

RECEIVED APR 06 2011

Quality Data Service, Inc.
SOFTWARE LICENSE AND SUPPORT SERVICES AGREEMENT

This Software License and Support Services Agreement, subject to the limitations and conditions set forth in this Agreement, as more specifically described in the attached Appendixes, is entered into by and between:

QUALITY DATA SERVICE, INC., a Connecticut Corporation, with its principal place of business at: 121 Mattatuck Heights Rd, Waterbury, CT 06705;

And

The Town of Canton, CT

(Customer),

With its principal place of business at

4 Market Street

Collinsville, CT 06019

QUALITY DATA SERVICE, INC. and Customer agree that when this Agreement is signed by both parties, all terms and conditions contained in this Agreement and the Appendixes shall be referred to as the "Agreement") will apply to any Licensed Program(s) and/or service(s) (defined below) offered under this Agreement. QUALITY DATA SERVICE, INC. will furnish to the Customer by this Agreement (in concert with the scope of services set forth in Section XV herein):

1. The QUALITY DATA SERVICE, INC. Licensed Program(s) listed in Appendix 1 attached hereto and incorporated hereby of this Agreement.
2. Grant of a nonexclusive, nontransferable license to use the Licensed Programs on equipment meeting the minimum hardware requirements for server and workstation, as provided in Appendix 3 attached hereto and incorporated hereby.
3. Support service(s) as described herein.
4. Installation, modifications, training, conversion and project management services as described herein and listed in Appendix 1 and Appendix 4 of this Agreement.

With respect to the Licensed Program(s), the Customer agrees to accept responsibility for:

1. The installation of the Licensed Program(s) plus any enhancements and/or updates unless installation services are contracted from QUALITY DATA SERVICE, INC. and outlined in the Appendix 1.
2. Use of the Licensed Programs to achieve the Customer's intended results.

Both parties acknowledge that they have read this Agreement and agree to be bound by the terms and conditions herein.

CUSTOMER – Town of Canton, CT

Quality Data Service Inc.



Authorized Signature



Authorized Signature

Robert H. Skinner, CAO

Print Name & Title

Leonello DiNicola, CFO

Print Name & Title

3/28/11

Date

3/29/2011

Date

Table of Contents

I - DEFINITIONS 3

II - LICENSE 3

III - TERM 4

IV - QUALITY DATA SERVICE, INC. SUPPLIED PRODUCT (S) AND/OR SERVICES..... 4

V - PRICING AND PAYMENT TERMS 5

VI - LICENSED PROGRAM TESTING AND ACCEPTANCE 5

VII - LICENSED PROGRAM SERVICES..... 5

VIII - PROTECTION AND SECURITY OF PROPRIETARY MATERIALS 7

IX - WARRANTY 7

X - COPY AND USE 8

XI - LIMITATION OF LIABILITY AND REMEDIES 9

XII - PATENT AND COPYRIGHT INDEMNITY 9

XIII - COPYRIGHT PROTECTION..... 10

XIV - MISCELLANEOUS AGREEMENT PROVISIONS 10

XV - GENERAL CONDITIONS 12

APPENDIX 1 – Cost Detail..... 16

APPENDIX 2 – Cost Summary & Payment Schedule 18

APPENDIX 3 – Platforms, Hardware/Software Supported & Required..... 19

 WORKSTATION.....19

 SERVER19

 NETWORK RECOMMENDATIONS.....20

APPENDIX 4 – Additional Information..... 21

I - DEFINITIONS

"Licensed Program(s)" shall mean a licensed data program or set of programs, or routines and subroutines, consisting of a series of instructions or statements in machine readable object code form and any related licensed program materials including any specifications and documentation provided for use in connection with such license. Unless otherwise provided herein, the term "Licensed Program(s)" shall refer solely to QUALITY DATA SERVICE, INC. Licensed Program(s) as listed in Appendix 1 of this Agreement.

"Machine" or "CPU" or "Hardware" shall mean computer hardware meeting the minimum hardware requirements for server and workstation, as provided in the Appendixes for operation of any Licensed Program(s).

"Source Code" shall mean a copy of the computer programming code in human-readable form and related system documentation, including updates, applicable enhancements, and all pertinent commentary as well as any procedural code such as job control language.

"Object Code" shall mean a copy of the computer programming code assembled or compiled in magnetic or electronic binary form on software media, which are readable and usable by machines, but not generally readable by humans without reverse assembly, reverse compiling, or reverse engineering.

"Installation Date" shall mean the date that the Licensed Program(s) is installed/loaded on a designated machine.

"Documentation" shall mean the User's Software Operations instruction manual.

"Delivery" shall mean the date that the Licensed Program(s) is received by the Customer and installed by Quality Data Service. For services, the "Delivery" refers to the date services are performed.

"Acceptance" shall mean that the installed/loaded Licensed Program(s) has gone through the program testing and acceptance period as described in Section VI and customer has successfully used the system for billing.

"Support Services" shall mean the maintenance and support call services provided to Customer for the QUALITY DATA SERVICE, INC. Licensed Program(s) as described herein and listed in the Appendixes of this agreement.

II - LICENSE

The license granted under this Agreement permits the Customer, subject to the provisions of Sections VIII, IX, X and XII of this Agreement to:

- a. Use the Licensed Program(s) on the designated Machine(s) for Customer's internal use only and not for the processing of any data except Customer's (i.e., no service bureau use is permitted). The License Fees are based on the Town of Canton's Sewer Utility customer record and payment volumes at the time of this agreement. In the event of the Town of Canton regionalizing with other Towns or substantial growth in the record volumes, QDS reserves the right to incrementally charge for the additional cost of the License Fees based on the differences in the current record volumes and the regionalized record volumes and number of users based on Quality Data Services published municipal rates at the time of the change and charge for any additional services (including Training, Project Management, Installation, Data File Conversion, Annual Support and Software Licensing Fees) as required.

- b. Copy the Licensed Program(s) in machine readable object code form to provide sufficient copies to support the Customer's use of the Licensed Program(s) as authorized under this Agreement.
- c. Transfer the Licensed Program(s) to a back-up CPU to be used when the designated CPU is temporarily inoperable.
- d. Modify any Licensed Program(s) to form an updated work for the Customer's use. Any updated work shall be the property of QUALITY DATA SERVICE, INC. to the extent it contains any QUALITY DATA SERVICE, INC. proprietary code.

Customer is prohibited from reverse engineering, reverse assembling and reverse compiling the Licensed Program(s), in whole or in part. Failure to modify the programs in the manner prescribed may negate the ability to maintain the Licensed Program(s) by QUALITY DATA SERVICE, INC. and will relieve QUALITY DATA SERVICE, INC. of any responsibility to provide support services. Any updated work using portions of the Licensed Program(s) that meets the above criteria will continue to be subject to all terms of this Agreement.

- e. Have access to a copy of the Licensed Program(s). Unless otherwise provided herein, the Licensed Program(s) are provided in and may be used in machine-readable object code form only. QUALITY DATA SERVICE, INC. maintains a copy of the Customer's source code in escrow at QDS's Attorney at no additional charge or through a third party escrow agent at additional cost. The Source Code Escrow through QDS's Attorney or a third party Escrow Agent both provide for release of the source code version of the Licensed Program(s) from escrow upon the occurrence of certain release events, such as QUALITY DATA SERVICE, INC.'s failure to provide required maintenance services as agreed.

III - TERM

This Agreement is effective from the date on which it is signed by both parties and will remain in effect until terminated by the Customer upon one (1) month written notice or by QUALITY DATA SERVICE, INC. as stated in this section. This Agreement may be terminated by the Customer as set forth herein and upon such termination; all Licensed Program(s) will be returned to QUALITY DATA SERVICE, INC. or destroyed. An authorized representative of QUALITY DATA SERVICE, INC., upon request, shall be afforded sufficient reasonable access to Customer's premises to verify that all use of Licensed Program(s) have been discontinued. Notice of discontinuance from the Customer of any or all licenses shall not be considered notice of termination of this Agreement unless specifically stated.

License(s) granted under this Agreement may be discontinued by the Customer upon written notice, effective immediately, during the testing period described in Section VI.

QUALITY DATA SERVICE, INC. may discontinue any license or terminate this Agreement upon written notice with a 30 day opportunity to cure if the Customer fails to comply with the terms and conditions of this Agreement.

IV - QUALITY DATA SERVICE, INC. SUPPLIED PRODUCT (S) AND/OR SERVICES

QUALITY DATA SERVICE, INC. shall supply the Licensed Program(s) specified in the Appendixes in machine-readable object code form with instructions for installation by the Customer. Standard form options, if applicable, will be provided by QUALITY DATA SERVICE, INC. In addition, QUALITY DATA SERVICE, INC. shall supply related Support Services and/or maintenance, and may supply specialized hardware or other third party products necessary for the performance of certain special features or functions. These Support Services and deliverables, if any, shall be identified and more specifically described in the Section XV and

Appendix 1, and shall constitute the complete list of deliverables provided by QUALITY DATA SERVICE, INC as set forth in Section XV.

QUALITY DATA SERVICE, INC. assumes no liability for any hardware or other third party products beyond manufacturers' warranty specified in the Appendixes. Customer acknowledges that these products were selected by Customer to support features desired by Customer, and that they are included in the Agreement solely for that purpose.

V - PRICING AND PAYMENT TERMS

All pricing and terms associated with Licensed Program(s) and any other QUALITY DATA SERVICE, INC. products and services are specified in the attached Appendixes of the contract. QUALITY DATA SERVICE, INC. may increase its prices without notice on items not provided for in the Appendixes.

(INVOICES MORE THAN 30 DAYS OLD WILL BE CHARGED A FINANCE CHARGE OF 1.5% PER MONTH UNLESS SAID INVOICE IS CONTESTED IN GOOD FAITH BY THE "TOWN" WITHIN 30 DAYS OF INVOICE RECEIPT BY TOWN)

Annual Fees for QUALITY DATA SERVICE, INC. Customer Support Services are payable prior to the commencement of such Support Services at the beginning of the Town's fiscal year as described in Appendix 2. After the warranty period, should Customer require Support Services prior to receipt of payment and the contractual start date of such Service, Customer will be notified in writing that they will be billed at the then prevailing hourly rate until payment is received.

Fees for support services for any third party products provided for under this Agreement shall be payable to and in accordance with the provisions of the third party Vendor unless otherwise specified in the Appendixes.

Except of taxes on Quality Data Service, Inc.'s income, any taxes resulting from this Agreement or activities resulting from this Agreement, including but not limited to sales and/or use tax, will be the responsibility of the Customer. QUALITY DATA SERVICE, INC. will accept an exemption certificate from the Customer in lieu of taxes if the Customer qualifies for exempt status.

VI - LICENSED PROGRAM TESTING AND ACCEPTANCE

Beginning upon the installation of Data Files by QUALITY DATA SERVICE, INC., the Licensed Program(s) will be available for non-productive use for testing for a period of thirty (30) days. If the Customer notifies Quality data Services of a function not operating according to the Documentation, QDS will promptly work to resolve such issue to the Customers reasonable satisfaction and the testing period shall be extended for thirty (30) days after such notice. This testing period is to determine whether the Licensed Program(s) functions operate together and whether the Licensed Program(s) meets the Customer's specifications and/or requirements.

At any time during the testing period, upon written notice, the Customer may discontinue the Licensed Program(s) and receive full credit or refund for the amount of the license fee. If written notice of discontinuance is not received by QUALITY DATA SERVICE, INC. prior to the end of the testing period, or if the Customer uses the Licensed Program(s) for other than testing purposes during the testing period, the Licensed Program(s) shall be deemed to be accepted under the provisions of this Agreement.

VII - LICENSED PROGRAM SERVICES

Application training on QUALITY DATA SERVICE, INC. Licensed Program(s), if necessary, will be provided for in the Appendixes and will be invoiced as incurred at the completion of each training session at the rate specified in the applicable Appendix 1. The Customer understands that the number of training sessions and the number of hours of training vary per application, and

are estimated based on QUALITY DATA SERVICE, INC.'s experience in the training of other Customers for the same applications. Additional training can be provided upon request of the Customer at the then prevailing rate per hour.

Data File Conversion will be provided for as proposed in Appendix 1 and will be invoiced as incurred at the rate specified in the applicable Appendixes. Data must be given to QUALITY DATA SERVICE, INC. in an IBM compatible format on a specified magnetic media. Data must match data field definition. Input data file clean up shall be the responsibility of the Customer. Additional conversion, if necessary, will be invoiced at the prevailing rate per hour upon request of the Customer. It is understood that no two systems and file structures are exactly alike and there may be a need for some manual conversion efforts to take place along with the electronic conversion.

Modifications to the Support Services to be provided under this Agreement, if any, will be provided for in the Appendixes and will be controlled by the QUALITY DATA SERVICE, INC. System Change Request form ("SCR") which will be prepared for the Customer by the QUALITY DATA SERVICE, INC. Project Manager responsible for that module. QUALITY DATA SERVICE, INC. will proceed on the SCR when the signed SCR is returned with the Customer's authorization along with appropriate payment as provided for in the Appendixes.

Project Management is strongly recommended by QUALITY DATA SERVICE, INC., and if provided for in the Appendix 1, will be invoiced as indicated in the Appendixes.

QUALITY DATA SERVICE, INC. will provide the Customer with the Support Services listed below for the QUALITY DATA SERVICE, INC. Licensed Program(s) for such period as may be listed in the Appendixes, and commencing upon Acceptance by the Town or "Live" productive use or one hundred twenty (120) days after delivery of the Licensed Program(s). Thereafter the Support Services will be provided on a year-to-year basis provided the Customer exercises the option and by paying QUALITY DATA SERVICE, INC.'s annual support and software Re-Licensing fee.

- a) Toll-Free Telephone Support line available Monday – Friday 8:30 AM – 5:00 PM EST except Holidays.
- b) User Group Meetings
- c) Remote Diagnostics capabilities via VPN or PC Anywhere.
- d) Fax line available to capture faxed requests 24 hours/day 7 days/week.
- e) Product updates and enhancements of the covered Licensed Program(s) that are in General Availability Status.
- f) Response to calls, under normal conditions, in approximately two (2) hours of receipt of incoming call for critical situations as reasonably determined by the Customer and QDS. For other situations, within 24 Hours.
- g) Error corrections promptly as made.

Support requests for the first one hundred twenty (120) days after delivery of the Licensed Program(s) shall be directed to the appropriate QUALITY DATA SERVICE, INC. project manager or trainer. Support Services do not include maintenance on modifications made to the Licensed Program(s) at Customer's request.

Upon commencement of QUALITY DATA SERVICE, INC. Support Services, Customer shall reasonably provide QUALITY DATA SERVICE, INC. with remote diagnostics capabilities through the internet via TCP/IP and VPN to all servers and/or workstations. If access is not available through the internet, QUALITY DATA SERVICE, INC. requires dedicated modem line(s), a modem in the server(s), and the VPN communications software on the server(s) to permit QUALITY DATA SERVICE, INC. to perform diagnostics and dial-in support. In the event Customer does not provide dial-in capability to QUALITY DATA SERVICE, INC., or in the event a hardware and software malfunction prevents dial-in support, Customer may request on-site Consulting/Emergency services at QUALITY DATA SERVICE, INC.'s then current rates. Support

requests relating, if applicable, to third party hardware or software will be directed to the vendor of such products unless otherwise provided for in the Appendixes. Unless otherwise stated herein or in the Appendixes, QUALITY DATA SERVICE, INC. shall assume no responsibility for the pricing of, payment to, or provision for support services of any third party Vendors.

QUALITY DATA SERVICE, INC. shall not supply any Support Services nor be liable for any damages in the event that any portion of the Licensed Program(s) is used on equipment or with software products or software systems other than those supplied or approved by QUALITY DATA SERVICE, INC. Customer shall receive written authorization from QUALITY DATA SERVICE, INC. before attaching to the computer system any equipment not supplied or approved by QUALITY DATA SERVICE, INC. Authorization shall not be withheld unless said equipment will cause operational damage to the system, or require undue system support from QUALITY DATA SERVICE, INC.

Customer acknowledges that the systems supplied by QUALITY DATA SERVICE, INC. have unique operating properties and are a matched system of components which must not be altered, modified, or tampered with without specific assistance from QUALITY DATA SERVICE, INC. designated personnel. QUALITY DATA SERVICE, INC. shall not be liable for any damage or loss of function that results from violating the approved operating environment by personnel not approved by QUALITY DATA SERVICE, INC.

In the event of the failure of any hardware component or other third party product supplied under this Agreement to function or operate in conformance with specifications, QUALITY DATA SERVICE, INC. shall have no obligation for warranty beyond that of the hardware or other third party manufacturer or that specified in the Appendixes.

VIII - PROTECTION AND SECURITY OF PROPRIETARY MATERIALS

The Customer acknowledges that the Licensed Program(s), including the source code, design specifications and associated documentation of the Licensed Program(s), (the "QUALITY DATA SERVICE, INC. Proprietary Information") constitute proprietary information and trade secrets of QUALITY DATA SERVICE, INC. and will remain the sole property of QUALITY DATA SERVICE, INC. Except in the case of a release event pursuant to a Source Code Escrow Agreement as further described in Section XV herein, (1) the Customer agrees that it shall not at any time sell, assign, transfer or otherwise make available to, or allow use by, a third party any of the QUALITY DATA SERVICE, INC. Proprietary Information. The Customer shall hold in confidence the QUALITY DATA SERVICE, INC. Proprietary Information for its benefit and internal use only by its employees. The Customer further acknowledges that, in the event of a material breach or threatened breach by the Customer of the provisions of this paragraph, QUALITY DATA SERVICE, INC. has no adequate remedy in money damages, and, accordingly, shall be entitled, without bond, to an injunction against such breach or threatened material breach.

IX - WARRANTY

QUALITY DATA SERVICE, INC. warrants that for a period of ninety (90) days after Acceptance, as provided for in Section VI, the QUALITY DATA SERVICE, INC. Licensed Program(s) listed in the Appendix 1 and the Work described in Section XV will perform in substantial compliance with the reference Documentation supplied by QUALITY DATA SERVICE, INC., provided the Licensed Program(s) and Work are used in the proper operating environment as set forth in Appendix 3. QUALITY DATA SERVICE, INC. does not warrant that the functions contained in the Licensed Program(s) will meet the Customer's requirement or will operate in the combinations which may be selected for use by the Customer after the ninety (90) day period after the completion of the Licensed Program testing described in Section VI and Acceptance by the Customer. Any other utility or incidental software distributed by QUALITY DATA SERVICE, INC. will be on an "AS IS" and "WITH ALL FAULTS" basis without warranty of any kind either expressed or implied. QUALITY DATA SERVICE, INC. shall be responsible only for the Licensed Program(s) Work, Support Services and products as originally supplied and accepted by

Customer, and for changes made to the Licensed Program(s) and products by QUALITY DATA SERVICE, INC.'s authorized representatives. QUALITY DATA SERVICE, INC. will not be responsible for the consequences of attempts at unauthorized changes or modifications to the products and Licensed Program(s) or the Work made by the Customer or any other unauthorized party.

QUALITY DATA SERVICE, INC. warrants that it has the right to license the QUALITY DATA SERVICE, INC. Licensed Program(s) listed in the Appendixes and to perform the Work and that the QUALITY DATA SERVICE, INC. Licensed Program(s) and the Work does not infringe any intellectual property right of any third party. QUALITY DATA SERVICE, INC. agrees to indemnify Customer against expenses, including reasonable attorneys' fees, and liability arising from any claim of infringement related to QUALITY DATA SERVICE, INC. Licensed Program(s) and the Work provided QUALITY DATA SERVICE, INC. shall have the right to control the defense or settlement of any such claim. If any infringement claim is initiated, or in Quality Data Services' sole opinion is likely to be initiated, Then Quality Data Service shall have the option, at its expense to:

- 1) Modify or replace all or the infringing part of the Software or Documentation so that it is no longer infringing, provided that the Software functionality does not change in any adverse respect; or
- 2) Procure for Customer the right to continue using the infringing part of the software or Documentation; or
- 3) Remove all of the infringing part of the Software or Documentation, and refund to Customer the corresponding portion of the initial license fee paid by the Customer, less a reasonable rental charge equal to one sixtieth (1/60) of the initial license fee for each month of use, in which case the Agreement shall terminate with respect to the Software or part thereof removed.

If use of the QUALITY DATA SERVICE, INC. Licensed Program(s) or the Work by the Customer is enjoined by any infringement proceeding, QUALITY DATA SERVICE, INC. shall, if possible, obtain without unreasonable expense the right of License for the Customer to use the QUALITY DATA SERVICE, INC. Licensed Program(s) and the Work or if that is not possible, QUALITY DATA SERVICE, INC. shall refund to the Customer the license fee(s) paid under this Agreement for the particular Licensed Program(s) and the Work that is determined to be infringing.

QUALITY DATA SERVICE, INC. does not make any representations or warranties with respect to intellectual property rights of any third party products. Any such representations or warranties are made solely by the Vendor of such products, and shall not be construed as a warranty with respect to infringement and the like by QUALITY DATA SERVICE, INC.

QUALITY DATA SERVICE, INC. MAKES NO WARRANTIES, OTHER THAN AS STATED HEREIN, WITH RESPECT TO THE PARTICULAR LICENSED PROGRAM (S), EITHER EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

X - COPY AND USE

Customer shall have the right to use the Licensed Program(s) and the Work in equipment or systems supplied or approved by QUALITY DATA SERVICE, INC. while this Agreement is in effect. Customer shall have the right to make copies of the Licensed Program(s) and the Work and the associated reference documentation for archival and/or backup purposes only. Any copies made by Customer shall be the property of QUALITY DATA SERVICE, INC.

XI - LIMITATION OF LIABILITY AND REMEDIES

To the extent permitted by law, and to the extent provided for under this Agreement, for claims related to bodily injury, death and damage to real property and tangible personal property, QUALITY DATA SERVICE, INC. shall indemnify and hold harmless the Customer from and against all direct damages and costs of any kind, including but not limited to reasonable attorney fees, arising out of or resulting from any willful negligent acts, or willful negligent omissions of QUALITY DATA SERVICE, INC., regardless of whether such claims are caused in part by any party indemnified hereunder, but not to the extent that the Customer is legally liable for such damages and costs. In no event, however, will either party be liable for any consequential damages, including lost profits, savings or procurement costs, even if such party has been advised of their possibility.

Except for QUALITY DATA SERVICE, INC.'s obligations to indemnify the Customer under infringement actions, as noted in Sections IX, XII and XV of this Agreement, and claims for personal injury or damages to real or tangible personal property caused by QUALITY DATA SERVICE, INC.'s negligence as noted above and for a breach of a warranty, representation or guaranty in this Agreement, QUALITY DATA SERVICE, INC.'s liability for damages to the Customer for any cause whatsoever under this Agreement, regardless of the form of action, is limited to the total amount of fees paid by Customer under this Agreement for QUALITY DATA SERVICE, INC. Licensed Program(s) and services, not including any fees associated with QUALITY DATA SERVICE, INC. project management and related out-of-pocket expenses.

In situations involving performance or nonperformance of Licensed Program(s) furnished under this Agreement, the Customer's remedy is (1) the correction by QUALITY DATA SERVICE, INC. of Licensed Program defects, or (2) if, after repeated efforts, QUALITY DATA SERVICE, INC. is unable to make the Licensed Program(s) operate as warranted, the Customer shall be entitled to recover damages to the limits set forth in this section.

XII - PATENT AND COPYRIGHT INDEMNITY

QUALITY DATA SERVICE, INC. will, at its expense, defend the Customer against any claim that the QUALITY DATA SERVICE, INC. Licensed Program(s) and the Work supplied hereunder infringe a U. S. patent or copyright, or other proprietary rights and QUALITY DATA SERVICE, INC. will pay all costs, damages and attorney's fees that a court finally awards as a result of such claim. To qualify for such defense and payment, the Customer must:

- a. Give QUALITY DATA SERVICE, INC. prompt written notice of any such claim, and
- b. Allow QUALITY DATA SERVICE, INC. to control, and fully cooperate with QUALITY DATA SERVICE, INC. in the defense and all related settlement negotiations.

The Customer agrees to allow QUALITY DATA SERVICE, INC., at QUALITY DATA SERVICE, INC.'s option and expense, if such claim has occurred or in QUALITY DATA SERVICE, INC.'s judgment is likely to occur, to procure the right for the Customer to continue using the Licensed Program(s) and the Work or to replace or to modify them so that they become non-infringing. If neither of the foregoing alternatives is available on terms which are reasonable in QUALITY DATA SERVICE, INC.'s judgment, upon written request, the Customer will return the Licensed Program(s) and the Work to QUALITY DATA SERVICE, INC., and QUALITY DATA SERVICE, INC. shall refund to the Customer the license fee(s) paid under this Agreement for the particular Licensed Program(s) that is determined to be infringing.

QUALITY DATA SERVICE, INC. shall have no obligation with respect to the extent any such claim is based upon the Customer's modification of the Licensed Program(s) or their combination, operation or use by Customer with data or programs not furnished by QUALITY DATA SERVICE, INC. or in other than the specified operating environment. This Section XII Section IX and Section XV states QUALITY DATA SERVICE, INC.'s entire obligation to the Customer regarding infringement.

XIII - COPYRIGHT PROTECTION

The software and any written documentation associated therewith are protected under the Copyright Laws of the United States. Subject to the Customer's rights as set forth in the Agreement, QUALITY DATA SERVICE, INC. warrants and Customer acknowledges that QUALITY DATA SERVICE, INC. has the following exclusive rights with regard to the Licensed Program(s):

- a. To reproduce the Licensed Program(s) in any or all forms.
- b. To adapt, transform or rearrange the Licensed Program(s).
- c. To prepare other products derivative of the Licensed Program(s).
- d. To control the distribution of the Licensed Program(s).

Customer agrees not to violate any of QUALITY DATA SERVICE, INC.'s rights or to assist or aid others in doing so. Customer agrees to preserve all copyright and other notices in the Licensed Program(s) and written documentation.

XIV - MISCELLANEOUS AGREEMENT PROVISIONS

Choice of Law/Dispute Resolution. This Agreement shall be governed by laws of the State of Connecticut. Prior to either party commencing any legal action under this Agreement, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other. Each party hereto agrees to submit to the personal jurisdiction and venue of the state and/or federal courts in or for New Haven County, Connecticut or Hartford for resolution of all disputes in connection with this Agreement.

Binding Agreement. The individual signing this Agreement and any Appendixes attached hereto to this Agreement for the Customer warrants that they have been duly authorized to bind their respective principals to all rights, duties, remedies, obligations and responsibilities incurred by way of this Agreement and that the Agreement and any Supplement to the Agreement is a valid and binding obligation of the Customer.

Assignment. This Agreement and the rights, title, and interest may not be assigned or transferred by the Customer without the prior written consent of QUALITY DATA SERVICE, INC., which consent may be withheld by QUALITY DATA SERVICE, INC. QUALITY DATA SERVICE, INC. may assign its rights, title and interest by providing prior written notice to the Customer provided that such successor in interest agrees to be bound to QDS's obligations in this agreement. Any assignment inconsistent with this provision shall be null and void.

Successors Bound. The terms and conditions of this Agreement shall extend and inure to the benefit and be binding on the respective successors and assigns of Customer and QUALITY DATA SERVICE, INC.

Force Majeure. Neither party is responsible for failure to have fulfilled its obligations under this Agreement due to causes beyond its reasonable control.

Severability. If any term or provision of this Agreement or the application thereof to any entity, person or circumstance shall, to any extent be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to entities, persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Notices. Any notice provided for herein shall be in writing and sent by registered or certified mail, postage prepaid, addressed to the party for which it is intended at the address set forth on the

first page of the Agreement or to such other address as either party shall from time to time indicate in writing. Any such notice to be deemed to be effective upon receipt or five (5) days from the date of the mailing, whichever occurs first.

Publication. QUALITY DATA SERVICE, INC. reserves the right to publish certain information regarding this Agreement. Publication may include using Customer's name and details of this Agreement in a press release announcing this Agreement and listing Customer's name on QUALITY DATA SERVICE, INC.'s complete customer listing that is made available to other QUALITY DATA SERVICE, INC. customers and potential customers provided that Customer may request removal at it's reasonable determination.

Headings. Numbered topical headings, articles, paragraphs, subparagraphs or titles in this Agreement are inserted for the convenience of organization and reference and are not intended to affect the interpretation or construction of the terms thereof.

Non-Hiring Statement. During the term of this Agreement and for a period of Twelve (12) months after the termination of this Agreement, the Customer may not offer to hire or in any way employ or compensate any of the employees of QUALITY DATA SERVICE, INC. or persons who have been employed by QUALITY DATA SERVICE, INC. within the immediate past twelve (12) months without prior consent of QUALITY DATA SERVICE, INC.

Non-waiver. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.

Entire Agreement. This Agreement and any Appendixes and/or Amendments constitute the entire Agreement between the parties, and there are no representations, conditions, warranties, or collateral agreements, expressed or implied with respect to this Agreement other than as contained herein, and this Agreement shall supersede all previous communications, representations or agreements, either written or oral, between the parties to this Agreement. This Agreement may not be modified, omitted or changed in any way except by written agreement signed by persons authorized to sign agreements on behalf of the Customer and of QUALITY DATA SERVICE, INC. Preprinted conditions and all other terms not included in this Agreement the attached Appendixes, on any purchase order or other document submitted hereafter by Customer are of no force or effect and the terms and conditions of the QUALITY DATA SERVICE, INC. Agreement shall control unless expressly accepted by QUALITY DATA SERVICE, INC. in writing to the Customer.

Both parties acknowledge that they have read this Agreement and agree to be bound by the terms and conditions herein.

XV - GENERAL CONDITIONS

CONFLICT

In the case of a conflict between this Provision XV and the rest of the Agreement, this Section XV will prevail to the extent more favorable for the Customer.

GUARANTEE

For the purposes of this Section XV, the term "Contractor" refers to Quality Data Service, Inc., the term "Town" refers to the Customer; the term "Software" refers to the Licensed Programs.

The "Contractor" herein represents, warrants and guarantees that all work to be performed under this Agreement will conform with the appendixes attached hereto and the Documentation and specifications provided to the Town by "Contractor" and "Contractor" hereby guarantees that all "Software" will run on the "Town" computer system as represented, for the life of the computer system installed in the "Town" as long as the "Software" is only modified or enhanced solely by "Contractor".

Annual "Software" Support Services fees will allow for the provision of hot-line telephone support for problem and questions as well as prompt correction of any "Software" errors.

HOLD HARMLESS

The "Contractor" agrees to indemnify and save harmless the "Town", its agents, Officers, Officials and employees and servants from any and all claims, loss and/or expense (including attorney's costs and attorney's fees) arising out of or resulting from the performance of the work provided by the "Contractor" hereunder and suffered or imposed upon the "Town", its agents, Officers, Officials and employees for; (a) damages arising out of or relating to property damage or bodily injury, including death, at anytime resulting there from, sustained by any person or persons (including employees of the vendor or any subcontractor); (b) as a result of injuries sustained from damage to the property and equipment, including the loss of use thereof, whether such injuries or damages are caused in whole or in part by the negligence of the vendor, its agents, servants, and/or employees.

The Contractor agrees to indemnify, defend and hold harmless the Town of Canton and its respective officers, employees, agents and/or servants against all demands, claims, actions or causes of actions, losses, damages, liabilities, costs and expenses, including without limitation, interest, penalties, court costs and reasonable attorney's fees, asserted against, resultant to, imposed upon or incurred by the Town of Canton resulting from or arising out of:

1. Any breach by the Contractor of the terms of the specifications, or
2. Any injuries (including death) sustained by or alleged to have been sustained by the officers, employees, agents and/or servants of the town of Canton or the Contractor or subcontractors or material men, or
3. Any injuries (including death) sustained by or alleged to have been sustained by any member of the public or otherwise any or all persons, or
4. Any damage to property, real or personal, (including property of the Town of Canton or its respective officers, agents and servants) caused in whole or in part by the acts or omissions of the Contractor any subcontractor or any material men or anyone directly or indirectly employed by them while engaged in the performance of any work for the Town of Canton.

NONDISCRIMINATION

The "Contractor" is required to comply with all provisions of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972, Executive Orders 11246, 11375, 11478, and if applicable, the Connecticut Fair Employment Practice Law and Section 122 of State and Local Fiscal Assistance Act of 1972. The "Contractor" represents and warrants that it is in compliance as of the date hereof.

SOFTWARE INFRINGEMENTS

- (a) The "Contractor" shall defend or settle, at its own expense, any claim made against the "Town" that the use of the "Software" or the Work infringes any patent, copyright, trade secret, or other proprietary right, and shall indemnify the "Town" and hold it harmless against all damages, judgments, and attorneys' fees and costs arising out of or relating to the foregoing, as well as that incurred by the "Town" in the defense thereof, provided that the "Town" shall give the "Contractor" prompt written notice of such claim.
- (b) If a claim is made that the use of the "Software" or the Work infringes any patent, copyright, trade secret or other proprietary right, the "Contractor" shall either immediately procure for the "Town" the right to continue using the "Software", modify it to make it non-infringing, but it shall continue to meet the specifications thereof, or replace it with non-infringing software of like functionality which meets the specifications for the "Software".
- (c) "Contractor" represents and warrants that it is not aware as of the date hereof that any such claims can or may be made.

TERMINATION / CANCELLATION

- (a) The "Contractor" may terminate/cancel this Agreement and any license granted hereunder if the "Town" is in default of any material provision hereof and such default is not cured within thirty (30) days after "Contractor" gives the "Town" written notice thereof. For any reason the "Town" may terminate/cancel this Agreement after thirty (30) days written notice to the "Contractor".
- (b) In the event of any termination/cancellation of this Agreement or any license granted hereunder, the "Contractor", as its sole and exclusive remedy, may require that the "Town" cease any further use of the "Software" or any portion thereof and immediately return the same and all copies thereof, in whole or in part, to the "Contractor".

SCOPE OF SERVICES

1. The "Contractor" shall provide, deliver, install and bring to proper working order the "Software" listed in Appendix 1. The "Contractor" warrants that the system will meet the Qualifications for the "Software".
2. The "Contractor" shall deliver, install and bring to proper working order the "Software" necessary for the operations of the Town offices as outlined in Appendix 1 including the necessary Documentation and Training listed in Appendix 1. During the implementation phase and testing phase and the "Contractor" shall provide unlimited "Software" support at no additional cost. Application Software Cost provided the "Town" has all the necessary computer equipment in place and file layouts for conversion. The cost to the "Town" for all "Software", conversion of files, training of "Town" employees, "Software" installation and optional hardware, is enumerated in Appendix 1 Software Costs Section and be paid to the "Contractor" as noted in Appendix 2:
 - Terms: As set forth in the Appendixes.

(INVOICES MORE THAN 30 DAYS OLD WILL BE CHARGED A FINANCE CHARGE OF 1.5% PER MONTH UNLESS SAID INVOICE IS CONTESTED IN GOOD FAITH BY THE "TOWN" WITHIN 30 DAYS OF INVOICE RECEIPT)

3. The "Contractor" further warrants that the "Software" shall meet or exceed the "Town's" operating requirements and data volume based on the current "Town's" volume with room for expansion for normal "Town" growth and current "Software" requirements listed in Appendix 3.
4. The "Contractor" further guarantees that the "Software" is Y2000 compliant and will perform after changes to dst (daylight saving time) and upon installation the applications "Software" shall comply with the legal requirements of the State of Connecticut, and shall meet or exceed the requirements of the "Town", except where modified or abridged by this agreement.
5. The "Town" agrees that the "Software" herein provided is to be used only by the "Town" and not sold or otherwise transferred in whole or in part to any other "Town", entity, or person.
6. The annual "Software" Customer Support Agreement provides the following:
 - a) Toll-Free Telephone Support line available Monday – Friday 8:30 AM – 5:00 PM EST except Holidays.
 - b) User Group Meetings
 - c) Remote Diagnostics capabilities via VPN or PC Anywhere.
 - d) Fax line available to capture faxed requests 24 hours/day 7 days/week.
 - e) Product updates and enhancements of the covered Licensed Program(s) that are in General Availability Status.
 - f) Response to calls, under normal conditions, in approximately two (2) hours of receipt of incoming call for critical situations as reasonably determined by the Customer and QDS. For other situations, within 24 Hours.
 - g) Error corrections promptly as made.
7. Revisions necessitated by Federal or State Legislative or regulatory action that require programming changes will be reviewed to determine any additional one-time charges.
8. The "Contractor" shall provide to the "Town" one (1) complete set of printed user Documentation manuals per customer specific to the versions of the applications "Software" installed as well as one (1) Microsoft Word document and one (1) PDF copy on storage media. Subsequent applications "Software" revisions shall be accompanied by updated Documentation. Additional copies of Documentation manuals will be billed at \$50.00/ea.
9. The "Contractor" shall provide training in the application "Software" to personnel identified by the "Town" upon and at the time or times to be mutually agreed upon. Said training shall take place at the "Town" or another mutually agreed upon location. The "Contractor" shall provide the total days of training for the "Software" as enumerated in Appendix 1 and Appendix 4.
10. The "Contractor" shall place in escrow with its attorney a copy of the source code pertaining to all "Software" applications installed on the system delivered to the "Town". The "Contractor" shall instruct its attorney in writing that said source code shall be released to the "Town" in the event that the "Contractor" is dissolved, files bankruptcy, or is subject to an involuntary bankruptcy proceeding, or is sold. Copy of such instruction shall be provided to the "Town".
11. In the event the Contract is terminated by the "Town" due to gross negligence of the "Contractor", as determined by the Connecticut Superior Court for the Judicial District of New Haven/ or **Hartford**, and the parties hereto expressly submit to the jurisdiction of

said court, the "Contractor" shall instruct its attorney in writing that said source code shall be released to the "Town". In the event such a determination is made, the "Contractor" shall be responsible to the "Town" for its reasonable legal fees and costs. Copy of such instruction shall be provided to the "Town". .

12. Any notice to be made pursuant to or regarding this Agreement shall be made by certified mail, return receipt requested, postage prepaid from the "Contractor" to the "Town", to the attention of **the Chief Administrative Officer** at P.O. Box 168, Collinsville, CT 06022-0168 or from the "Town" to the President, Quality Data Service, Inc. 121 Mattatuck Heights Rd, Waterbury, Connecticut.
13. In the event that "Contractor" is required to fix programs or databases that are corrupted due to hardware or networking malfunctions, as reasonably determined by the "Town", and that hardware or network is *not* under QDS, Inc. maintenance contracts, the time necessary to fix these programs or databases will be billed at the "Contractor" current hourly published rates, portal to portal with prior written consent of the Town.

APPENDIX 1 – Cost Detail

Application Software	License Fee *	Annual Customer Support Costs	Project Mgmt. Days	Project Mgmt. Costs	Training Days	Training Costs
Utility 2000 System (Sewer)	\$5,200	\$1,000	.5	\$425	2	\$1,700
Total Application Software Fees:	\$5,200	\$1,000	.5	\$425	2	\$1,700

*Customer Support costs commence on the beginning of the Customers next fiscal year after software installation.

Project Management Includes:

These services will include the following:

- A. Develop and review an implementation plan for the products and services outlined above with the customer.
- B. QDS will provide a project coordinator for the system implementation, custom programming, and other QDS resources.
- C. Training rates are \$750/Day and will be provided as described in Appendix 4.

Conversion Services - Estimated

Data Conversion - Estimated	Days	Costs
Conversion	N/A	\$1,000
Total:	N/A	\$1,000

Installation Services

Installation	Days	Costs
Utility 2000™ System	0	\$0
Total:	0	\$0

Hardware & Operating System/Database Software

Description	Product ID	Unit Price	QTY	Total
Epson TMU375 Validation Printers	TMU675	\$825	0	\$0
MS7120 Orbital Scanners	MS7120	\$550	0	\$0
Microsoft SQL Server 2005		\$850	0	\$0
Microsoft SQL Client Access License		\$185	0	\$0
Total:				\$0

APPENDIX 2 – Cost Summary & Payment Schedule

1.	Quality Data Service Software License		\$5,200
	10% due upon contract Execution	\$1,200	
	Balance due upon software Delivery	\$4,200	
2.	Hardware and Operating System/Database Software		\$0
	100% due upon delivery		
3.	Installation Services		\$0
	100% due upon Delivery		
4.	Application Training as described in Appendix 4		\$1,700
	Due as incurred		
5.	Project Management		\$425
	Due as incurred		
6.	Travel and Living Expenses (Estimated)		\$56/per trip
	Due monthly as incurred (After “Go Live”)		
7.	Conversion (the Work)		\$1,000
	Due as incurred		
	TOTAL:		\$8,325
	Software Maintenance and Support Fee *		\$1,000.00

* Please Note: Annual recurring Customer Support fees will not increase more than 6% annually.

APPENDIX 3 – Platforms, Hardware/Software Supported & Required

PLATFORMS, HARDWARE/SOFTWARE SUPPORTED AND REQUIRED – revised 7/1/2006

WORKSTATION

Option	Minimum	Recommended	Current Market Standard
Processor	Pentium 4 Class CPU 333+mhz	Pentium 4 2.0GHz w/ 512 Cache	Intel Xeon 2,0 w/512 Cache
Memory	512MB	768MB	1GB
Disk	4.0GB/3.5" Floppy	20GB/3.5" Floppy	30 GB
Video	16MB	32MB	64MB
CDROM	40x	40x (one RW)	48x CD RW/DVD Combo
NetCard	100mb Ethernet	100mb Ethernet	10/100/1000 NIC
Monitor	15"	17"	19" Flat Panel
Modem	56k Modem	V.92 Internal	V.92 Internal
UPS	BK300 UPS	BK300 UPS	BK300 UPS
Sound	Optional	Optional	Optional
Software	Win 98/ Win 2000	Win NT/2000/XP Pro	Win XP Professional
	SQL 200x User Lic	SQL 200x User Lic	SQL 2000 User Lic
	Virus Scan Software	Virus Scan Software	Norton Anti-Virus 2003
	PC Anywhere 10.5	VPN	VPN

SERVER

Option	Minimum	Recommended	Current Market Standard
Processor	Pentium 4 2.0GHz CPU	Single Xeon 2.0 GHz Processor w/1 MB Cache	Dual Xeon 2.5 GHz w/1 MB Cache
Memory	1GB	2GB	4GB DDR SDRAM
Disk (1)	6.GB 3.5" Floppy	18 GB* (SCSI) @ 10K RPM Raid 1 3.5" Floppy- *Will Depend on size of Municipality	73 GB (SCSI) at 15K RPM, Raid 3 or better, 3.5" Floppy with Controllers
Backup	4.0GB QIC/DAT Tape	10/20GB Tape (QIC/DAT/DLT)	20/40(Compressed) GB Tape
UPS	UPS	UPS (30 MIN)	UPS with Software
CDROM	20x or higher	24x IDE CDROM	24x IDE CDROM
NetCard	100mb Ethernet	100mb Ethernet	100/1000mb NIC
Sound	Optional	Optional	
Monitor	14"	15"	15"
Modem	V.90	V.90	V.92
Software	WinNT or Win2000 Ser	Windows 200X Server	Windows 2003 Server
	SQL Server 200X	SQL Server 200X	SQL Server 2000
	Backup Exec	Backup Exec	Backup Exec
	Virus Scan Software	Virus Scan Software	Virus Scan Software
Firewall		CISCO Firewall	CISCO Firewall
	VPN	VPN	VPN

(1) Disk space refers to our Database and software needs only, additional space may be required for other applications running on the same server.

SQL is ODBC compliant; therefore the data can be accessed via many 3rd party-reporting tools such as Crystal Reports.

Remote diagnostics are performed by QDS, Inc. by connecting to the Customer's server through the internet via TCP/IP. Network communication lines are recommended to be on frame relay and a minimum of 512KB between the server location and the remote sites. Depending on performance, it may be necessary to increase the capacity to as much as a full T1 line.

QDS, Inc. Licensed Programs run on many major brands of computers under the operating system specified above. There may possibly be a brand of computer whose manufacturer loads additional drivers to the operating system, which could interfere with the installation and running of the Licensed Programs.

Printers: A 12/16 PPM laser printer should be configured for every 10-15 users depending on distance to printer. HP LaserJet recommended. For large print jobs a HP 24PPM printer should be considered (HP LaserJet are recommended).

Requirements: The preferred method for QDS, Inc. to perform remote diagnostics is to connect to your server(s) through the internet via TCP/IP. If access were not available through the internet, we would require a modem, dedicated phone line, and PC Anywhere version 9.0 or greater to be installed on the server into which QDS, Inc. personnel will dial to perform remote diagnostics. If there are multiple servers at the site and these servers are not connected, QDS, Inc. would require each of these additional servers to have a modem, dedicated phone line, and PC Anywhere software.

NETWORK RECOMMENDATIONS

Internally networks should all be run on CAT5 wiring 100base speed. Network communication lines are recommended to be on frame relay and a minimum of 256KB between the server(s) location and the remote sites. Depending on performance, it may be necessary to increase the capacity Town of the 256KB lines to as much as a full T1 line.

APPENDIX 4 – Additional Information

The following assumptions, terms and conditions apply this Agreement:

- 1) Users are required to have familiarity with Microsoft Windows prior to training on the Quality Data Service Application software. Training can be performed at your location, at our offices, or a combination of both. Training is proposed as a “Train the Trainer” approach, which will provide internal expertise to a core staff. Training can be performed in small group sessions of 4 to 6 people or in a classroom style of up to 20 people, all training is “hands on”. Additional training, if needed, can be contracted at our current hourly rate.
- 2) Project Management is on-site coordination of the implementation effort and tasks and is essential for a successful implementation.
- 3) Service Fees which may include Training, Project Management and Installation fees do not include reasonable travel and living expenses. Training, Project Management and Installation fees are billed as incurred. Reasonable travel and living expenses would include mileage, lodging and meals.
- 4) Installation includes the set up of all QDS Systems licensed programs on the server and workstations. QDS will install up to 6 workstations per day. This proposal is based on the idea that QDS will perform the initial installations assisted by your core staff of personnel. During this initial installation, the staff will become expert at performing the installations and will not need further assistance from QDS. The goal is to build in-house expertise within your installation.
- 5) Support Services include:
 - Toll-Free Telephone Support line available Monday – Friday 8:30 AM – 5:00 PM EST except Holidays.
 - User Group Meetings
 - Remote Diagnostics capabilities via VPN or PC Anywhere.
 - Fax line available to capture faxed requests 24 hours/day 7 days/week.
 - Product updates and enhancements of the covered Licensed Program(s) that are in General Availability Status.
 - Response to calls, under normal conditions, in approximately two (2) hours of receipt of incoming call for critical situations as reasonably determined by the Customer and QDS. For other situations, within 24 Hours.
 - Error corrections promptly as made.

6) Current Hourly Rates * Subject to change

	Hourly	Daily
Installation	\$125.00	\$1,000
Application Software Training	\$106.25	\$ 850
Project Management	\$106.25	\$ 850
Data Conversion	\$125.00	\$1,000
Custom Programming	\$150.00	\$1,200