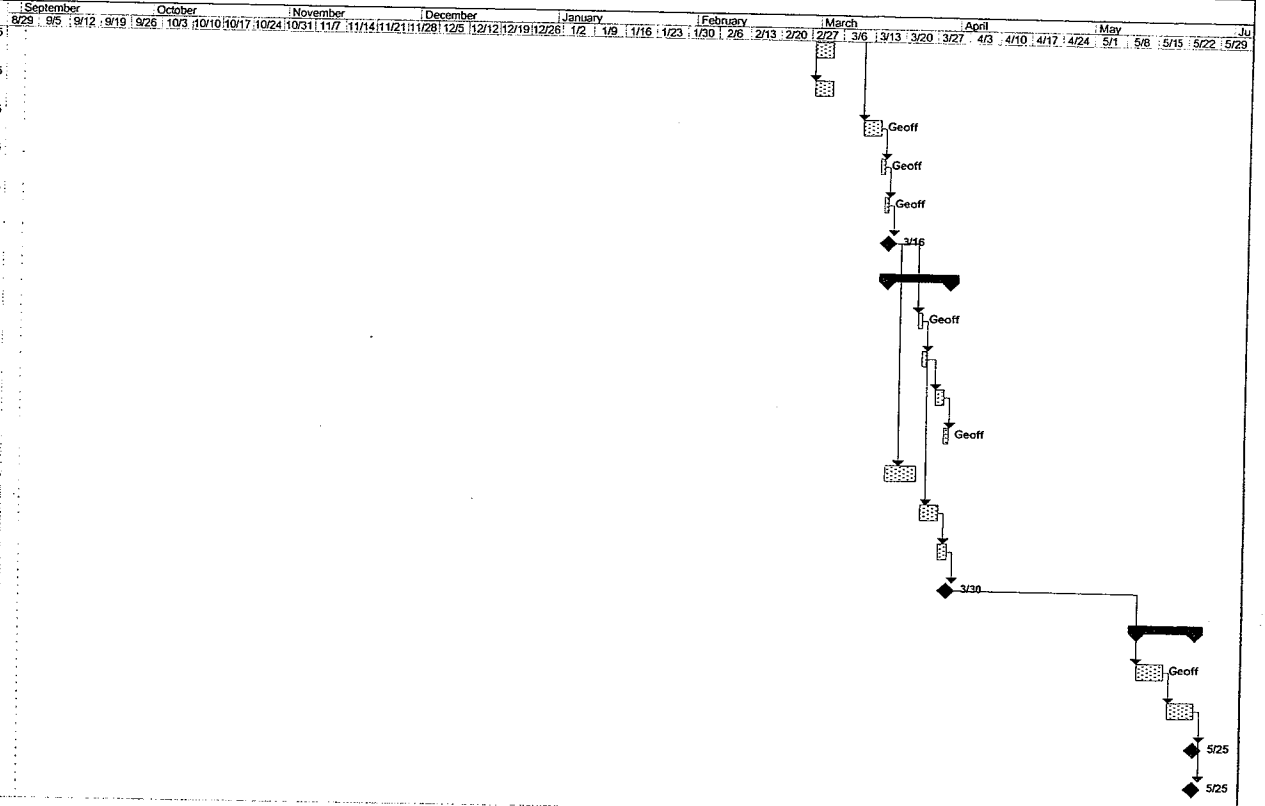


Project: HAS PROjectworks
Date: Thu 9/2/04

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

Exhibit E - Project Schedule

ID	Task Name	Duration	Start	Finish
76	Utilities (Concurrent)	4 days	Mon 2/28/05	Thu 3/3/05
77	Space (Concurent)	4 days	Mon 2/28/05	Thu 3/3/05
78	Procedures (Drafts) – HAS to update, Air IT Review & Comment	2 days	Fri 3/11/05	Mon 3/14/05
79	BR110 – Updated by HAS	1 day	Tue 3/15/05	Tue 3/15/05
80	Quality control and data conversion facilitation reports	1 day	Wed 3/16/05	Wed 3/16/05
81	PSR_4.0 Invoice $ 111,592.00	0 days	Wed 3/16/05	Wed 3/16/05
82	**Phase 5.1 - Confirmation and Delivery (CD)**	**10 days**	**Thu 3/17/05**	**Wed 3/30/05**
83	Workshop 5011 PROPworks® Management Tools	1 day	Thu 3/24/05	Thu 3/24/05
84	Workshop 5030 - Space (Part B)	1 day	Fri 3/25/05	Fri 3/25/05
85	User Procedures (Finals) – HAS to Complete, Air It Review	2 days	Mon 3/28/05	Tue 3/29/05
86	RD023- User/Security Matrix - Final	1 day	Wed 3/30/05	Wed 3/30/05
87	Final BR100 Series (HAS)	5 days	Thu 3/17/05	Wed 3/23/05
88	Execute cutover plan/open balance transfers	2 days	Fri 3/25/05	Mon 3/28/05
89	First Fixed Invoice Run	2 days	Tue 3/29/05	Wed 3/30/05
90	PSR_5.1 Invoice 29,232.00	0 days	Wed 3/30/05	Wed 3/30/05
91	**Phase 5.2 - Confirmation & delivery (CD)**	**9 days**	**Fri 5/13/05**	**Wed 5/25/05**
92	First Variable Invoice Run	4 days	Fri 5/13/05	Wed 5/18/05
93	Initiate Support Handover	4 days	Fri 5/20/05	Wed 5/25/05
94	Final BR110 - Configuration (HAS)	0 days	Wed 5/25/05	Wed 5/25/05
95	PSR_5.2 Invoice 29,232.00	0 days	Wed 5/25/05	Wed 5/25/05



Project: HAS PROPworks
Date: Thu 9/2/04

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

EXHIBIT "F"
HARDWARE SCHEMATICS

not applicable

EXHIBIT "G"
HARDWARE LISTING

Exhibit G

Hardware Listing

Quantity	Item	Description
1	528217	CPQ PROLIANT DL380R G3 7/3.06 + HDD
1	506502	CPQ PROLIANT DL380R G3 7/3.06 1GB
1	528208	CPQ 36.4GB U320SCSI 15K PLUG
2	442236	CPQ 36.4GB U320SCSI 15K PLUG
1	430651	SIMPLE 1GB CPQ PROLIANT ML370 G3 KIT
1	229514	HP 3YR 9X5X4 ONSITE SVC SERVER

Hardware specifications may vary at time of order. Any variations will be submitted for approval prior to hardware order. Once ordered, hardware is non-returnable.

EXHIBIT "H"
SOFTWARE LISTING

Exhibit H

PROPworks®

- Agreement Management
- Billing & Invoicing
- Company & Contact Management
- Retail Sales Management
- Aeronautical Statistics
- Space Management
- Utility Management
- Tenant Alterations
- Oracle Financials Interface

Oracle E-Business Suite

EXHIBIT "I"
ONGOING SUPPORT SCHEDULE

Exhibit I
Support And Maintenance Agreement

This SUPPORT AGREEMENT ("this Agreement") is made and entered into this ___ day of _____, by and between Air-Transport IT Services, Inc. (hereinafter "AirIT") a Delaware Corporation, with principal offices at 6675 Westwood Boulevard, Suite 210, Orlando, Florida 32821, and The City of Houston, Texas (hereinafter "Customer"), a Municipal Corporation under the laws of Texas, with principal address being City of Houston, PO Box 60106, Houston, TX 77205-01061.

WITNESSETH:

WHEREAS, AIRIT and Customer entered into that certain Agreement dated _____ (the "License Agreement") under which Customer obtained a nonexclusive, nontransferable; perpetual license to use certain computer programs in object code form and related user documentation (the "Licensed Program") on certain terms and conditions;

WHEREAS, AIRIT desires to make and offer to Customer maintenance, modifications, enhancement, new releases, and telephone support; and

WHEREAS, Customer desires the benefit of certain services from AIRIT with respect to the Licensed Program on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the premises hereof, and the mutual obligations herein, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1 - Definitions

For the purposes of this Agreement, the following definitions shall apply to the respective capitalized terms.

1.1 "Enhancement." Any modification or addition that, when made or added to the Licensed Program, materially changes its utility, efficiency, functional capability, or application, but that does not constitute solely an Error Correction. Enhancements may be designated by AIRIT as minor or major, depending on AIRIT's assessment of their value and of the function added to the preexisting Licensed program.

1.2 "Error." Any failure of the Licensed Program to substantially conform to its functional specifications as published from time to time by AIRIT. However, any nonconformity resulting from Customer's misuse, improper use, alteration, or damage of the Licensed Program, or Customer's combining or merging the Licensed Program with any hardware or software not supplied or identified as compatible by AIRIT, shall not be considered an Error.

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Exhibit I
Support And Maintenance Agreement

1.3 "Error Correction." Either a modification or an addition that, when made or added to the Licensed Program, establishes substantial conformity of the Licensed Program to the functional specifications, or a procedure or routine that, when observed in the regular operation of the Licensed Program, eliminates the practical adverse effect on Customer of such nonconformity.

1.4 "Licensed Program." The computer programs described in Exhibit A attached hereto, including any extracts from such programs, derivative works of such programs, or collective works including such programs (such as subsequent Releases) to the extent offered to Customer under this Agreement or the License Agreement.

1.5 "Normal Working Hours." The hours between 8:00a.m. and 5:00p.m. Eastern Standard (or Daylight) Time, on the days Monday through Friday, excluding regularly scheduled holidays of AIRIT.

1.6 "Releases." New versions of the Licensed Program, which may include both Error Corrections and Enhancements.

1.7 "Term." An initial period of one (1) year commencing on the first day following the installation of the Licensed Program. Thereafter, the Term shall automatically renew for successive periods of one (1) year each unless and until terminated pursuant to Section 6 hereof. In no event, however, shall the Term extend beyond the prescribed term of the License Agreement.

Section 2 - Scope of Services

2.1 AIRIT shall maintain a trained staff capable of rendering the services set forth in this Agreement.

2.2 During the Agreement Term, AIRIT shall render the following services as indicated below in support of the Licensed Program, during Normal Working Hours, subject to the compensation fixed for each type of service in AIRIT's rate schedule set forth in Exhibit B attached hereto:

2.3.1 Telephone Assistance. AIRIT shall maintain a telephone hotline that allows up to three (3) persons designated by Customer to seek technical or operation assistance in use of the Licensed Program.

2.3.2 Software Maintenance. Customer shall report in a written notice of AIRIT Errors for which it desires AIRIT to provide an Error Correction. AIRIT shall, within eight (8) hours of verifying that an Error is present, initiate work in a diligent manner toward development of an Error Correction. AIRIT shall be responsible for using reasonable diligence to correct verifiable and reproducible Errors when reported by Customer to AIRIT. Following completion of the Error Correction, AIRIT shall provide the Error Correction through a "temporary fix" consisting of sufficient programming and operating instructions to implement the Error Correction. AIRIT shall include the Error Correction in all subsequent Releases of the Licensed Program. AIRIT shall not be responsible for correcting Errors in any version of the Licensed Program other

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than the most recent Release of the Licensed Program, provided that AIRIT shall continue to support prior Releases superseded by recent releases for a reasonable period sufficient to allow Customer to implement the newest Release, not to exceed one hundred and eighty (180) days.

2.3.4 Customer Training. Customer on-site training is available from AIRIT's training staff. Training cost are billed on a per day basis as defined in Exhibit B.

2.3.5 Customer-Requested Enhancements. Customer requests that AIRIT provide an Enhancement to the Licensed Program. The Enhancement is offered at AIRIT's then-published rates.

2.3.6 Major Enhancements. AIRIT may, from time to time, offer major Enhancements to its customers generally. Such Enhancements will be offered at AIRIT's then published rates

2.4 New Releases. AIRIT may, from time to time, issue new Releases of the Licensed Program to its customers generally, containing Error Corrections, minor Enhancements, and, in certain instances if AIRIT so elects, major Enhancements. AIRIT shall provide Customer with one copy of each new Release. AIRIT shall provide reasonable assistance to help Customer install and operate each new Release, provided that such assistance, if required to be provided at Customer's facility, shall be subject to the supplemental charges set forth in Exhibit B attached hereto.

2.5 Year 2000. The Licensed Program and delivery media shall, at all times and under all circumstances during the warranty period specified in the License Agreement and during any subsequent period when CUSTOMER maintains this Support and Maintenance Agreement in effect, be capable of operating correctly and consistently with dates and times, and date and time ranges in and beyond the year 2000, and date and time ranges spanning periods before and after 0:00 hours on January 1, 2000 in a manner identical to that in which it operates with dates, time, and date and time ranges prior to the year 2000; and, in particular, shall be capable of recognizing the year 2000 as a leap year and as the year immediately following the year 1999 for all purposes. During such periods, AIRIT shall repair, free of charge, all failures by the Licensed Program to perform in accordance with this Section 2.5 which are reported during the periods covered hereby; provided, however, that AIRIT shall have no liability or other responsibility for any failure by the Licensed Program to perform in accordance with this Section 2.5 which is caused or otherwise attributable to any product or component not supplied by AIRIT with which CUSTOMER uses the Licensed Program. The foregoing is CUSTOMER'S sole and exclusive remedy for any failure by the Licensed Program to perform in accordance with this Section 2.5.

Section 3 - Customer Duties

3.1 Customer shall pay AIRIT its fees and charges based on the rate schedule set forth in Exhibit B attached hereto. AIRIT reserves the right to change its rate schedule from time to time, provided

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that no such change will be effective until at least thirty (30) days after AIRIT has given Customer written notice of such change.

3.2 Customer shall reimburse AIRIT for any out-of-pocket expenses incurred by AIRIT in rendering services to Customer more than fifty (50) miles from one of AIRIT's locations under this Agreement, including travel to and from the Customer site, lodging, meals, telephone and shipping, as may be necessary in connection with duties performed under this Agreement by AIRIT.

3.3 Customer shall pay to AIRIT the annual maintenance fee designated in Exhibit B. This maintenance fee shall be payable annually in advance.

3.4 Customer shall be responsible for procuring, installing, and maintaining all equipment, telephone lines, communications interfaces, and other hardware necessary to obtain from AIRIT the services called for by this Agreement.

3.5 Customer shall provide Licensor with dumps, as requested, and with sufficient support and test time on the Customer's computer system to duplicate the error, certify that the error is with the Licensed Program, and certify that the error has been corrected.

3.6 Amounts payable to AIRIT under this Agreement are exclusive of all federal, state, provincial, municipal or other governmental excise, sales, value-added, use, personal property and occupational taxes, excises, withholding obligations and other levies now in force or enacted in the future and, accordingly, the amount of all payments hereunder is subject to an increase equal to the amount of any tax AIRIT may be required to collect or pay in connection with the support and maintenance services.

Section 4 - Proprietary Rights

4.1 To the extent that AIRIT may provide Customer with any Error Corrections or Enhancements or any other program, Customer may use such Error Correction or Enhancements in connection with the Licensed Programs, an in a manner consistent with the requirements of the License Agreement. Customer may not use, copy, modify, decompile, reverse engineer, adapt, or create derivative works of the Licensed Programs, Error Corrections or Enhancements, or any copy, adaptation, transcription, or merged portion thereof, except as expressly authorized by AIRIT. Notwithstanding Section 6 hereof, Customer's rights under this Section 4.1 shall remain in effect for so long as Customer is authorized to use the Licensed Programs under the License Agreement, Customer shall return or destroy the Licensed Programs, Error Corrections and Enhancements; and returning the Licensed Programs together with any an all Error Corrections and Enhancements in the manner required by the License Agreement shall be sufficient for such purpose.

4.2 The Licensed Programs, Error Corrections, and Enhancements, including without limitation any associated intellectual property rights such as copyright and patent, are and shall remain the sole

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property of AIRIT, regardless of whether Customer, its employees, agents, or contractors may have contributed to the conception of such work, joined in the effort of its development, or paid AIRIT for the use of the work product. Customer shall from time to time take any further action and execute and deliver any further instrument, including documents of assignment or acknowledgment, that AIRIT may reasonably request in order to establish and perfect its exclusive ownership rights in such works, including any associated intellectual property rights.

Section 5 - Disclaimer of Warranty and Limitation of Liability

5.1 AIRIT's cumulative liability to CUSTOMER or any other party for any loss or damage resulting from any claims, demands or actions arising out of or relating to this agreement shall not exceed the license fees paid to AIRIT. In no event will AIRIT be liable for any indirect, special, incidental, consequential or exemplary pecuniary loss or damages arising out of the use or inability to use the PROPworks™ software even if AIRIT has been advised of the possibility of such damages. Specifically, AIRIT shall not be responsible for any costs including, but not limited to, loss of profits or revenue, loss of use of the PROPworks™ software, or loss of data. In addition, after the warranty period, AIRIT will not be liable for performing recovery services due to the failure of software or data. In no event will AIRIT's liability to CUSTOMER arising out of or in connection with this Agreement, whether arising out of breach of contract or tort, exceed the annual maintenance fee actually paid to AIRIT by CUSTOMER hereunder for the twelve (12) month period in which the claim arose.

Section 6 - Termination

6.1 This Agreement may be terminated as follows:

6.1.1. This Agreement shall immediately terminate upon the termination of the License Agreement;

6.1.2. This Agreement may be terminated by either party upon the expiration of the then current term of this Agreement, provided that at least sixty (60) days' prior written notice is given to the other party; or

This Agreement may be terminated by either party upon thirty (30) days' prior written notice if the other party has materially breached the provisions of this Agreement and has not cured such breach within such notice period.

6.2 Following termination of this Agreement, Customer may continue to use any work supplied to Customer by AIRIT for the remaining term of the License Agreement.

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Exhibit I
Support And Maintenance Agreement

Section 7 - Miscellaneous

7.1 Waiver. The failure of any party to enforce any of the terms of this Agreement shall not constitute a waiver of that party's right thereafter to enforce any such term or upon notice, to require correction of a default previously waived.

7.2 Export of Products. Customer who exports software, databases or documentation assumes liability for complying with applicable laws and regulations and for obtaining required export and import authorizations. Customer will not export or re-export software, databases or documentation or any technical data in violation of applicable export regulations.

7.3 Entire Agreement. This Agreement together with Exhibits A and B and any attached AIRIT Agreement constitute the entire agreement between the parties relating to the subject matter contained in it and supersede all prior and contemporaneous representations, agreements, or understandings between the parties. No amendment of this Agreement shall be binding unless executed in writing by the parties.

7.4 Severability. If any part, term or condition of this Agreement is held void or unenforceable, such part shall be treated as severed, leaving valid the remainder, and a new, enforceable provision shall be substituted therefor which accomplishes the intent of the severed provision as nearly as practicable.

7.5 Notices. All notices required or permitted under this Agreement shall be in writing and will be effective when (i) deposited in the U.S. Mail, certified, return receipt requested, postage prepaid or (ii) forwarded by reputable express courier providing written receipt of delivery and addressed to the parties at their respective addresses set forth below, or such other address designated in writing.

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Exhibit I
Support And Maintenance Agreement

7.6 Governing Law. This Agreement shall be governed by the laws of the State of Florida without regard to conflicts of laws provisions.

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Exhibit I
Support And Maintenance Agreement

Exhibit A
Covered Programs

PROPworks® modules:

- Agreement Management
- Billing & Invoicing
- Company & Contact Management
- Retail Sales Management
- Aeronautical Statistics
- Space Management
- Utility Management
- Tenant Alterations
- Oracle Financials Interface

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Exhibit I
Support And Maintenance Agreement

EXHIBIT B

AIRIT's Current Rate Schedule

Telephone Assistance:

Provided under this agreement during Normal Working Hours.

Annual Software Maintenance:

20% of Application License Fee or 20% of Application License Fee less 10% Discount for Remote Access via WebEx

Customer Training:

AirIT's charges for post implementation training are offered at AirIT's published rates at time of request. Customer is responsible for reimbursing AIRIT for expenses.

Supplemental Charges:

AIRIT's charges for support are offered at AIRIT's published hourly rates at time of request. Customer is responsible for reimbursing AIRIT for expenses.

Customer-Requested Enhancements:

Customer-Requested Enhancements are offered at AIRIT's published hourly rates at time of requested enhancement. Customer is responsible for reimbursing AIRIT for expenses.

Major Enhancements:

None offered currently

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EXHIBIT "J"
THIRD PARTY SOFTWARE LICENSES and SUPPORT AND MAINTENNACE AGREEMENTS.

Exhibit J.1
License and Warranty

1. License. CUSTOMER shall be considered to have a nonexclusive, nontransferable license to use **PROPWORKS®** (hereinafter "PROPWORKS® Software"), as identified in Exhibit "A", developed by Air-Transport IT Services, Inc. (hereinafter "AIRIT"), documentation, manuals, and on-line materials. The PROPWORKS® software is copyrighted and licensed (not sold). CUSTOMER is permitted to grant use of the PROPWORKS® and database on a computer owned, leased or otherwise controlled by CUSTOMER with a single Oracle database up to the concurrent or named user license counts indicated in the purchase agreement between AIRIT and CUSTOMER (subject to any license limitations between CUSTOMER and other third parties). CUSTOMER has the right to modify or extend the business systems using the "user definable" features of the software provided by AIRIT, with the limitations and warranty implications described herein. CUSTOMER has no rights to lease, sell, sublicense, pledge, rent, share or transfer this software or license to any other entity. CUSTOMER is not permitted to reverse engineer, decompile, disassemble or otherwise translate the software.

2. Product Source Code and Materials. CUSTOMER accepts responsibility for limiting distribution and use of the PROPWORKS® software to only authorized CUSTOMER personnel. AIRIT maintains the PROPWORKS® source code in an escrow agreement for the benefit of CUSTOMER.

3. Copyright. The PROPWORKS® software licensed to CUSTOMER and further enhanced or extended under the terms of any other agreement between the CUSTOMER and AIRIT, including documentation, database design, training materials, and on-line information, and copyrights thereto, is owned and copyrighted by Decision Support Technologies, Inc. These materials and items are protected by intellectual property laws including trade secrets, copyright laws and international treaty provisions. This license does not convey to CUSTOMER an interest in or to the software but only a limited right of use revocable in accordance with the terms herein. The parties agree to execute documents deemed necessary to vest ownership thereof in Air-Transport IT Services, Inc. CUSTOMER may make unlimited copies of the installed software and databases for backup or archival purposes. CUSTOMER may make additional unlimited copies of any printed or on-line materials and documentation accompanying the software for its own internal operating or training usage. Any such copies of the software and documentation shall include AIRIT's copyright and other proprietary notices.

4. License Fees. The license fees paid by CUSTOMER are paid in consideration of the licenses granted under this License. The agreed upon license fees for the PROPWORKS® Software are due and payable not later than CUSTOMER's execution of the AIRIT order form or this License and Warranty, whichever is earlier. License fees are exclusive of all federal, state, provincial, municipal, or other governmental excise, sales, value added, use, personal property and occupational taxes, excises, withholding obligations and other levies now in force or enacted in the future and, accordingly, the amount of all payments hereunder is subject to an increase equal to the amount of any tax AIRIT may be required to collect or pay in connection with the PROPWORKS® software and related services.

5. Term and Termination. This license is effective upon complete execution of this Agreement. CUSTOMER may terminate this license at any time by returning the software, database, and documentation and all copies to AIRIT. AIRIT may terminate this license upon breach by CUSTOMER of any term provided that the CUSTOMER has been advised of any breach in writing and has failed to cure such breach within thirty (30) days after the date of written notice. Upon termination by AIRIT, CUSTOMER shall return to AIRIT the software, database, documentation and all copies.

6. Limited Warranty.

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(a) AIRIT will warrant for CUSTOMER'S benefit alone, the PROPWORKS® software and delivery media to be free of defects for a period of 90 days (the "warranty period") following the Commencement Date. ("Commencement Date" shall mean the date on which the PROPWORKS® software is delivered by AIRIT to the CUSTOMER, or if no Delivery is necessary, the effective date of the Purchase Order.) This warranty shall be interpreted to mean that the software performs substantially in accordance with documentation provided with the PROPWORKS®. AIRIT shall repair all application software defects reported during the warranty period free of charge. The foregoing is CUSTOMER'S sole and exclusive remedy for breach by AIRIT of the warranty made under this Section 6(a).

(b) AIRIT will warrant, for CUSTOMER'S benefit alone, that the PROPWORKS® software and delivery media shall, at all times and under all circumstances during the warranty period and during any subsequent period when CUSTOMER subscribes to AIRIT's Support and Maintenance Agreement, capable of operating correctly and consistently with dates and times, and date and time ranges in and beyond the year 2000, and date and time ranges spanning periods before and after 0:00 hours on January 1, 2000 in a manner identical to that in which it operates with dates, time, and date and time ranges prior to the year 2000; and, in particular, shall be capable of recognizing the year 2000 as a leap year and as the year immediately following the year 1999 for all purposes. AIRIT shall repair, free of charge, all failures by the PROPWORKS® Software to perform in accordance with the warranty given in this Section 6(b) which are reported during the period covered by this warranty; provided, however, that AIRIT shall have no liability or other responsibility for any failure by P PROPWORKS® software to perform in accordance with the warranty given in this Section 6(b) which is caused or otherwise attributable to any product or component not supplied by AirIT with which CUSTOMER uses the PROPWORKS® software. The foregoing is CUSTOMER'S sole and exclusive remedy for breach by AIRIT of the warranty made under this Section 6(b).

(c) EXCEPT FOR THE WARRANTIES SET FORTH ABOVE, THE PROPWORKS® SOFTWARE, DOCUMENTATION, MANUALS AND ON-LINE MATERIALS, ARE PROVIDED WITHOUT ANY OTHER WARRANTIES. AIRIT DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. Limitation of Liability. AIRIT's cumulative liability to CUSTOMER or any other party for any loss or damage resulting from any claims, demands or actions arising out of or relating to this agreement shall not exceed the license fees paid to AIRIT. In no event will AIRIT be liable for any indirect, special, incidental, consequential or exemplary pecuniary loss or damages arising out of the use or inability to use the PROPWORKS® software even if AIRIT has been advised of the possibility of such damages. Specifically, AIRIT shall not be responsible for any costs including, but not limited to, loss of profits or revenue, loss of use of the PROPWORKS® software, or loss of data. In addition, after the warranty period, AIRIT will not be liable for performing recovery services due to the failure of software or data. In no event will AIRIT's liability to CUSTOMER arising out of or in connection with this Agreement, whether arising out of breach of contract or tort, exceed the total license fees actually paid to AIRIT by CUSTOMER hereunder.

8. Conditions Which Void Warranty. The requirement to repair under the warranty described above shall immediately be voided if CUSTOMER, via its personnel or any of its representatives, make any modifications to the PROPWORKS® software not specifically enabled by its design and documented in its printed specifications, manuals, and training materials. Furthermore, the warranty shall be voided if CUSTOMER, via its personnel or any of its representatives, corrupts the system database or renders the database unusable by making database modifications or updates which are not specifically enabled by the application software, or described as acceptable administrative activities in the system documentation or training materials.

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9. Warranty and Liability for Additional Work. The above Sections 1 through 8 shall also apply to enhancements and extensions to the PROPWORKS® software commissioned by CUSTOMER and performed by AIRIT. Extensions and enhancements for the PROPWORKS® software shall be defined to be functionality, features, or interfaces requested by CUSTOMER which are not included in the standard PROPWORKS® software. The 90 day warranty period for any additional work shall begin on the day CUSTOMER accepts each extension and/or enhancement, or defined set of extensions and enhancements authorized under a separate Agreement or Purchase Order.

10. Should any sections following this Section 10 in this License Agreement conflict with a section in an attached Agreement or Purchase Order, said following in this License Agreement shall control.

11. Waiver. The failure of any party to enforce any of the terms of this License and Warranty shall not constitute a waiver of that party's right thereafter to enforce any such term or upon notice, to require correction of a default previously waived.

12. Export of Products. Customer who exports software, databases or documentation assumes liability for complying with applicable laws and regulations and for obtaining required export and import authorizations. Customer will not export or re-export software, databases or documentation or any technical data in violation of applicable export regulations.

13. Entire Agreement. This License and Warranty together with any attached AIRIT Agreement constitute the entire agreement between the parties relating to the subject matter contained in it and supersede all prior and contemporaneous representations, agreements, or understandings between the parties. No amendment of this License and Warranty shall be binding unless executed in writing by the parties.

14. Severability. If any part, term or condition of this License and Warranty is held void or unenforceable, such part shall be treated as severed, leaving void the remainder, and a new, enforceable provision shall be substituted therefor which accomplishes the intent of the severed provision as nearly as practicable.

15. Notices. All notices required or permitted under the License and Warranty shall be in writing and will be effective when (i) deposited in the U.S. Mail, certified, return receipt requested, postage prepaid or (ii) forwarded by reputable express courier providing written receipt of delivery and addressed to the parties at their respective addresses set forth below, or such other address designated in writing.

16. Assignment. This Agreement shall not be assigned by CUSTOMER without the prior written consent of AIRIT, such consent not to be unreasonably withheld.

17. Governing Law. This Agreement shall be governed by the laws of the State of Florida without regard to conflicts of laws provisions.

18. Confidentiality. CUSTOMER shall maintain the confidentiality of all information provided to CUSTOMER by AIRIT which relates to the PROPWORKS® Software, and shall not release, disclose or divulge any such information without the prior written consent of the AIRIT. CUSTOMER may only use and copy such confidential information as necessary for use of the PROPWORKS® Software as permitted by this License and Warranty Agreement and for no other purpose. CUSTOMER may disclose confidential information to its employees on a "need-to-know" basis, provided that it shall first instruct such employees to maintain the confidentiality thereof. CUSTOMER may also disclose confidential information to its subcontractors, provided that each subcontractor shall first execute a nondisclosure covenant equivalent to this provision. The foregoing covenant shall not include

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information that is or becomes part of the public domain through no act or omission on the part of CUSTOMER.

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Exhibit A

Covered Software

Unlimited Site License

PROPWORKS® Version 5.x or current release as of the date of this Agreement including the following modules:

- Agreement Management
- Billing & Invoicing
- Company & Contact Management
- Retail Sales Management
- Aeronautical Statistics
- Space Management
- Utility Management
- Tenant Alterations
- Oracle Financials Interface

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Exhibit J.2

Oracle E-Business Suite

Please refer to:
State of Texas Contract -28905-21-APR-03

Exhibit K

FLEXSAFE ESCROW AGREEMENT

Account Number 7905

This agreement ("Agreement") is effective Oct. 29, 2001 between DSI Technology Escrow Services, Inc. ("DSI") and Decision Support Technologies ("Depositor"), who collectively may be referred to in this Agreement as the parties ("Parties") and who are more fully identified in Exhibit A.

A. Depositor and Depositor's client have entered or will enter into a license agreement, development agreement, and/or other agreement regarding certain proprietary technology of Depositor (referred to in this Agreement as "the License Agreement").

B. Depositor desires to avoid disclosure of its proprietary technology except under certain limited circumstances.

C. Depositor desires to establish an escrow with DSI to provide for the retention, administration and controlled access of the proprietary technology materials of Depositor.

D. The parties desire this Agreement to be supplementary to the License Agreement pursuant to 11 United States [Bankruptcy] Code, Section 365(n).

ARTICLE 1 -- **DEPOSITS**

1.1 Obligation to Make Deposit. Upon the signing of this Agreement by the parties, Depositor shall deliver to DSI the proprietary technology and other materials ("Deposit Materials") to be deposited under this Agreement.

1.2 Identification of Tangible Media. Prior to the delivery of the Deposit Materials to DSI, Depositor shall conspicuously label for identification each document, magnetic tape, disk, or other tangible media upon which the Deposit Materials are written or stored. Additionally, Depositor shall complete Exhibit B to this Agreement by listing each such tangible media by the item label description, the type of media and the quantity. Exhibit B shall be signed by Depositor and delivered to DSI with the Deposit Materials. Unless and until Depositor makes the initial deposit with DSI, DSI shall have no obligation with respect to this Agreement, except the obligation to notify Depositor regarding the status of the account as required in Section 3.2.

1.3 Deposit Inspection. When DSI receives the Deposit Materials and Exhibit B, DSI will conduct a deposit inspection by visually matching the labeling of the tangible media containing the Deposit Materials to the item descriptions and quantity listed on Exhibit B.

1.4 Acceptance of Deposit. At completion of the deposit inspection, if DSI determines that the labeling of the tangible media matches the item descriptions and quantity on Exhibit B, DSI will date and sign Exhibit B and mail a copy thereof to Depositor. If DSI determines that the labeling does not match the item descriptions or quantity on Exhibit B, DSI will (a) note the

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discrepancies in writing on Exhibit B; (b) date and sign Exhibit B with the exceptions noted; and (c) mail a copy of Exhibit B to Depositor. DSI's acceptance of the deposit occurs upon the signing of Exhibit B by DSI.

1.5 Depositor's Representations. Depositor represents as follows:

a. Depositor lawfully possesses all of the Deposit Materials deposited with DSI;

b. With respect to all of the Deposit Materials, Depositor has the right and authority to grant to DSI the rights as provided in this Agreement; and

c. The Deposit Materials are not subject to any lien or other encumbrance.

d. The Deposit Materials are readable and useable in their current form or, if any portion of the Deposit Materials is encrypted, the decryption tools and decryption keys have also been deposited.

1.6 Deposit Updates. Updates to the Deposit Materials may be added to the existing deposit. All deposit updates shall be listed on a new Exhibit B and Depositor shall sign the new Exhibit B. Each Exhibit B will be held and maintained separately within the escrow account. An independent record will be created which will document the activity for each Exhibit B. The processing of all deposit updates shall be in accordance with Sections 1.2 through 1.5. All references in this Agreement to the Deposit Materials shall include the initial Deposit Materials and any updates.

1.7 Removal of Deposit Materials. The Deposit Materials may be removed and/or exchanged only on written instructions signed by Depositor or as otherwise provided in this Agreement.

ARTICLE 2 -- **FLEXSAFE ENROLLMENTS**

2.1 FlexSAFE Beneficiary. As used in this Agreement ("FlexSAFE Beneficiary") shall mean one or more FlexSAFE Beneficiaries depending on Depositor Enrollment(s), in accordance with Section 2.2.

2.2 FlexSAFE Enrollment(s). Depositor may enroll one or more beneficiaries under this Agreement. Depositor will execute and submit to DSI a FlexSAFE Beneficiary Enrollment document, referenced in this Agreement as Exhibit T, listing each beneficiary to be enrolled as a FlexSAFE Beneficiary under the Agreement. Upon DSI's acceptance of Exhibit T and any additional Exhibit T thereto, DSI will issue an enrollment letter and a copy of this Agreement to the FlexSAFE Beneficiary.

2.3 Other Third Parties. DSI shall have no obligation to any other third party except a FlexSAFE Beneficiary accepted by DSI. DSI and Depositor shall have the right to modify or cancel the Agreement without the consent of any third party.

Exhibit K

ARTICLE 3 -- **CONFIDENTIALITY AND RECORD KEEPING**

3.1 Confidentiality. DSI shall maintain the Deposit Materials in a secure, environmentally safe, locked facility which is accessible only to authorized representatives of DSI. DSI shall have the obligation to reasonably protect the confidentiality of the Deposit Materials. Except as provided in this Agreement, DSI shall not disclose the content of this Agreement to any third party and shall not disclose, transfer, make available, or use the Deposit Materials. If DSI receives a subpoena or any other order from a court or other judicial tribunal pertaining to the disclosure or release of the Deposit Materials, DSI will immediately notify Depositor unless prohibited by law. It shall be the responsibility of Depositor to challenge any such order; however, DSI does not waive its rights to present its position with respect to any such order. DSI will not be required to disobey any order from a court or other judicial tribunal. (See Section 8.5 for notices of requested orders.)

3.2 Status Reports. DSI will issue to Depositor and FlexSAFE Beneficiary a report profiling the account history at least semi-annually. DSI may provide copies of the account history upon request. Depositor will notify DSI if the account history is not to be provided to FlexSAFE Beneficiary.

3.3 Audit Rights. During the term of this Agreement, Depositor shall have the right to inspect the written records of DSI pertaining to this Agreement. Any inspection shall be held during normal business hours and following reasonable prior notice.

ARTICLE 4 -- **GRANT OF RIGHTS TO DSI**

4.1 Title to Media. Depositor hereby transfers to DSI the title to the media upon which the proprietary technology and materials are written or stored. However, this transfer does not include the ownership of the proprietary technology and materials contained on the media such as any copyright, trade secret, patent or other intellectual property rights.

4.2 Right to Make Copies. DSI shall have the right to make copies of the Deposit Materials as reasonably necessary to perform this Agreement. DSI shall copy all copyright, nondisclosure, and other proprietary notices and titles contained on the Deposit Materials onto any copies made by DSI. With all Deposit Materials submitted to DSI, Depositor shall provide any and all instructions as may be necessary to duplicate the Deposit Materials including but not limited to the hardware and/or software needed.

4.3 Right to Transfer Upon Release. Depositor hereby grants to DSI the right to transfer the Deposit Materials to FlexSAFE Beneficiary upon any release of the Deposit Materials for use by FlexSAFE Beneficiary in accordance with Section 5.4. Except upon such a release or as otherwise provided in this Agreement, DSI shall not transfer the Deposit Materials.

ARTICLE 5 -- **RELEASE OF DEPOSIT**

Exhibit K

5.1 Release of Deposit Upon Depositor's Instruction. Upon receipt by DSI of written instruction(s) directly from Depositor, Depositor's trustee in bankruptcy, or a court of competent jurisdiction, DSI will release a copy of the Deposit Materials to the FlexSAFE Beneficiary identified in the instruction(s). However, DSI is entitled to receive any fees due DSI before making the release. Any copying expense in excess of $300 will be chargeable to FlexSAFE Beneficiary. This Agreement will terminate upon the release of the Deposit Materials held by DSI.

5.2 Filing for Release of Deposit by FlexSAFE Beneficiary.

a. Upon notice to DSI by FlexSAFE Beneficiary of the occurrence of a release condition as defined in Section 5.3, DSI shall provide Depositor with a copy of FlexSAFE Beneficiary's notice by commercial express mail. From the date DSI mails the notice requesting release of the Deposit Materials, Depositor shall have 60 days to deliver to DSI contrary instructions ("Contrary Instructions").

Contrary Instructions shall mean the written representation by Depositor that a Release Condition has not occurred or has been cured. Upon receipt of Contrary Instructions, DSI shall send a copy of the Contrary Instructions to FlexSAFE Beneficiary by commercial express mail. Additionally, DSI shall notify both Depositor and FlexSAFE Beneficiary that there is a dispute to be resolved pursuant to Section 8.3. Subject to Section 6.3, DSI will continue to store the Deposit Materials without release pending (a) joint instructions from Depositor and FlexSAFE Beneficiary; (b) dispute resolution pursuant to Section 8.3; or (c) order of a court.

b. If no Contrary Instructions are given to DSI, Depositor agrees that DSI shall deliver a copy of the Deposit Materials to the FlexSAFE Beneficiary who provides DSI with all of the following:

1. Copy of the current License Agreement between Depositor and FlexSAFE Beneficiary;

2. Written demand that a copy of the Deposit Materials be released and delivered to FlexSAFE Beneficiary;

3. Written notice that the copy of the Deposit Materials being released to FlexSAFE Beneficiary only be used as permitted under the License Agreement;

4. Specific delivery instructions along with any fees due DSI; and

5. Written notice that the release of the copy of the Deposit Materials is pursuant to 11 United States Code Section 365(n) or other applicable federal or state bankruptcy, insolvency, reorganization or liquidation statute.

5.3 Release Conditions. As used in this Agreement, "Release Condition" shall mean the existence of any one or more of the following circumstances, uncorrected for more than 30 days:

a. Entry of an order for relief under Title 11 of the United States Code;

b. The making by Depositor of a general assignment for the benefit of creditors;

c. The appointment of a general receiver or trustee in bankruptcy of Depositor's business or property; or

d. Action by Depositor under any state or federal insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

5.4 Right to Use Following Release. Unless otherwise provided in the License Agreement; upon release of the Deposit Materials in accordance with this Article 5, FlexSAFE Beneficiary shall have the right to use the Deposit Materials for the sole purpose of continuing the benefits afforded to FlexSAFE Beneficiary by the License Agreement. FlexSAFE Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Materials.

ARTICLE 6 -- **TERM AND TERMINATION**

6.1 Term of Agreement. The initial term of this Agreement is for a period of one year. Thereafter, this Agreement shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing that the Agreement is terminated; or (b) DSI instructs Depositor and FlexSAFE Beneficiary in writing that the Agreement is terminated for nonpayment in accordance with Section 6.3 or by resignation in accordance with Section 6.4. If the Deposit Materials are subject to another escrow agreement with DSI, DSI reserves the right, after the initial one year term, to adjust the anniversary date of this Agreement to match the then prevailing anniversary date of such other escrow arrangements.

6.2 Term of FlexSAFE Enrollment. Upon receipt by DSI of Depositor's executed Exhibit T, the FlexSAFE Beneficiary will be enrolled for an initial term of one year, unless this Agreement terminates earlier, causing the FlexSAFE Beneficiary enrollment to terminate. Subsequent enrollment terms may be adjusted to the anniversary date of this Agreement and shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing to terminate the FlexSAFE Beneficiary enrollment; (b) FlexSAFE Beneficiary instructs DSI in writing to terminate the FlexSAFE Beneficiary; or (c) the enrollment is terminated by DSI for nonpayment in accordance with Section 6.3.

6.3 Termination for Nonpayment. In the event of the nonpayment of fees owed to DSI, DSI shall provide written notice of delinquency to all parties to this Agreement. Unless Depositor has instructed DSI to terminate FlexSAFE Beneficiary pursuant to subsection 6.2(a), Depositor or FlexSAFE Beneficiary shall have the right to make the payment to DSI to cure the default. If the past due payment is not received in full by DSI within one month of the date of such notice, then DSI shall have the right to terminate this Agreement at any time thereafter by sending written notice of termination to all parties. DSI shall have no obligation to take any action under this Agreement so long as any payment due to DSI remains unpaid.

6.4 Termination by Resignation. DSI reserves the right to terminate this Agreement, for any reason, by providing Depositor with 60-days' written notice of its intent to terminate this Agreement. Within the 60-day period, the Depositor may provide DSI with written instructions authorizing DSI to forward the Deposit Materials to another escrow company and/or agent or other designated recipient. If DSI does not receive said written instructions within 60 days of the date of DSI's written termination notice, then DSI shall destroy, return or otherwise deliver the Deposit Materials in accordance with Section 6.5.

6.5 Disposition of Deposit Materials Upon Termination. Subject to the foregoing termination provisions, and upon termination of this Agreement, DSI shall destroy, return, or otherwise deliver the Deposit Materials in accordance with Depositor's instructions. If there are no instructions, DSI may, at its sole discretion, destroy the Deposit Materials or return them to Depositor. DSI shall have no obligation to destroy or return the Deposit Materials if the Deposit Materials are subject to another escrow agreement with DSI or have been released to the FlexSAFE Beneficiary in accordance with Section 5.3.

6.6 Survival of Terms Following Termination. Upon termination of this Agreement, the following provisions of this Agreement shall survive:

a. Depositor's Representations (Section 1.5);

b. The obligations of confidentiality with respect to the Deposit Materials;

c. The rights granted in the sections entitled Right to Transfer Upon Release (Section 4.3) and Right to Use Following Release (Section 5.4), if a release of the Deposit Materials has occurred prior to termination;

d. The obligation to pay DSI any fees and expenses due;

e. The provisions of Article 8; and

f. Any provisions in this Agreement which specifically state they survive the termination of this Agreement.

ARTICLE 7 -- **DSI'S FEES**

7.1 Fee Schedule. DSI is entitled to be paid its standard fees and expenses applicable to the services provided. DSI shall notify the party responsible for payment of DSI's fees at least 60 days prior to any increase in fees. For any service not listed on DSI's standard fee schedule, DSI will provide a quote prior to rendering the service, if requested.

7.2 Payment Terms. DSI shall not be required to perform any service unless the payment for such service and any outstanding balances owed to DSI are paid in full. Fees are due upon receipt of a signed contract or receipt of the Deposit Materials whichever is earliest.

ARTICLE 8 -- **LIABILITY AND DISPUTES**

Exhibit K

8.1 Right to Rely on Instructions. DSI may act in reliance upon any instruction, instrument, or signature reasonably believed by DSI to be genuine. DSI may assume that any employee of Depositor or FlexSAFE Beneficiary who gives any written notice, request, or instruction has the authority to do so. DSI will not be required to inquire into the truth or evaluate the merit of any statement or representation contained in any notice or document. DSI shall not be responsible for failure to act as a result of causes beyond the reasonable control of DSI.

8.2 Indemnification. Depositor agrees to indemnify, defend and hold harmless DSI from any and all claims, actions, damages, arbitration fees and expenses, costs, attorney's fees and other liabilities ("Liabilities") incurred by DSI relating in any way to this escrow arrangement unless such Liabilities were caused solely by the negligence or willful misconduct of DSI.

8.3 Dispute Resolution. Any dispute relating to or arising from this Agreement shall be resolved by arbitration under the Commercial Rules of the American Arbitration Association. Three arbitrators shall be selected. The Depositor and FlexSAFE Beneficiary shall each select one arbitrator and the two chosen arbitrators shall select the third arbitrator, or failing agreement on the selection of the third arbitrator, the American Arbitration Association shall select the third arbitrator. However, if DSI is a party to the arbitration, DSI shall select the third arbitrator. Unless otherwise agreed by Depositor and FlexSAFE Beneficiary, arbitration will take place in San Diego, California, U.S.A. Any court having jurisdiction over the matter may enter judgment on the award of the arbitrator(s). Service of a petition to confirm the arbitration award may be made by First Class mail or by commercial express mail, to the attorney for the party or, if unrepresented, to the party at the last known business address.

8.4 Controlling Law. This Agreement is to be governed and construed in accordance with the laws of the State of California, without regard to its conflict of law provisions.

8.5 Notice of Requested Order. If any party intends to obtain an order from the arbitrator or any court of competent jurisdiction which may direct DSI to take, or refrain from taking any action, that party shall:

a. Give DSI at least two business days' prior notice of the hearing;

b. Include in any such order that, as a precondition to DSI's obligation, DSI be paid in full for any past due fees and be paid for the reasonable value of the services to be rendered pursuant to such order; and

c. Ensure that DSI not be required to deliver the original (as opposed to a copy) of the Deposit Materials if DSI may need to retain the original in its possession to fulfill any of its other duties.

ARTICLE 9 -- GENERAL PROVISIONS

9.1 Entire Agreement. This Agreement, which includes Exhibits described herein, embodies the entire understanding between the parties with respect to its subject matter and supersedes all previous communications, representations or understandings, either oral or written. DSI is not a party to the License Agreement between Depositor and FlexSAFE Beneficiary and has no

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knowledge of any of the terms or provisions of any such License Agreement. DSI's only obligations to Depositor or FlexSAFE Beneficiary are as set forth in this Agreement. No amendment or modification of this Agreement shall be valid or binding unless signed by both parties hereto, except Exhibit A need not be signed by either party.

9.2 Notices. All notices, invoices, payments, deposits and other documents and communications shall be given to the parties at the addresses specified in Exhibit A. It shall be the responsibility of the parties to notify each other as provided in this Section in the event of a change of address. The parties shall have the right to rely on the last known address of the other parties. Unless otherwise provided in this Agreement, all documents and communications may be delivered by First Class mail.

9.3 Severability. In the event any provision of this Agreement is found to be invalid, voidable or unenforceable, the parties agree that unless it materially affects the entire intent and purpose of this Agreement, such invalidity, voidability or unenforceability shall affect neither the validity of this Agreement nor the remaining provisions herein, and the provision in question shall be deemed to be replaced with a valid and enforceable provision most closely reflecting the intent and purpose of the original provision.

9.4 Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties. However, DSI shall have no obligation in performing this Agreement to recognize any successor or assign of Depositor unless DSI receives clear, authoritative and conclusive written evidence of the change of parties.

9.5 Regulations. Depositor is responsible for and warrants compliance with all applicable laws, rules and regulations, including but not limited to customs laws, import, export, and re-export laws and government regulations of any country from or to which the Deposit Materials may be delivered in accordance with the provisions of this Agreement.

DECISION SUPPORT TECHNOLOGIES Depositor	DSI Technology Escrow Services, Inc.
By: [signature]	By: Kelley A Moreno
Name: GLEN R. PORTER	Name: Kelley A Moreno
Title: EXECUTIVE VICE PRESIDENT	Title: Contract Administrator
Date: 10/22/01	Date: 11/13/01

Exhibit K

EXHIBIT F

ASSIGNMENT OF TECHNOLOGY ESCROW AGREEMENT(S)

This assignment is made this 13th day of January, 2003 by Decision Support Technologies, Inc. ("Assignor"), Air-Transport IT Services, Inc ("Assignee") and DSI Technology Escrow Services, Inc. ("DSI"), and is made with reference to the following facts:

A. DSI and Assignor entered into Technology Escrow Agreement(s) ("Agreement"), Client Number: 7905.

B. Pursuant to the Agreement, certain proprietary information was deposited with DSI for retention and controlled access under conditions specified therein.

C. Assignor is in the process of, or has transferred its rights in the Agreement to Assignee.

D. Pursuant to such transfer, Assignor desires to assign all of its rights and obligations in the Agreement to Assignee.

NOW THEREFORE, in consideration of the mutual promises and covenants to be kept, maintained and performed by the parties hereto, the parties agree as follows:

1. Assignor does hereby assign to Assignee all of its rights and obligations arising from and relating to the Agreement.

2. Assignee acknowledges that it has read and understands all of the terms and conditions of the Agreement and hereby accepts the assignment of all of the rights and obligations of the Agreement and adopts all of the terms and provisions thereof.

3. DSI will have the right, but not the obligation, to notify the parties of this Assignment. If required, Assignor and Assignee may have the obligation to notify the parties to this Agreement to obtain their consent to this Assignment.

Decision Support Technologies, Inc.
(Assignor)

By: _____

Title: Executive Vice President

Air-Transport IT Services, Inc.
(Assignee)

By: _____

Title: Executive Vice President

DSI Technology Escrow Services, Inc.
(Escrow Agent)

By: Paula Smith

Title: Manager Operations

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EXHIBIT "L"
REQUIREMENTS LISTING

Exhibit L

SOFTWARE FUNCTIONAL SYSTEM REQUIREMENTS

Requirement	Requirement Met By Proposed Solution? Y = Fully Meets N = Does Not Meet	Comments
6.1 Lease and Contract Management: The Lease and Contract Management software unit(s) must interface with accounts receivable and billing software unit(s) in order to set up and bill customers without re-entry. The software unit(s) shall have the capability to perform (but shall not be limited to perform) the following functions:		
6.1.1 Track multiple types of contracts and leases such as airline agreements, rental cars, parking, ground rentals, cargo and freight forwarders space, hangers, concessions and other building rentals.	Y	
6.1.2 Input contract information such as tenant name, property description, geographic location, effective date, termination date, appraisal amount, renewal options, contact information, facility information such as square footage and audit requirements.	Y	
6.1.3 Set up user-defined billing information including rates, billing methods, due dates, payment amounts, percentage rates and guaranteed minimums.	Y	
6.1.4 Track insurance and bonding requirements including types of coverage, limit, effective date, expiration date, insurance carrier and if the certificate is on file.	Y	
6.1.5 Track performance bonds and letters of credit, including effective date, expiration date and amount.	Y	
6.1.6 Set up and track multiple agreement status types such as active,	Y	

Exhibit L

inactive, expired and canceled.		
6.1.7 Generate reports and form letters based on expiration dates.	**Y**	
6.1.8 Generate reports or notices of upcoming agreement events such as termination, billing rate changes, negotiations or payments past due.	**Y**	
6.1.9 Allow on-line inquiry of contract information and rate history.	**Y**	
6.1.10 Allow for input of unlimited text of user-defined remarks/comments.	**Y**	Via the "Associated Documents" feature.

6.2 Accounts Receivable and Billing: Accounts Receivable and Billing software module(s) must interface with Lease, Contract Management and General Ledger software module(s) and must be able to process invoices without re-entry of customer setup and rate information. The software module or modules shall have the ability to perform the following functions but not be limited to:		
6.2.1 Generate billings from lease data.	**Y**	
6.2.2 Process fixed and/or variable billings per customer in accordance with each individual customer contract or one bill for multiple agreements with a vendor .	**Y (with explanation)**	In PROPworks®, invoices are produced on an "agreement by agreement" basis – therefore, if a company has multiple agreements in PROPworks®, invoices can be produced for each agreement. It is important to note that one "logical agreement" in PROPworks® might be comprised of multiple paper agreements – allowing the user to produce one invoice for multiple paper agreements.
6.2.3 Create user-defined invoices for miscellaneous billings.	**Y**	
6.2.4 Combine billing items from multiple customer contracts onto a	**Y**	See comment with item 6.2.2

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single invoice.	**(with explanation)**	
6.2.5 Split billing items from a single customer onto multiple invoices.	**Y**	
6.2.6 Record miscellaneous billing without generating an invoice.	**N**	A one-time invoice would be generated. The invoice does not need to be mailed to the customer and is used simply to create an Accounts Receivable entry.
6.2.7 Add text or comments on invoices.	**Y**	
6.2.8 Create and record credit memorandums.	**Y**	
6.2.9 Calculate interest charges and penalties as provided for in the contracts for late payments.	**Y**	
6.2.10 Reprint selected invoices.	**Y**	
6.2.11 Process cash receipt postings to a specific invoice number or as payment on account.	**Y**	
6.2.12 Process miscellaneous cash receipts to a user-defined account number.	**Y**	
6.2.13 Allow for adjustments to a customer account within pre-determined parameters.	**Y**	Adjustments may be manually entered.
6.2.14 Print statements and past due letters upon user request.	**Y (partial)**	PROPworks® can be used to produce various formats of customer statements. Past due letters are available within the mail merge feature of PROPworks® although AirIT would need to know more about the specific past due letter requirements in order to provide a better response to this requirement.
6.2.15 Create and print aging reports as of a specific date defined by the user by to include aging reports for all of H.A.S or by functional area.	**Y**	Aging reports can be produced for all of HAS or by functional area – although all current PROPworks® aging reports operate from the current date. Aging by a specific

Exhibit L

		date is on the planned enhancement list.
6.2.16 Print reports of cash receipt postings and adjustments.	**Y**	
6.2.17 Track invoice and payment history for multiple accounting periods.	**Y**	
6.2.18 Allow on-line viewing and printing of customer account history.	**Y**	
6.2.19 Manually assign period for accrued billing and revenue.	**Y**	
6.2.20 Optional – ability to receive payments online.	**N**	
6.3 Airport Statistics: Airport statistics must interface with lease/contract management and/or accounts receivable/billing. The software unit(s) shall have the capability to perform the following functions:		
6.3.1 Record airport activities by terminal or concourse, such as passengers enplaning, deplaning, originating airline and transfers. Report cargo, operations and aircraft activity based on user-defined fields.	**Y**	
6.3.2 Allow for set-up of user-defined tables such as aircraft type and weight.	**Y**	
6.3.3 Allow on-line inquiry of current month and year-to-date activities.	**Y**	
6.3.4 Allow for entry of activity in airport statistics or billing modules, without re-entry of data.	**Y**	
6.3.5 Calculate and print reports based on user-specified criteria from current year and at least 10 preceding years both on a fiscal and calendar year basis.	**Y**	

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6.4 General Ledger and Financial Reporting: The software must allow the capability to interface with all other HAS systems. The contractor will propose the cost of a turnkey interface with AFMS. The functional software modules must provide the capability to post accounting data without re-entry. This software module or modules shall have the ability to perform the following functions:		
6.4.1 Track revenues by cost center and produce separate reports.	**Y (partial)**	Bill Rules may be organized to do this, but PROPworks® has no reports broken out by GL segments.
6.4.2 Track revenues by codes and produce various group and departmental reports.	**Y (partial)**	Bill Rules may be organized to do this, but PROPworks® has no reports broken out by GL segments.
6.4.3 Post to multiple accounting periods, including prior and subsequent accounting periods.	**Y**	
6.4.4 Automatically perform month and year-end closes to update account balances.	**N**	
6.4.5 Allow for on-line inquiry of account balances and budget amount(s).	**Y (with explanation)**	AirIT is unsure of this requirement. Account balances and budgets can be inquired from within the system and are thus "on-line", but AirIT does not have a current browser based interface to allow account balance inquiry over the Internet.
6.4.6 Allow for set-up of general ledger and sub-ledger accounts in a user-defined order.	**Y (with explanation)**	Because PROPworks® is primarily a property and revenue management system, it does not have a separate general ledger with full general ledger related capabilities. We do accept a flexible format for the entry of account codes – and allow the customer to specify an account code "mask" to insure the any new account codes are entered into the system in the proper account code format. PROPworks® also features

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		optional "Integration Packages" for major financial or ERP systems such as Oracle E-Business & SAP. These ERP solutions can provide the full integration desired.
6.4.7 Generate user-defined reports by account, department, cost center, project, or activity in detail or summary using a report writing facility.	**Y**	Via the PROPworks® End User Layer/Oracle Discoverer.
6.4.8 Generate monthly and annual comparative financial reports including revenue by company by category, airline statistical reports, concessions statistical reports by company	**Y**	

EXHIBIT "M"
SAMPLE APPROVAL FORM

Exhibit M

To:

From:

cc:

Date:

PROPworks Implementation Status Report – Phase ?

The following is a summary of the project status ...

Please review the Status report and attachments, and return it to me with comments or your concurrence by signing below within ____ business days.

Accomplishments:

Participants and other details of the implementation activity are noted in the attached "Weekly Trip Detail" reports.

The major tasks accomplished in the phase are:

Project Manager Concurrence with Project Status Report

We have reviewed the Project Status document and concur, including the schedule revision as proposed.

_____ _____

Project Manager

Attachments/Deliverables:

EXHIBIT "N"
(INTENTIONALLY DELETED)

EXHIBIT "O"
FEE SCHEDULE

Fee Schedule – Milestone Payments

Following is a summary of fixed one-time fees to be paid to Contractor, broken out by category. These fees are all-inclusive of such costs as shipping, travel expenses, administrative costs, etc.

One Time Fee Summary	
Hardware	$ 5,147.00
Oracle Software	$34,313.00
Oracle 1st Year Support and Maintenance	$ 7,549.00
PROPworks® Software	$200,000.00
PROPworks® 1st Year Support and Maintenance	$40,500.00
Implementation Services	$395,576.00
Total	$683,085.00

Following is a schedule of fixed amounts to be paid to Contractor upon Approval by Director of project Milestones.

Milestone Ref. #	**Milestone Description**	**Associated Payment**	**Comments**
4	PROPworks®/Oracle Install	$282,362.00	Payment Net 30 from NTP
5	On-site Hardware Delivery	$ 5,147.00	Payment Net 30 from approved invoice.
12	Kick Off Meeting	$48,814.00	Payment Net 30 from approved invoice.
25	Requirements Definition & Mapping	$61,433.00	Payment Net 30 from approved invoice.
46	Business Requirements Definition	$64,320.00	Payment Net 30 from approved invoice.
70	Solution Design & Localization	$50,753.00	Payment Net 30 from approved invoice.
81	Data Migration	$111,592.00	Payment Net 30 from approved invoice.
90	Confirmation & Delivery – Part 1	$29,332.00	Payment Net 30 from approved invoice.
95	Confirmation & Delivery – Part 2	$29,332.00	Payment Net 30 from approved invoice.

Fee Schedule – Ongoing Support Payment

Software

Oracle Consulting will provide up to three weeks of implementation services at no cost to HAS as part of this offering to implement Oracle Receivables and a copy of the AMS chart of accounts in the Oracle G/L package. This is a very limited set-up of Oracle Receivables and a chart of account sub-ledger. Oracle will also provide at no cost to HAS the training required to utilize the Oracle Receivables functionality that will be implemented in order to meet the requirements of RFP #TC-3-0739-10-13910. This enhanced offering will allow for on-line payment inquiry through Oracle's iReceivables software.

ITEM	COST	COMMENTS
Recommended Software		Unlimited Site License
PROPworks Core Modules Including:	$ 111,112	
Company Management		
Agreement Management		
Billing & Invoicing		
Retail Sales		
PROPworks Aeronautical Statistics	$ 22,222	
PROPworks Space Management	$ 22,222	
PROPworks Utility Management	$ 22,222	
PROPworks Tenant Alterations	$ 22,222	
Total AirIT Software Cost	**$ 200,000**	
Oracle 9i Internet Application Server	$ 8,000	20 Named Users
Oracle 9i Internet Developer Suite (Includes Discoverer Administrative Edition)	$ 5,000	1 Named User
Oracle E-Business Suite (Includes Discoverer, Financial Analyzer, Workflow, Report Manager and iReceivables)	$ 21,313	30 Professional Users
Total Oracle Software Cost	**$ 34,313**	

EXHIBIT "P"
HOURLY RATES AND CLASSIFICATIONS

Position	Hourly Rate
VP, Development	$ 190
Consulting Manager	$ 170
Senior Implementation Consultant	$ 145

EXHIBIT "Q"

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.