CONTRACT TO PERFORM DIGITAL IMAGING SERVICES BETWEEN THE COUNCIL ON COMPETITIVE GOVERNMENT AND

NEUBUS, INC.

Contract No.070130-CCG-DIS

This agreement ("Contract") is entered into by the Council on Competitive Government (the "CCG"), an agency of the State of Texas, and Neubus, Inc. ("Contractor"), located at11525A Stonehollow Drive, Suite 170, Austin, TX 78758

I. Recitals

Whereas, on January 30, 2007, CCG issued a Request for Proposals from qualified, independent firms capable of providing standard digital imaging and support services ("Services") for participating state agencies in Travis County (PSAs), and on March 16 and 19, 2007 issued its official response to questions (collectively "RFP"); and

Whereas, Contractor submitted a proposal (Proposal) dated March 30, 2007, in response to the CCG's RFP; and

Whereas, Contractor was selected to perform standard digital imaging and support services for participating state agencies in Travis County;

Now therefore, the CCG and Contractor hereby agree as follows:

II. Authority

This Contract is entered into pursuant to Tex. Gov't Code, Chapter 2162.

III. Services, Standards of Performance and Contract Administration

Contractor shall provide the services and the deliverables described herein in the manner required by all of the following documents:

- 1. This Contract:
- 2. The Final Work Plan (SOW);
- 3. The RFP and Addenda:
- 4. Authorized Key Personnel List; and
- 5. Contractor's Proposal and Contractor's Best and Final Offer.

All of the above are attached to and incorporated as part of this Contract for all purposes. All of these documents constitute the Standards of Performance for this Contract.

In the case of conflicts between this Contract and any of the above exhibits, the following shall control in this order of priority:

- This Contract;
- 2. The Final Work Plan (SOW);
- 3. The RFP;
- 4. Authorized Key Personnel List; and
- 5. Contractor's Proposal and Contractor's Best and Final Offer.

Contractor shall provide all of the above services and all reasonably related services in accordance with applicable professional standards of a Contractor providing standard digital imaging and support services. Contractor represents and warrants that it has the requisite

qualifications, experience, personnel and other resources to perform in the manner required by this Contract.

The CCG shall designate a Contract Administrator for this Contract. The Contract Administrator will serve as the point of contact between the CCG and Contractor. CCG's Contract Administrator shall supervise CCG's review of Contractor's technical work, deliverables, draft reports, the final report, payment requests, schedules, financial budget administration and similar matters. The Contract Administrator does not have any express or implied authority to vary the terms of the Contract, amend the Contract in any way, or waive strict performance of the terms or conditions of the Contract.

IV. Personnel

Contractor shall assign only qualified personnel to this Contract. On the date of CCG's execution of this Contract, CCG's Contract Administrator shall authorize the key personnel listed in Exhibit D of this Contract to provide services under this Contract. Contractor, in its reasonable discretion, reserves the right to substitute appropriate key personnel to accomplish its duties so long as the substituted personnel are equally qualified and skilled in the tasks necessary to accomplish the tasks and services required. Contractor shall provide to CCG prior written notice of any proposed change in key personnel involved in providing services under this Contract.

Subcontractors providing services under the Contract shall meet the same requirements and level of experience as required of Contractor. No subcontract under the Contract shall relieve Contractor of responsibility for ensuring the requested services are provided. If Contractor uses a subcontractor for any or all of the work required, the following conditions shall apply:

- (a) Contractors planning to subcontract all or a portion of the work to be performed shall identify the proposed subcontractors.
- (b) Subcontracting shall be solely at Contractor's expense.
- (c) CCG retains the right to check subcontractor's background and approve or reject the use of submitted subcontractors.
- (d) Contractor shall be the sole contact for CCG. Contractor shall list a designated point of contact for all CCG inquiries.

V. Payments

Prior to authorizing payment to Contractor, CCG shall evaluate Contractor's performance using the performance standards set forth in all documents constituting this Contract. Contractor shall provide invoices to CCG for Services performed. Invoices must be submitted not later than the 15th day of the month after the Services are completed. No payment whatsoever shall be made under this Contract without the prior submission of detailed, correct invoices. Subject to the foregoing, CCG must make all payments in accordance with the Texas Prompt Payment Act, Gov't Code, Chapter 2251. Payments under this Contract are subject to the availability of appropriated funds. Contractor acknowledges and agrees that payments for services provided under this Contract are contingent upon CCG's receipt of funds appropriated by the Texas Legislature.

VI. Term and Termination

This Contract shall become effective on the date signed by CCG's Chairman and shall expire on August 31, 2011, unless otherwise sooner terminated as provided in this Contract. The Contract will have two (2) one-year renewal options exercised one year at a time.

Notwithstanding the termination or expiration of this Contract, the provisions of this Contract regarding confidentiality, indemnification, transition, records, right to audit and independent audit, property rights, dispute resolution, invoice and fees verification, and default shall survive the termination or expiration dates of this Contract. CCG may, in its sole discretion, terminate this Contract upon thirty (30) days' written notice to Contractor. Such notice may be provided by facsimile or certified mail, return receipt requested and is effective upon Contractor's receipt.

VII. Confidentiality and Open Records

Notwithstanding any provisions of this Contract to the contrary, Contractor understands that CCG will comply with the Texas Public Information Act, Gov't Code, Chapter 552 as interpreted by judicial opinions and opinions of the Attorney General of the State of Texas. CCG agrees to notify Contractor within twenty-four (24) hours of receipt of a request for information related to Contractor's work under this Contract. Contractor will cooperate with CCG in the production of documents responsive to the request. Contractor may request that CCG seek an opinion from the Attorney General of the State of Texas. However, CCG will not honor Contractor's request for an opinion if the request is not based upon a reasonable interpretation of the Texas Public Information Act. Additionally, Contractor will notify CCG's General Counsel within twenty-four (24) hours of receipt of any third-party requests for information that was provided by the State of Texas for use in performing the Contract. This Contract and all data and other information generated or otherwise obtained in its performance may be subject to the Texas Public Information Act. Contractor agrees to maintain the confidentiality of information received from the State of Texas during the performance of this Contract, including information which discloses confidential personal information particularly, but not limited to, social security numbers.

VIII. Insurance and Other Security

Contractor represents and warrants that it will, within five (5) business days of executing this agreement, provide CCG with current certificates of insurance or other proof acceptable to CCG of the following insurance coverage:

Standard Workers Compensation Insurance covering all personnel who will provide services under this Contract;

Commercial General Liability Insurance, personal injury and advertising injury with, at a minimum, the following limits: \$500,000 minimum each occurrence; \$1,000,000 per general aggregate.

Contractor represents and warrants that all of the above coverage is with companies licensed in the State of Texas with "A" rating from A.M. Best and authorized to provide the corresponding coverage. Contractor also represents and warrants that all policies contain endorsements prohibiting cancellation except upon at least thirty (30) days prior written notice to CCG. Contractor represents and warrants that it shall maintain the above insurance coverage during the term of this Contract and shall provide CCG with an executed copy of the policies immediately upon request.

IX. INDEMNIFICATION

CCG AND ITS OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES, SHALL NOT BE LIABLE OR RESPONSIBLE FOR, AND SHALL BE SAVED AND HELD HARMLESS BY CONTRACTOR FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITIES OF ANY CHARACTER, TYPE, OR DESCRIPTION, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, (COLLECTIVELY REFERRED TO AS "CLAIMS" IN THE REMAINDER OF THIS SECTION), ARISING OUT OF, CONNECTED WITH OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ANY OFFICER, AGENT, REPRESENTATIVE, EMPLOYEE, OR

SUBCONTRACTOR OF CONTRACTOR IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT, INCLUDING CLAIMS ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF CCG OR ITS OFFICERS, AGENTS, REPRESENTATIVES OR EMPLOYEES, AS LIMITED BY THE PARAGRAPHS BELOW.

IT IS THE EXPRESSED INTENT OF THE PARTIES TO THIS CONTRACT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION IS AN INDEMNITY EXTENDED BY CONTRACTOR TO INDEMNIFY AND PROTECT CCG AND ITS OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES FROM THE CONSEQUENCES OF TBPC OR ITS OFFICERS', AGENTS', REPRESENTATIVES' OR EMPLOYEES' OWN NEGLIGENCE, PROVIDED, HOWEVER THAT SUCH INDEMNITY SHALL BE LIMITED BY BOTH OF THE FOLLOWING:

- (1) THE INDEMNITY PROVIDED FOR IN THIS SECTION AGAINST CCG'S OWN NEGLIGENCE SHALL APPLY REGARDLESS OF WHETHER SUCH CLAIMS ARE CONTRIBUTED TO BY THE NEGLIGENCE OF CCG OR ITS OFFICERS, AGENTS OR EMPLOYEES; HOWEVER, IN THE EVENT OF SUCH CONTRIBUTORY OR COMPARATIVE NEGLIGENCE OF CCG OR ITS OFFICERS, AGENTS OR EMPLOYEES, CONTRACTOR SHALL NOT INDEMNIFY ANY SUCH INDEMNITEES IN THE PROPORTION (BASED ON THE PERCENTAGE OF NEGLIGENCE) THAT SUCH CONTRIBUTORY OR COMPARATIVE NEGLIGENCE CAUSED ANY SUCH CLAIMS; AND
- (2) THE INDEMNITY PROVIDED FOR IN THIS SECTION AGAINST CCG'S OWN NEGLIGENCE SHALL NOT APPLY WHEN THE NEGLIGENCE OR OTHER LIABILITY OF CCG OR ITS OFFICERS, AGENTS, REPRESENTATIVES OR EMPLOYEES IS THE SOLE CAUSE OF SUCH CLAIMS.

X. Dispute Resolution

The dispute resolution process provided for in Texas Gov't Code, Chapter 2260 shall be used by CCG and Contractor to resolve any dispute arising under the Contract.

XI. Representations, Warranties, and General Provisions

11.1. Family Code

Under Section 231.006 of the Texas Family Code (relating to child support), Contractor represents and warrants that Contractor is not ineligible to receive the specified payment and acknowledges that this Contract may be terminated and payment withheld if this representation and warranty is inaccurate.

11.2. Eligibility

Under Gov't Code, Section 2155.004 (relating to certain taxes), Contractor represents and warrants that Contractor is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this representation and warranty is inaccurate. Contractor represents and warrants that it is not delinquent in the payment of any franchise taxes owed the State of Texas.

11.3. Liability for Taxes

Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from this Contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. CCG shall not be liable for any taxes resulting from this Contract.

11.4. HUBs

Contractor represents and warrants that it shall comply with the Historically Underutilized Business requirements pursuant to Gov't Code, Chapter 2261.

11.5. Amendments

Except as provided in Section 11.12 herein, this Contract may be amended only upon written agreement between CCG and Contractor; provided however, any amendment of this Contract that conflicts with the laws of the State of Texas shall be *void ab initio*.

11.6. Applicable Law; Venue

This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The venue of any suit arising under this Contract is fixed in any court of competent jurisdiction of Travis County, Texas.

11.7. Strict Compliance

Time is of the essence in the performance of this Contract. Contractor shall strictly comply with all of the deadlines, requirements, and Standards of Performance for this Contract.

11.8. Assignments

Without the prior written consent of CCG, Contractor may not assign this Contract, in whole or in part, and may not assign any right or duty required under it.

11.9. Partially Completed Work

No later than the first calendar day after the termination of this Contract, or at CCG's request, Contractor shall deliver to CCG all completed, or partially completed, work and any and all documentation or other products and results of these services. Failure to timely deliver such work or any and all documentation or other products and results of the services shall be considered a material breach of this Contract. Contractor shall not make or retain any copies of the work or any and all documentation or other products and results of the services without the prior written consent of the CCG.

11.10. Federal, State, and Local Requirements

Contractor shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Contractor is responsible for both federal and State of Texas unemployment insurance coverage and standard Worker's Compensation Insurance coverage. Contractor shall comply with all federal and State of Texas tax laws and withholding requirements. The CCG and State of Texas shall not be liable to Contractor or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Contractor shall indemnify the CCG and State of Texas and shall pay all costs, penalties, or losses resulting from Contractor's omission or breach of this Section.

11.11. Severability Clause

In the event that any provision of this Contract is later determined to be invalid, void, or unenforceable, then the remaining terms, provisions, covenants, and conditions of this Contract shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated.

11.12. Applicable Law and Conforming Amendments

Contractor must comply with all laws, regulations, requirements, and guidelines applicable to a contractor providing services to the State of Texas as these laws, regulations, requirements and guidelines currently exist and as they are amended throughout the term of this Contract. CCG reserves the right, in its sole discretion, to unilaterally amend this Contract throughout its term to incorporate any modifications necessary for CCG's or Contractor's compliance with all applicable State and federal laws and regulations.

11.13. No Waiver

Nothing in this Contract shall be construed as a waiver of the state's sovereign immunity. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the State of Texas under this Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. CCG does not waive any privileges, rights, defenses, or immunities available to CCG by entering into this Contract or by its conduct prior to or subsequent to entering into this Contract.

11.14. No Liability Upon Termination

If this Contract is terminated for any reason, CCG and the State of Texas shall not be liable to Contractor for any damages, claims, losses, or any other amounts arising from or related to any such termination. However, Contractor may be entitled to the remedies provided in Gov't Code, Chapter 2260.

11.15. Independent Contractor

Contractor shall serve as an independent contractor in providing services under this Contract. Contractor's employees are not and shall not be construed as employees or agents of the CCG or State of Texas.

11.16. Limitation on Authority; No Other Obligations

Contractor shall have no authority to act for or on behalf of the CCG or the State of Texas except as expressly provided for in this Contract; no other authority, power or use is granted or implied. Contractor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State of Texas or the CCG.

11.17. Patent, Trademark, Copyright and Other Infringement Claims

Contractor shall indemnify, save and hold harmless the CCG and the State of Texas from and against claims of patent, trademark, copyright, trade secret or other proprietary rights, violations or infringements arising from the State's or Contractor's use of or acquisition of any services or other items provided to the State of Texas by Contractor or otherwise to which the State of Texas has access as a result of Contractor's performance under this Contract, provided that the State shall notify Contractor of any such claim within a reasonable time of the State's receiving notice of any such claim. If Contractor is notified of any claim subject to this section, Contractor shall notify CCG of such claim within five (5) business days of such notice. No settlement of any such claim shall be made by Contractor without CCG's prior written approval. Contractor shall reimburse the State of Texas for any claims, damages, losses, costs, expenses, judgments or any other amounts, including, but not limited to, attorneys' fees and court costs, arising from any such claim. Contractor shall pay all reasonable costs of the legal counsel for the CCG or the State of Texas and shall also pay costs of multiple counsel, if required to avoid conflicts of interest.

Contractor represents that it has determined what licenses, patents and permits are required under this Contract and has acquired all such licenses, patents and permits.

11.18. Supporting Documents, Retention; Right to Audit; Independent Audits

Contractor shall maintain and retain supporting fiscal and any other documents relevant to showing that any payments under this Contract funds were expended in accordance with the laws and regulations of the State of Texas, including but not limited to, requirements of the Comptroller of the State of Texas and the State Auditor. Contractor shall maintain all such documents and other records relating to this Contract and the State's property for a period of four (4) years after the date of submission of the final invoices or until a resolution of all billing questions, whichever is later. Contractor shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all documents and other information related to the "Work" as defined in Section 11.30 of this Contract. Contractor and its subcontractors shall provide the State Auditor with any information that the State Auditor deems relevant to any investigation or audit. Contractor must retain all work and other supporting documents pertaining to this Contract, for purposes of inspecting, monitoring, auditing, or evaluating by CCG and any authorized agency of the State of Texas, including an investigation or audit by the State Auditor.

Contractor shall cooperate with any authorized agents of the State of Texas and shall provide them with prompt access to all of such State's work as requested. Contractor's failure to comply with this Section shall constitute a material breach of this Contract and shall authorize the CCG and the State of Texas to immediately assess appropriate damages for such failure. The acceptance of funds by Contractor or any other entity or person directly under this Contract, or indirectly through a subcontract under this Contract, shall constitute acceptance of the authority of the State Auditor to conduct an audit or investigation in connection with those funds. Contractor acknowledges and understands that the acceptance of funds under this Contract shall constitute consent to an audit by the State Auditor, Comptroller or other agency of the State of Texas. Contractor shall ensure that this paragraph concerning the State's authority to audit funds received indirectly by subcontractors through Contractor and the requirement to cooperate is included in any subcontract it awards. Furthermore, under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit.

11.19. Deceptive Trade Practices; Unfair Business Practices

Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices Act violations under Tex. Bus. & Com. Code, Chapter 17, or allegations of any unfair business practice in any administrative hearing or court suit and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

11.20. Equal Opportunity

Contractor represents and warrants that it shall not discriminate against any person on the basis of race, color, national origin, creed, religion, political belief, sex, sexual orientation, age, and disability in the performance of this Contract.

11.21. Antitrust

Contractor represents and warrants that neither Contractor nor any firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such firm, corporation or institution has (1) violated the antitrust laws of the State of Texas under Tex. Bus. & Com. Code, Chapter 15, or the federal antitrust laws; or (2) communicated directly or indirectly the Proposal to any competitor or any other person engaged in such line of business during the procurement process for this Contract.

11.22. No Conflicts

Contractor represents and warrants that Contractor has no actual or potential conflicts of interest in providing services to the CCG or the State of Texas under this Contract and that Contractor's provision of services under this Contract would not reasonably create an appearance of impropriety.

11.23. Financial Interests; Gifts

Contractor represents and warrants that neither Contractor nor any person or entity that will participate financially in this Contract has received compensation from CCG or any agency of the State of Texas for participation in preparation of specifications for this Contract. Contractor represents and warrants that it has not given, offered to give, and does not intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to any public servant or employee in connection with this Contract.

11.24. Felony Criminal Convictions

Contractor represents and warrants that Contractor has not and Contractor's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Contractor has fully advised TBPC as to the facts and circumstances surrounding the conviction.

11.25. Notices

Any written notices required under this Contract will be by either hand delivery to Contractor's office address specified on Page 1 of this Contract or to CCG, P.O. Box 13047, Austin, TX 78711 or by U.S. Mail, certified mail, return receipt requested, addressed to the appropriate foregoing address. Notice will be effective on receipt by the affected party. Either party may change the designated notice address in this Section by written notification to the other party.

11.26. False Statements; Breach of Representations

By signature to this Contract, Contractor makes all the representations, warranties, guarantees, certifications and affirmations included in this Contract. If Contractor signed its Proposal with a false statement or signs this Contract with a false statement or it is subsequently determined that Contractor has violated any of the representations, warranties, guarantees, certifications or affirmations included in this Contract, Contractor shall be in default under this Contract and CCG may terminate or void this Contract for cause and pursue other remedies available to CCG under this Contract and applicable law.

11.27. Force Majeure

Except as otherwise provided, neither Contractor nor CCG nor any agency of the State of Texas, shall be liable to the other for any delay in, or failure of performance, of a requirement contained in this Contract caused by *force majeure*. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed

provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, strike, fires, explosions, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each party must inform the other in writing with proof of receipt within three (3) business days of the existence of such force majeure or otherwise waive this right as a defense.

11.28. Debts or Delinquencies to State

The Comptroller is prohibited from issuing any payment to a person or entity who has been reported as having an indebtedness or delinquency to the state. Contractor agrees that, to the extent Contractor owes any debt or delinquent taxes to the State of Texas, any payments or other amounts Contractor is otherwise owed under this Contract shall be applied toward the debt or delinquent taxes until the debt or delinquent taxes are paid in full. Contractor agrees to comply with all applicable laws regarding satisfaction of debts or delinquencies to the State of Texas.

11.29. Contracts for Services

In accordance with Gov't Code, Section 2155.4441, the State of Texas requires that during the performance of a contract for services, Contractor shall purchase products and materials produced in the State of Texas when available at a price and time comparable to products and materials produced outside the State of Texas.

11.30. Work Made for Hire

For the purposes of this Contract, the term "Work" is defined as all reports, statistical analyses, work papers, work products, materials, approaches, designs, specifications, systems, documentation, methodologies, concepts, research materials, intellectual property or other property developed, produced, or generated in connection with this Contract. All work performed pursuant to this Contract is made the exclusive property of CCG. All right, title and interest in and to said property shall vest in CCG upon creation and shall be deemed to be a work for hire and made in the course of the services rendered pursuant to this Contract. To the extent that title to any such work may not, by operation of law, vest in CCG, or such work may not be considered a work made for hire, all rights, title and interest therein are hereby irrevocably assigned to CCG. CCG shall have the right to obtain and to hold in its name any and all patents, copyrights, registrations or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof. Contractor must give CCG and/or the State of Texas, as well as any person designated by CCG and/or the State of Texas, all assistance required to perfect the rights defined herein without any charge or expense beyond those amounts payable to Contractor for the services rendered under this Contract.

11.31. Electronic and Information Resources Accessibility Standards, as Required by 1 TAC Chapter 213 (Applicable to State Agency and Institution of Higher Education Purchases Only)

- 1) Effective September 1, 2006, all state agencies and institutions of higher education shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.
- 2) Vendor shall provide DIR with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration

"Buy Accessible Wizard" (http://www.buyaccessible.gov). Vendors not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide DIR with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at http://www.section508.gov/.

11.32. Default

If Contractor is found to be in default under any provision of this Contract, CCG may cancel the Contract without notice and either re-solicit or award the Contract to the next best responsive and responsible Respondent. In the event of abandonment or default, Contractor will be responsible for paying damages to CCG including but not limited to reprocurement costs, and any consequential damages to the State of Texas or CCG resulting from Contractor's non-performance. The defaulting Contractor will not be considered in the resolicitation and may not be considered in future solicitations for the same type of work, unless the specification or scope of work is significantly changed.

XII. Signatories

The undersigned signatories represent and warrant that they have full authority to enter into this Contract on behalf of the respective parties.

XIII. Merger

This Contract contains the entire agreement between Contractor and CCG and supersedes any prior understandings or oral or written agreements between CCG and Contractor on the matters contained herein. No modification, alteration, or waiver of any term, covenant, or condition of this Contract and any attachments shall be valid unless in writing and executed by CCG and Contractor.

By: Issue Clisa

Jessica Olson Chairman, CCG

Date: 8/29/07

Approved as to Form:

Legal Counsel, CCG

Date: 8 790 F

Chris Albury President & CEO

Date: 08 28 2007