

Hamer Enterprises®

APPLICATION SOFTWARE USER LICENSE UPGRADE AGREEMENT

HAMER ENTERPRISES of 4200-A N Bicentennial Dr, McAllen, Texas 78504 (hereinafter referred to as LICENSOR) agrees to grant and WEBB COUNTY TAX OFFICE at 1110 Victoria Street Suite 107, Laredo, Texas 78040 (hereinafter referred to as LICENSEE) agrees to accept for valuable consideration the sufficiency of which is hereby acknowledged, a non-transferable, non-exclusive license (hereinafter referred to as LICENSE) to use the application computer programs and accompanying documentation (hereinafter referred to as SOFTWARE) identified as follows:

Item	Product Acronym	Product/Module Description	User Capacity
1.	eTAX	Browser Based Tax Billing & Collection System (Upgrade from legacy EZ-TAX System)	1-35

Note: The items above have been delineated by LICENSOR and the LICENSEE to operate only in the following computer user capacity environment:

Make	Model	Processor	Serial Number
IBM Power 710	8231	E2B	7F9DP

Unless otherwise stated within this Agreement, a total higher computer user capacity environments other than that specified above will require the execution of a new one-time Application Software License Agreement and the payment of a one-time Upgrade License Fee. This fee will be established by the then current, standard and/or published HAMER ENTERPRISES Upgrade Pricing Schedule.

1. TITLE:

The original and any copies of the SOFTWARE, in whole or in part, including any subsequent improvements or updates, shall be the property of LICENSOR subject to all conditions in Article 2 of this Agreement.

2. USE AND DISCLOSURE OF SOFTWARE:

LICENSEE acknowledges that the SOFTWARE constitutes trade secrets and proprietary information of LICENSOR. Subject to Paragraph 3, LICENSEE shall not without LICENSOR's prior written consent, (a) reproduce, sell, lease, assign, transfer, license, sublicense, share, give, otherwise dispose of the SOFTWARE or any parts thereof; (b) permit the SOFTWARE or any parts thereof to be copied or reproduced by any persons or entities; (c) permit the SOFTWARE or any parts

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3. COPIES OF SOFTWARE:

A. Notwithstanding anything to the contrary contained in Paragraph 2 or elsewhere in this agreement, LICENSEE, without LICENSOR's consent may (a) make temporary copies of SOFTWARE herein for backup computer equipment if the LICENSEE's computer equipment is temporarily inoperative for any reason, and/or; (b) copy any portion of SOFTWARE herein licensed from storage units or media into computer equipment in the normal course of the operation of computer equipment or in support of the use of any computer equipment or program; or from storage unit or media to storage unit or media in the normal course of software backup procedures.

B. SOURCE CODE:

LICENSOR agrees to provide copies of all its source programs to the LICENSEE notwithstanding Article 2 of this agreement, and subject to all conditions and constraints thereof and to insure that all such programs are the most current releases of each module. Source codes for those modules licensed will be made available in any event to the LICENSEE if:

- (a) LICENSOR defaults on the agreement with LICENSEE;
- (b) LICENSOR ceases to do business; or
- (c) LICENSOR stops maintenance support of the software module in question without cause from LICENSEE.

In the event condition (a), (b) or (c) materializes, LICENSEE has unrestricted access to all modules it has accepted from LICENSOR, but may not transfer machine or human readable programs, source codes or documentation to any other agency or commercial business, under any conditions. Nothing herein gives the LICENSEE the authority to alter the source code without express written approval of LICENSOR unless condition (a), (b) or (c) above exist.

4. USE OF SOFTWARE BY LICENSOR:

Nothing in this Agreement shall prevent LICENSOR from using SOFTWARE identical or similar to the SOFTWARE or from reproducing, selling, leasing, licensing, assigning or otherwise disposing of identical or similar SOFTWARE to others.

5. LIMITED WARRANTY AND LIMITATION OF LIABILITY:

LICENSOR warrants that the SOFTWARE will conform to LICENSOR's published program specifications for the SOFTWARE as delivered to LICENSEE with the SOFTWARE.

LICENSEE ACKNOWLEDGES THAT THE SOFTWARE IS OF SUCH COMPLEXITY THAT IT INHERENTLY MAY HAVE DEFECTS AND AGREES THAT

LICENSOR's SOLE AND EXCLUSIVE LIABILITY FOR BREACH OF THE WARRANTY STATED HEREIN, AND AS LICENSEE's SOLE AND EXCLUSIVE REMEDY, LICENSOR WILL, WITHIN A REASONABLE TIME PERIOD AFTER RECEIPT OF WRITTEN NOTICE FROM LICENSEE, PROVIDE PROGRAMMING SERVICES TO CONFORM THE SOFTWARE TO SAID SPECIFICATIONS, PROVIDED THAT LICENSOR's DIAGNOSIS INDICATES THAT ANY SUCH NON-CONFORMITY WAS IN EXISTENCE AT THE TIME OF DELIVERY OF THE SOFTWARE TO LICENSEE AND PRIOR TO ANY ALTERATIONS THERETO.

EXCEPT FOR THE EXPRESS WARRANTY CONTAINED HEREIN, LICENSOR MAKES NO WARRANTY OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, AND EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY AND EXCLUSIVE REMEDY STATED HEREIN IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF LICENSOR FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE SOFTWARE OR BREACH BY LICENSOR OF ANY TERM OF THIS AGREEMENT. IN NO EVENT SHALL LICENSOR HAVE ANY OBLIGATION OR LIABILITY FOR DAMAGES, WHETHER DIRECT, INCIDENTAL, CONSEQUENTIAL, OR OF ANY OTHER NATURE WHATSOEVER, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6. TERMINATION:

This Agreement may be terminated by LICENSOR if LICENSEE fails to comply with any of the terms and conditions of the Agreement. The license granted herein for SOFTWARE shall remain in force until LICENSEE discontinues the use of SOFTWARE for use and notifies LICENSOR in writing of such discontinuance.

7. GENERAL:

This Agreement may be amended only by means of a written agreement executed by LICENSOR and LICENSEE. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

8. PRICING & IMPLEMENTATION:

PRICING SCHEDULE

I. EZ-TAX to eTAX Migration:

1. eTAX License Fee	\$ 25,000
2. GUI License Discount (Per Quote #10011, 11/15/12)	<u>-7,700</u>
Total eTAX License Fee	\$ 17,300

II. Implementation Services

3 Days On-Site Training	\$ 3,600
16 Hours "Join Me" On-Line Collaborative Session Training	\$ 2,400

(Travel & Per Diem are an additional charge and will be invoiced as accrued.)

Total Agreement Amount	\$ <u>23,300</u>
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PAYMENT MILESTONES	PAYMENT
PAYMENT SCHEDULE	
Payment 1 Upon contract execution	\$ 9,000
Payment 2 Before 12/31/2016	\$ 7,150
Payment 3 No later than 06/30/2017	\$ 3,575
Payment 4 No later than 12/31/2017	\$ <u>3,575</u>
Total	\$ <u>23,300</u>

THIS AGREEMENT SHALL NOT BE EFFECTIVE UNTIL EXECUTED BY LICENSEE AND ACCEPTED BY AN AUTHORIZED REPRESENTATIVE OF LICENSOR AT ITS PRINCIPAL PLACE OF BUSINESS.

By signature below, this Agreement is accepted by LICENSOR and effective as of _____ 2016.

Via execution below, signer certifies that he is duly authorized to execute this Agreement for the LICENSEE.

LICENSOR:

LICENSEE:

HAMER ENTERPRISES

WEBB COUNTY TAX OFFICE

 Authorized Signature
 William C Hamer

 Typed
 CEO

 Title

 Date

 Authorized Signature

 Typed

 Title

 Date

 Attest

 Title