PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 11/21/06   [X] Consent   [ ] Regular
    [ ] Ordinance   [ ] Public Hearing

Department: **Submitted By:**   Palm Beach County ISS
       Submitted For: Palm Beach County ISS

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) IBM Master Services Attachment for ServiceElite to the IBM Corporation Customer Agreement (R94-247D); **B)** IBM Statement of Work for ServiceElite for Hard Drive Retention Option and Account Advocate Services; **C)** Change Authorization for ServiceElite for SoftwareXcel Services; and, **D)** the Schedule of Services provided by ServiceElite for contractual computer hardware maintenance and technical support services for the period December 1, 2006 through November 30, 2007, in the amount of $211,765.

Summary: Palm Beach County entered into a master business agreement with the IBM Corporation on March 1, 1994 (R94-247D). This agreement is revised as required to reflect the County's needs for data processing equipment and services, including equipment maintenance. Based on an evaluation of the IBM equipment currently in use and a review of recent maintenance activities, an annual agreement is less costly than a per incident time and material maintenance contract. This new attachment to the IBM Corporation Customer Agreement will provide for computer hardware maintenance and technical support services to reflect our current needs. This ServiceElite supplement will automatically renew on December 1, 2007 under the same terms and conditions for an additional two (2) years. The Change Authorization for ServiceElite for SoftwareXcel Services addresses specific charges and discounts for the number of processors in use by the County. The Schedule for Services addressed by this agenda item is the negotiated, contractual amount for first renewal year of this contract, with the option for two additional one year renewals. (Countywide) (PK)

Background and Policy Issues: The existing IBM data and networking systems provide necessary computing resources to the County. This agenda item recommends a schedule for coverage of selected equipment and provision of other technical support services with a cost effective contract for the coming year. Additionally, should the maintenance requirements of any additional items on the current schedule be eliminated over the course of the contract period, IBM will issue a credit refund to the County for the remainder of the contract maintenance for that item.

Attachments

1)   2 originals of IBM Master Services Attachment for ServiceElite
2)   2 originals of IBM Statement of Work for ServiceElite
3)   2 originals of IBM Change Authorization for ServiceElite
4)   2 originals of IBM Schedule for ServiceElite
5)   Copy of IBM Customer Agreement R94-247D

Recommended by: _____Steve Bordelon_____   11/1/06
          Department Director   Date

Approved by: _____Robert Weisman_____   11/8/06
          County Administrator   Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures					
Operating Costs	$176,471	$35,294			
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	$176,471	$35,294	$	$	$

ADDITIONAL FTE
POSITIONS (Cumulative)   0   0

Is Item Included in Current Budget?   Yes   X   No

Budget Account Number: Fund <u>5020</u>   Agency <u>490</u>   Org. <u>1304</u>   Object <u>4674</u>

Reporting Category _____

B. Recommended Sources of Funds / Summary of Fiscal Impact

C. Departmental Fiscal Review: _____ _Robert C Sassek_ 11/1/06 _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

_____ 11-6-06 _____   _____ 11/7/06
           OFMB   Contract Administration

                                                         This item complies with current
B. Legal Sufficiency: County policies.

Paul F. _____ 11/7/06
         Assistant County Attorney

C. Other Department Review:

_____
      Department Director

IBM Master Services Attachment for ServiceElite

1. Scope of Services

IBM will provide you Services as described in this Attachment and, if applicable, its Statements of Work and Change Authorizations to support your hardware and software products (called "Eligible Machines," "Eligible Programs," and together "Eligible Products"). Services are available for Eligible Products normally used for business, professional, or trade purposes, rather than personal, family, or household purposes.

IBM will identify the Eligible Products, the Services that apply to them, and the Services transaction contract period in Schedules that reference this Attachment and any associated Statements of Work and Change Authorizations. Each Schedule will also identify the Specified Locations at which the Services will be provided. A Specified Location may be your entire information processing environment, or a portion thereof, which may be resident at multiple sites or a single building.

The specific terms regarding Eligible Machine Services and Eligible Program Services contained in this Attachment and its Statements of Work and Change Authorizations apply only when you have contracted for an associated Eligible Machine maintenance Service or Eligible Program support Service as specified in a Schedule.

2. Sales through IBM and IBM Business Partners

You may acquire Services through IBM or an IBM Business Partner, or their designee, authorized to resell IBM Services. IBM Business Partners establish the price and general business terms at which they market the IBM Services to you and they will communicate these directly to you for all transactions they initiate with you. However, IBM establishes the terms of each Service IBM provides and our general business responsibilities associated with these Services. Therefore, IBM will provide the Services as described in this Attachment and its associated Statements of Work and Change Authorizations (and their Schedules).

Whenever IBM is required to provide notification to you or you are required to provide notification to IBM, each of us also agrees to notify the applicable IBM Business Partner if one is engaged in the transaction.

In the event that you have contracted through an IBM Business Partner that is no longer able to offer IBM Services, for any reason, IBM will so notify you in writing. You may continue to receive the Services by instructing IBM (in writing) to transfer administration of the Services to either 1) another IBM Business Partner of your choice (who may require you to first execute one of their agreements) that is approved to offer you IBM Services, or 2) IBM under a standard direct marketing relationship that enables IBM to generate charges and invoicing.

IBM is not responsible for 1) any actions of IBM Business Partners or their designees, 2) any additional obligations they have to you, or 3) any products or services that they supply to you under their agreements.

Each of us agrees that the complete agreement between us about these Services consists of 1) this Attachment and its associated Statements of Work and Change Authorizations, 2) Schedules to this Attachment and its associated Statements of Work and Change Authorizations, 3) supplemental terms referenced in this Attachment and its associated Statements of Work and Change Authorizations, and 4) the IBM Customer Agreement (or any equivalent agreement in effect between us) identified below. Accordingly, in entering into this Attachment you acknowledge that you are not relying upon any representation made by or on behalf of IBM that is not fully and expressly set out in the documents specified above, such as the results of any Services. By signing below for our respective Enterprises, both of us agree to the terms of this Attachment without modification.

As used in this Attachment, "you" and "your" refer to the transaction contracting entity that is part of the Enterprise identified below.

Agreed to:	Agreed to:
PALM BEACH COUNTY	**International Business Machines Corporation**
By _____	By _Richard A. Hela___
Authorized signature	Authorized signature
Name (type or print):	Name (type or print): _RICHARD A. HELAIRE_
Date:	Date: _10/25/06_
Enterprise number: 06872933	Attachment number: MAD5KC4
Enterprise address:	Agreement number: HQ12291 / R94-247D
301 NORTH OLIVE AVE W PALM BCH FL 33401-4705	IBM address:
APPROVED AS TO TERMS AND CONDITIONS BY _Steve Bordelon_ **ISS DIRECTOR**	IBM CORPORATION 4111 NORTHSIDE PARKWAY ATLANTA, GA 30327

3.   IBM Responsibilities

When you contract for an applicable Service, IBM agrees to deliver the Service in accordance with the terms and responsibilities identified in the Service description set out in this Attachment or an associated Statement of Work or Change Authorization. For basic maintenance of IBM Machines, the Service description is set out in our Agreement (referenced in the signature block above).

4.   Your Responsibilities

When you contract for an applicable Service, you agree:

1.   to provide IBM with an inventory in which you identify all Eligible Products to be covered at each Specified Location and to notify IBM whenever you wish to move, add, or delete Eligible Products at an existing Specified Location or set up new Specified Locations;
2.   to return to IBM all defective CRUs (from covered Eligible Machines) within 30 days of your receipt of the replacement CRU. A "CRU" is a Machine part which is designated as a Customer Replaceable Unit (e.g. keyboards, memory, or hard disk drives). IBM provides CRUs to you for replacement by you;
3.   that when the Service includes IBM providing you with access to electronic diagnostic tools, information databases, or other Service delivery facilities, you will limit the use of these to only those who are authorized to use them under your control and only in support of Eligible Products and Services identified in Schedules;
4.   to provide IBM with information it requests which is related to its provision of the Services to you and to notify IBM of any changes;
5.   that you authorize International Business Machines Corporation and its subsidiaries (and their successors and assigns, contractors and IBM Business Partners) to store and use your business contact information wherever they do business, in connection with IBM products and services or in furtherance of IBM's business relationship with you;
6.   to pay any communications charges associated with accessing these Services unless IBM specifies otherwise in writing; and
7.   to use the information obtained under these Services only for the support of the information processing requirements within your Enterprise.

5.   Automatic Inventory Increase for Machine and Software Maintenance Service

If specified as a selected option in the Schedule, IBM will automatically increase the inventory count and associated maintenance Services at Specified Locations per the terms set out below.

OPTION #1 - MACHINE MAINTENANCE SERVICES

IBM will automatically increase the inventory count and associated Machine maintenance Services whenever:

1.   an Eligible IBM Machine is added to the inventory. If the Machine is under warranty when added, maintenance Services will commence at warranty exit. If the Machine is not under warranty when added, maintenance Services will commence at the later of a) the date of installation or b) the previous yearly anniversary of the start of the transaction contract period. IBM Machines specifically excluded from coverage at transaction contract period start will remain outside the scope of this Section unless you request IBM add them during the transaction contract period. However, all Eligible IBM Machines added to your inventory during the transaction contract period will be included in the inventory count and receive maintenance Services as set out in this Section.
2.   an Eligible non-IBM Machine, of the same type as other non-IBM Machines already covered at that Specified Location, is added to the inventory. If the Machine is under warranty when added, maintenance Services will commence at warranty exit. If the Machine is not under warranty when added, maintenance Services will commence at the later of a) the date of installation or b) the previous yearly anniversary of the start of the transaction contract period.

The maintenance Services that apply for these Machines will be the same as that which you are receiving for all other Eligible Machines of the same type at the Specified Location.

Newly installed IBM Machines of the same type for which you have already selected Warranty Service Upgrade will be added at date of actual installation and will be covered at the same Warranty Service Upgrade support level.

If at any time either of us requests a review of the inventory count, each of us will provide reasonable cooperation to the other in updating the last formal inventory.

OPTION #2 - SOFTWARE MAINTENANCE SERVICES
FOR AIX OPERATING SYSTEMS, OS/400, i5/OS, AND SELECTED PRODUCTS

IBM will automatically increase the inventory count and associated software maintenance Services whenever an Eligible Program licensed for use on an Eligible IBM Machine is added to the inventory. If the Program is covered under the Agreement for Acquisition of Software Maintenance when added to the inventory, then software maintenance Services via ServiceElite will commence at the expiration date of that support period. If the Program is not covered under the Agreement for Acquisition of Software Maintenance when added to the inventory, then software maintenance Services via ServiceElite will commence immediately and After License Fees may apply.

The software maintenance Services that apply for these Programs will be the same as that which you are receiving for all other copies of the Program licensed for use on Eligible IBM Machines of the same type at the Specified Location.

If at any time either of us requests a review of the inventory count, each of us will provide reasonable cooperation to the other in updating the last formal inventory.

6.   Charges and Payment

For sales through IBM, your charges are calculated taking into account your Service selections, price protection option, payment option, and for prepayments, length of the prepay period. You agree to pay by electronic funds transfer to an account provided by IBM or other means as agreed by both of us.

FOR EACH TRANSACTION PACKAGE YOU MAY SELECT ONE OF THE FOLLOWING 3 PRICE PROTECTION OPTIONS. YOUR SELECTION WILL BE SPECIFIED IN THE SCHEDULE ASSOCIATED WITH THAT TRANSACTION PACKAGE.

OPTION #1 - PRICE PROTECTION DURING EACH TRANSACTION CONTRACT YEAR ONLY

IBM may revise charges. However, any rate increase will not take effect until the next yearly anniversary of the start of the transaction contract period. At the start of each transaction contract year, you will be invoiced at the charge rates that are then in effect and that invoice will serve as your notice of charge rate changes.

All newly added Eligible Products and Services, as well as changes to existing Eligible Product configurations and Services, will assume the charge rate that applied for these at the previous yearly anniversary of the start of the transaction contract period. Eligible Products and Services that become generally available during the transaction contract period will be added at the charge rate that applied on their initial availability date.

OPTION #2 - PRICE PROTECTION FOR ENTIRE TRANSACTION CONTRACT PERIOD, INCLUDES PROTECTION FOR NEWLY ADDED MACHINE TYPES

For the entire transaction contract period, charges for included Eligible Product configurations and Services will not increase. All newly added Eligible Products and Services, as well as changes to existing Eligible Product configurations and Services, will assume the charge rate that applied for these at transaction contract period start. Eligible Products and Services that become generally available during the transaction contract period will be added at the charge rate that applied on their initial availability date. You will receive the benefit of a decrease in applicable charges for amounts which become due on or after the effective date of the decrease.

OPTION #3 - PRICE PROTECTION FOR TRANSACTION CONTRACT PERIOD PREPAY

Since you have selected to prepay for the entire transaction contract period, you will not be subject to increases in charges (during that period) for included Eligible Product configurations and Services. All newly added Eligible Products and Services, as well as changes to existing Eligible Product configurations and Services, will assume the charge rate that applied for these at transaction contract period start with adjustment for the reduced prepay period. Eligible Products and Services that become generally available during the transaction contract period will be added subject to the charge rate that applied on their initial availability date with adjustment for the reduced prepay period. If you elect to have these charge terms apply for charges during any renewal transaction contract period (as recalculated at the start of each renewal period), you must provide IBM written notification (at least one month prior to the start of the renewal period) and prepayment for the entire renewal period. Otherwise, charges for the renewal period will revert to a quarterly billing cycle under the terms set out for Option #1 above.

FOR EACH TRANSACTION PACKAGE THE FOLLOWING CHARGE ADJUSTMENT TERMS APPLY.

Total Services charges may be adjusted whenever:

1. a review of the inventory count indicates a change from the last accounting; or
2. a Specified Location, Eligible Machine type, or Service is added, deleted, or changed.

For all Service charges based on usage, upon IBM's request you will immediately provide IBM with the actual meter reading recording the actual usage.

For sales through IBM Business Partners, your IBM Business Partner sets the charges and terms governing charges. Your IBM Business Partner may impose an additional charge for some actions, e.g., termination, or for IBM's provision of some additional services, e.g., Service upgrades. These actions or additional services are identified in this Attachment and its associated Statements of Work and Change Authorizations with an asterisk ("*"). Where you see an asterisk, check with your IBM Business Partner to determine if you will incur an additional charge or may be entitled to a credit or refund. You will make payment directly to your IBM Business Partner.

IBM may charge you directly for certain expenses IBM incurs in performance of a Service for you (e.g. actual travel and living expenses, out-of-pocket expenses). IBM will not incur these expenses without your prior approval.

7.   Renewal and Termination

IBM will automatically renew Services unless you or your IBM Business Partner request otherwise. For each transaction the Schedule will specify the number of years (0 or greater) in the Renewal Contract Period. Whenever this number is greater than 0, IBM will renew the applicable Services at the end of the transaction contract period for the number of years specified. Thereafter, IBM will automatically renew the Services for same length periods unless you or your IBM Business Partner notify IBM in advance of your desire to change the length of the renewal. You, your IBM Business Partner, or IBM can select not to renew by providing written notification (at least one month prior to the end of the current transaction contract period) to the others of its decision not to renew. Nonrenewal notification sent to you by IBM or received by IBM from either you or your IBM Business Partner will result in IBM ceasing to provide you the applicable Services at the end of the current transaction contract period.

In case of renewals, charges are recalculated at the start of each renewal period. For sales through IBM, the new charges will be based on the length of the Renewal Contract Period and then current charges associated with your contracted a) Services, b) price protection option, and c) payment option.

You have committed to continue Services for the entire transaction contract period. However, you may terminate Services for an Eligible Product, on notice to IBM, if you permanently remove it from productive use within your Enterprise. You may also terminate Services immediately prior to the start of any fiscal year for which funds have not been appropriated. You agree to request such funds from the applicable legislative body.

Otherwise, if you choose to terminate Services and these are not being replaced by equivalent Services, you may do so by providing IBM one month's written notice, however the Services must have been under contract for at least one fiscal year upon termination.

Termination adjustment fees will not apply and you will receive a credit for any remaining prepaid period associated with Services you terminate in accordance with this provision.*

8. Governing Law

As pertains to your contracted Services, the laws of your State govern our Agreement, this Attachment, and associated Statements of Work and Change Authorizations.

9. Services

Warranty Service Upgrade
For certain Eligible Machines, you may select a Service upgrade from the standard type of warranty Service for the Machine. IBM provides Service for Machines as described in our Agreement but charges for the upgrade in type of Service during the warranty period.

You may not terminate the Service upgrade or transfer it to another Machine during the warranty period. When the warranty period ends, the Machine will become part of your standard inventory count and will convert to maintenance Service at the same type of Service you selected for warranty Service upgrade.

Maintenance of IBM Machines
IBM will provide Service for Machines, as described in our Agreement, for those Eligible IBM Machines specified in the Schedule.

Maintenance of Non-IBM Machines
IBM will provide Service for Machines, as described in our Agreement, for those Eligible non-IBM Machines specified in the Schedule. Unless specified otherwise in the Schedule, Service is provided only for the manufacturer's base configuration for each covered Machine model. You are responsible for following the manufacturer's and IBM's provided guidelines pertaining to operator responsibilities, maintenance procedures, and supplies prior to placing a Service request.

Repair of non-IBM Machines is subject to the availability of repair parts and any technical support required of the original manufacturer. Repair parts will be functionally equivalent to those replaced. They may be new or used and may have been manufactured by other than the original manufacturer. You may request that IBM use repair parts manufactured by the original manufacturer when these are available, but there may be an additional charge for these parts.*

IBM's support does not cover:

1. Machine installation, engineering change activity, or preventive maintenance;
2. correction of date related errors. IBM will make the final determination of whether a date related error is the source of the problem;
3. service of microcode or firmware;
4. service of features, parts, or devices not supplied by either a) the Machine's original manufacturer or b) IBM during the performance of this Service;
5. service for accessories, supply items, and certain parts, such as batteries, frames, and covers;
6. service of a Machine damaged by misuse, accident, modification, unsuitable physical or operating environment, or improper maintenance by you;
7. service of a Machine with removed or altered Machine or parts identification labels;
8. failures caused by a product for which IBM is not responsible; or
9. service of Machine alterations.

Upon written notice, IBM may terminate coverage for an Eligible non-IBM Machine due to lack of available repair parts or lack of original manufacturer technical support.

Eligible non-IBM Machines must meet IBM's safety and serviceability requirements. IBM reserves the right to inspect a Machine within one month from the start of Service. If the Machine is not in an acceptable condition for Service, IBM will notify you and terminate coverage.

You agree to provide IBM one month's written notice prior to terminating coverage for a Machine being permanently removed from productive use within your Enterprise.

IBM Software Maintenance for OS/400, I5/OS and Selected Products
IBM will provide software maintenance support, as described below, for those Eligible Programs for which you are licensed and for which you order this Service.

General:

1. IBM makes available to you the most current commercially available version, release or update to all of the Programs for which you acquire support under this Service, should any be made available.
2. IBM provides you with assistance for your a) routine, short duration installation and usage (how-to) questions and b) code defect related questions.
3. IBM provides assistance via telephone and, if available, electronic access, only to your information systems (IS) technical support personnel during normal business hours (normal business hours are 8 a.m. to 5 p.m. in the local time zone where you receive this Service, Monday through Friday, excluding national holidays). This assistance is not available to your end users. IBM provides Severity 1 assistance 24 hours a day, every day of the year. Consult the IBM Software Support Guide, which may be found at http://techsupport.services.ibm.com/guides/handbook.html for details. A 24x7 (every day of the year) all severity option is available at extra charge.* During normal business hours, IBM's response time objective is two hours for voice and electronic problem submissions. For voice problem submissions during other than normal business hours, IBM's response time objective for critical problems (Severity 1) is two hours and if you select the 24x7 all severity option, four hours for non-critical problems. For electronic problem submissions during other than normal business hours, IBM's response time objective is within two hours of the start of normal business hours on the next business day. IBM's initial response (either voice or electronic) may result in resolution of your problem or it will form the basis for determining what additional actions may be required to achieve technical resolution of your problem. IBM is not responsible for delays in electronic response delivery caused by systems and network problems.
4. In some instances, IBM may request that you allow it to remotely access your system to assist you in isolating the software problem cause. You will remain responsible for adequately protecting your system and all data contained therein whenever we remotely access it with your permission.
5. This Service does not include assistance for a) the design and development of applications, b) your use of Programs in other than their specified operating environment, or c) failures caused by products for which IBM is not responsible under this Service.

Eligible Programs: Licensed programs for which this Service is available are listed at http://www.ibm.com/services/sl/swm/ or may be obtained from your IBM marketing representative.

Software Maintenance After License Fee: The Software Maintenance After License fee is a one time charge to resume Software Maintenance if you a) did not renew this Service prior to the end of the then current support period or b) terminated this Service. The new support period in such an instance begins on the date that IBM accepts your order.

IBM Software Maintenance for AIX Operating Systems
IBM will provide software maintenance support, as described below, for those Eligible Programs for which you are licensed and for which you order this Service.

General:

1. IBM makes available to you the most current commercially available version, release or update to all of the Programs for which you acquire support under this Service, should any be made available.
2. IBM provides you with assistance for your a) routine, short duration installation and usage (how-to) questions and b) code defect related questions.
3. IBM provides assistance via telephone and, if available, electronic access, only to your information systems (IS) technical support personnel during normal business hours (normal business hours are 8 a.m. to 5 p.m. in the local time zone where you receive this Service, Monday through Friday, excluding national holidays). This assistance is not available to your end users. IBM provides Severity 1 assistance 24 hours a day, every day of the year. Consult the IBM Software Support Guide, which may be found at http://techsupport.services.ibm.com/guides/handbook.html for details. A 24x7 (every day of the year) all severity option is available at extra charge.* During normal business hours, IBM's response time objective is two hours for voice and electronic problem submissions. For voice problem submissions during other than normal business hours, IBM's response time objective for critical problems (Severity 1) is two hours and if you select the 24x7 all severity option, four hours for non-critical problems. For electronic problem submissions during other than normal business hours, IBM's response time objective is within two hours of the start of normal business hours on the next business day. IBM's initial response (either voice or electronic) may result in resolution of your problem or it will form the basis for determining what additional actions may be required to achieve technical resolution of your problem. IBM is not responsible for delays in electronic response delivery caused by systems and network problems.
4. In some instances, IBM may request that you allow it to remotely access your system to assist you in isolating the software problem cause. You will remain responsible for adequately protecting your system and all data contained therein whenever we remotely access it with your permission.
5. This Service does not include assistance for a) the design and development of applications, b) your use of Programs in other than their specified operating environment, or c) failures caused by products for which IBM is not responsible under this Service.

Eligible Programs: Licensed programs for which this Service is available are listed at http://www.ibm.com/services/sl/swm/ or may be obtained from your IBM marketing representative.

Software Maintenance After License Fee: The Software Maintenance After License fee is a one time charge to resume Software Maintenance if you a) did not renew this Service prior to the end of the then current support period or b) terminated this Service. The new support period in such an instance begins on the date that IBM accepts your order.

IBM   Statement of Work for ServiceElite

Both of us agree to add the following Services as part of our ServiceElite contract.

Hard Drive Retention Option

IBM will provide Service for Machines as described in our Agreement for those Eligible IBM Machines specified in the Schedule. IBM will implement a call handling process that allows for you to retain defective storage media that is replaced during a service call. If your reported problem requires the replacement of a fixed disk drive, a replacement drive will be installed and the defective drive will be provided to you for disposal by you.

The Schedule will identify the Eligible Machines by Specified Location, and period for which you have contracted this Service. All Eligible Machines by machine type at a given Specified Location must be covered under this Service. All Eligible Machines covered under this Service are subject to an initial, and annual thereafter, Machine inventory validation. Annual Machine inventory validation will occur at the yearly anniversary of the start of the transaction contract period.

IBM Remote Technical Support Services - Account Advocate

IBM Remote Technical Support Services - Account Advocate support comprises three Enhanced Service Modules: Priority Access, Priority Response, and Priority Handling, that will provide you with premium remote voice and electronic entry into and handling within IBM's product support structure. This Service also provides you access to a Priority Support Team which includes an Account Advocate.

You must maintain base maintenance contracts for all Eligible Programs/Products for which you select this coverage. This service description details the support enhancements (above your base IBM maintenance contracts) to which you are entitled for your covered Eligible Programs/Products. Unless changed in this service description, the provisions of all the base IBM maintenance contracts remain in effect.

Definitions

Account Advocate is a member of the Priority Support Team who will (i) setup a welcome call with you to ensure this Account Advocate Service is initiated smoothly, (ii) coordinate your Periodic Service Status Update calls, and (iii) provide an escalation path as needed.

Eligible Programs/Products means those IBM software products eligible for this Service as identified at IBM's Internet address http://www-1.ibm.com/services/si/products/ .

Enhanced Service Modules means collectively Priority Access, Priority Response and Priority Handling.

Off Shift means all hours outside of Prime Shift.

Periodic Service Status Update means a mutually agreed to scheduled conference call between your Point of Contact and the assigned Account Advocate.

Each of us agrees that the complete agreement between us about these Services consists of 1) this Statement of Work and its Change Authorizations and Schedules, 2) the referenced Attachment, 3) supplemental terms referenced in any of the documents in 1 and 2 above, and 4) the referenced Agreement. Accordingly, in entering into this Statement of Work you acknowledge that you are not relying upon any representation made by or on behalf of IBM that is not fully and expressly set out in the documents specified above, such as the results of any Services. By signing below, both of us agree to the terms of this Statement of Work without modification.

As used in this Statement of Work, "you" and "your" refer to the Customer Company identified below.

Agreed to: **PALM BEACH COUNTY**	Agreed to: **International Business Machines Corporation**
By _____	By *Richard A. Hela* _____
Authorized signature	Authorized signature
Name (type or print):	Name (type or print): *RICHARD A. HELAIRE*
Date:	Date: *10/25/06*
Customer Number: 06873206	Reference Agreement number: HQ12291 / R94-247D
Customer address:	Reference Attachment number: MAD5KC4
301 NORTH OLIVE AVE W PALM BCH FL 33401-4705	Statement of Work number: AD5KC4
Customer telephone number:	IBM Address:
Customer billing Address:	IBM CORPORATION 4111 NORTHSIDE PARKWAY ATLANTA, GA 30327

PALM BEACH COUNTYBOARD OF C
PALM BCH CO FINANCE DEPT
PO BOX 4036
W PALM BCH   FL 33402-4036

APPROVED AS TO TERMS AND CONDITIONS
BY *Steve / Bordelon*
ISS DIRECTOR

Prime Shift means 8 a.m. to 5 p.m. in the local time zone where you receive the Service, Monday through Friday (excluding national holidays).

Priority Access means the process by which you report problems to the Priority Support Team relating to your Eligible Programs/Products and other associated IBM products for which you maintain a current IBM support contract.

Priority Handling means for those covered Eligible Programs/Products the Priority Support Team will engage and coordinate all the appropriate resources to resolve your reported problems.

Priority Response means IBM base support response time commitments are enhanced under this Service.

Priority Support Team means IBM's team of personnel that will provide a single point of entry for your voice and electronic queries in support of the Enhanced Service Modules under this Service.

Response Time means the elapsed time between receipt by the Priority Support Team of a problem submission, and the acknowledgement of the submission.

IBM Responsibilities

Account Advocate
IBM will provide an Account Advocate who is a member of the Priority Support Team and who will work with your designated Point of Contact ("POC") to establish and maintain a framework for technical communications and contractual activities.

The Account Advocate will:

1. review the Services contract and any other applicable documentation as part of a welcome call;
2. review your Eligible Programs/Products under the Service;
3. review the primary escalation path for your Eligible Programs/Products; and
4. schedule Periodic Service Status Update calls with your designated POC.

Enhanced Service Modules

Priority Access
IBM will provide you with direct access to a team of skilled resources known as the Priority Support Team who will provide an initial point of contact for your problem submissions related to your Eligible Programs/Products and other IBM products associated with servers for which you have purchased support under this Service. You may submit problem management records (via remote voice or electronic problem reporting). Your remote voice response support is achieved using your Direct Access Code ("DAC") when you submit a problem. If the problem is related to an Eligible Program/Product, you will receive Priority Handling as set out below. If the reported problem is related to another IBM software or hardware product associated with a server for which you have purchased support under this Service, the Priority Support Team will engage the appropriate specialist team on your behalf. This engagement requires that you have a valid support contract for that IBM product. Once the specialist support team for that product is engaged, service will be provided under the terms and conditions of that contract (not this Account Advocate Service).

Priority Response

Your problem submissions to the Priority Support Team for Eligible Programs/Products will receive enhanced Response Times as detailed below. These Response Times detail how quickly the Priority Support team will respond based on the Severity of the problem and the time that you report it. IBM's initial response may result in resolution of your problem or it will form the basis for determining what additional actions may be required to achieve technical resolution of your problem. Response Times for Off Shift problem submissions are only valid if you have contracted for coverage during Off Shift.

For telephone assistance:

- Severity ("Sev") 1 Calls - Thirty (30) minutes Response Time during Prime Shift and thirty (30) minutes during Off Shift. Exception: for Microsoft products, Off-Shift response time is sixty (60) minutes.
  Sev 1 Calls are defined as a system down situation. Customer is unable to use the product which has a critical impact on operations. No backup is available.
- Sev 2 Calls - One (1) hour Response Time during Prime Shift and two (2) hours during Off Shift.
  Sev 2 Calls are defined as customer is able to use the product, but operations are severely restricted by the problem.
- Sev 3 & Sev 4 Calls - Two (2) hours Response Time during Prime Shift and four (4) hours during Off Shift.
  Sev 3 Calls are defined as customer is able to use the product with some restrictions on the function that is available. These restrictions do have an impact on overall operation.
  Sev 4 Calls are defined as problems that cause little or no impact to the operations. A way to circumvent the problem has been found.

For electronic assistance:

- All Sev levels - Two (2) hour Response Time for submissions received during Prime Shift. For submissions received during Off Shift, Response Time is within two (2) hours after the start of Prime Shift on the next business day. IBM is not responsible for delays caused by systems and network problems.

IBM will use commercially reasonable efforts to achieve the Response Time objectives set out above. However, IBM's failure to do so will not constitute a breach, material or otherwise, will not result in IBM being liable for damages, service level credits or other amounts, and will not otherwise provide any additional rights to you.

Priority Handling
The Priority Support Team will provide priority handling of your reported problems related to Eligible Programs/Products on servers for which you have contracted this Service.

The Priority Support team will:

1. perform initial problem determination and problem source identification;
2. engage the appropriate specialist support resources when required;
3. monitor the progress of your problem submissions for Eligible Programs/Products;
4. coordinate service resources as necessary; and
5. ensure provision of follow-up status that is appropriate to the severity level assigned to the submitted problem. This includes invoking IBM's predefined escalation guidelines until the problem is resolved. Target status update intervals are as follows--
   Sev 1: Follow up with the customer every four (4) hours, or as mutually agreed.
   Sev 2: Follow up with the customer (during Prime Shift) daily or as mutually agreed.

Sev 3 and Sev 4: Follow up with the customer (during Prime Shift) when progress has been made.

Your Responsibilities
You agree to:

1. maintain, for the duration of this Service, the appropriate base support contracts (including coverage hours) for all Eligible Programs/Products to be covered by this Service. If you terminate any of your base support contracts (or change the coverage hours), you must immediately notify the IBM Account Advocate who will help to determine the appropriate changes to your coverage under this Service;
2. designate a Point of Contact (POC) who will be the focal point for all communication with IBM's Account Advocate relative to this Service and who will have the authority to act on your behalf in matters regarding this Service. Your POC will--
    a. inform the IBM Account Advocate of any hardware or software changes to your Eligible Programs/Products environment within thirty (30) days of the change occurring. Failure to provide timely updates may result in Service delays or lack of coverage, and
    b. designate a contact that will be the focal point for problem submissions by you to the Priority Support Team;
3. obtain and provide information, data, decisions and approvals, within three (3) business days of IBM's request, unless both parties mutually agree to an extended response time;
4. ensure the appropriate personnel for activities, described in this Service, are made available by your organization. This includes your being able to help resolve issues via escalation within your organization;
5. review on a regular basis, the product listings at http://www-1.ibm.com/services/sl/products/ to determine whether there have been any additions or deletions (for example, products removed at their end of currency date) that may impact the product support you are receiving under this Service. Questions regarding such changes should be directed to your Account Advocate; and
6. supply your DAC code in order to receive support on your Eligible Programs/Products.

Termination
You may terminate this Service on one month written notice to IBM after the initial contract year. Termination of this Service does not terminate or modify any of your base support contracts. Since this Service requires you to have base support contracts in place for all IBM Eligible Programs/Products to be covered by this Service, you may not terminate the associated base support contract during the initial contract year; thereafter, if you terminate the associated base support contract, you must also terminate the applicable Account Advocate Service support.

pSeries Software Services

Alert for pSeries provides automatic daily notification of the following for selected IBM Products: 1) High Impact and Pervasive Authorized Program Analysis Reports (called "HIPER APARS"), 2) any Program Temporary Fixes we discover to be defective (called "PE PTFs"), 3) latest available fixes, and 4) security advisories. IBM provides notification via e-mail for up to three different addresses of your choice.

IBM Responsibilities
IBM will provide you Alert notifications regarding each of your specified pSeries systems based on the parameters you choose when setting up this Service. If you implement IBM Service Agent, IBM will tailor the maintenance information that it provides to you for your specific environment.

Your Responsibilities
If you do not currently have an IBM Registration ID, you agree to obtain one at https://www.ibm.com/account/profile/us?page=reg. The IBM Registration ID must be used to 1) access the Alert Web site, 2) set up your preferences for Alert notifications, and 3) indicate which type of notifications you choose to receive.

zSeries Software Services

SoftwareXcel enterprise edition for zSeries provides you with the following package of Services:

1. remote assistance with the operation of supported Programs within specific product groups running under designated operating systems.

    The following definitions apply for this assistance:
    Full Shift means 24 hours a day, seven days a week, including national holidays.
    Off Shift means all hours outside of Prime Shift.
    Prime Shift means 8 a.m. to 5 p.m. in the local time zone where you receive the assistance, Monday through Friday (excluding national holidays).
    Supported Products means those products contained within designated product groups that run under identified operating systems for the zSeries hardware platforms. Supported Products are identified in the Supported Products List located at IBM's Internet address http://www.ibm.com/services/sl/products , or as otherwise provided by IBM. The Supported Products List will identify the products, product groups, and operating system groups for the zSeries hardware platforms that are eligible for this assistance. The Supported Products List will change periodically to reflect Supported Product additions (for example, adding new products) or deletions (for example, deleting products at their end of currency date). IBM may withdraw support for products on the Supported Products List at any time without written notice to you.

    IBM Responsibilities
    IBM will provide you remote assistance (via an electronic search and questioning capability) for the following requests related to Supported Products:
    a. basic, short duration installation, usage, and configuration questions;**
    b. code-related problem questions;***
    c. questions regarding IBM Supported Product publications;**
    d. diagnostic information review to assist in isolation of a problem cause (for example, assistance interpreting traces and dumps for installation and code-related problems);** and
    e. for known defects, available corrective service information and program fixes which you are entitled to receive under the Program Services terms of our Agreement.***

    ** Note: For an additional charge, you may receive this assistance via telephone from our support center.

    *** Note: This assistance is also available via telephone from our support center. Telephone assistance is included in your Program license charge.

    In addition, IBM provides you the capability to have IBM and you concurrently view your code-related problem data.

    Response Criteria
    IBM will use commercially reasonable efforts to provide a response to each of your requests as follows:

Z125-7228-03 8/2006 (MK076))   contract AD5KC4 (prepared 10/23/06 17:12 ROBINPO)

a. for other than code-related problems,
   1) within two hours of electronic receipt during Prime Shift and if received during Off-Shift, within two hours of the start of Prime Shift on the next business day (IBM is not responsible for delays in response delivery caused by systems and network problems), and
   2) If you order the telephone support upgrade, within two hours of telephone receipt during Prime Shift and if you order Full Shift telephone coverage, within two hours of telephone receipt during Off-Shift for those requests which you specify to be Customer Critical Problems and within four hours of telephone receipt during Off-Shift for all other requests (Customer Critical Problem means a problem for which you have no known work around resulting in a critical disruption in your business operations); and
b. for code-related problems, within one hour of electronic or telephone receipt during available support hours when premium response is requested. Available support hours within the contiguous United States and Puerto Rico are during Prime Shift. Available support hours within Alaska and Hawaii are during the hours of 11 a.m. to 8 p.m., Eastern Time, Monday through Friday (excluding national holidays).

IBM's initial response may result in resolution of your request or it will form the basis for determining what additional actions may be required to achieve technical resolution of your request.

Your Added Responsibilities
You agree to:
a. ensure you are properly licensed to all Programs for which you request assistance;
b. retrieve and review a current Supported Products List on a regular basis to verify whether there have been any additions or deletions of products within your product groups;
c. meet the prerequisites we specify for electronic access to IBMLink;
d. provide IBM with all relevant and available diagnostic information (including product or system information) pertaining to problems you request assistance with; and
e. provide IBM with appropriate remote access to your system to assist you in isolating the problem cause. You will remain responsible for adequately protecting your system and all data contained therein whenever IBM remotely accesses it with your permission;

2. Alert which provides electronic notification of and information about, potential problems with selected IBM Products. IBM provides you --
   a. automatic electronic notification of High Impact and Pervasive Authorized Program Analysis Reports (called "HIPER APARs") and any Program Temporary Fixes ("PTFs") IBM discovers to be defective (called "PE PTFs"),
   b. information regarding the installation of new releases of Products or installation of preventive service packages,
   c. access to Product cross-reference information,
   d. the ability to order PTFs and request their electronic or physical delivery, and
   e. the ability to order some preventive service packages;

3. Resolve which provides electronic Services to assist you in identifying and resolving problems with the operation of your Eligible zSeries Machines and eligible Programs installed on them. IBM provides you --
   a. tracking of Authorized Program Analysis Reports (called "APARs") and PTFs,
   b. the ability to electronically report code-related problems to the IBM support center and receive an electronic response,
   c. access to Product cross-reference information,
   d. access to information on the maintenance of Products and diagnostic information on non-IBM problems,
   e. access to eligible Program technical information databases, including a question and answer library,
   f. the ability to order PTF's electronically and request electronic or physical delivery,
   g. information regarding the installation of new releases of Products or installation of PTFs, and
   h. the ability to report a suspected hardware problem to IBM electronically; and

4. monthly status reports.

Note: Charges for SoftwareXcel enterprise edition for zSeries are based on the largest processor and each additional processor, at each of your Specified Locations, with installed Programs for which you order this Service. All processors at your Specified Locations must be covered under this Service. You must provide IBM with written notice of changes to your processor inventory within one month after the change occurs.

IBM Change Authorization for ServiceElite

Each of us agrees to modify the referenced Master Services Attachment for ServiceElite and/or Statement of Work for ServiceElite as follows:

The following term is added:

Charges for SoftwareXcel enterprise edition for zSeries are based on the largest processor and each additional processor, at each of your supported locations, with installed Programs for which you order this Service. All processors at your supported location must be covered under this service. You may qualify for a multi-location discount if you have two or more supported locations with the same Enterprise number and contract period. You must provide us with written notice of changes to your processor inventory within one month after the change occurs. Such changes may cause a revision to your charges for this Service.

Reference of Master Service Agreement
Section 2: Sales through IBM and IBM Business Partners
    Delete; paragraph 4: IBM is not responsible for 1) any actions of IBM Business partners or their designees, 2) any additional obligations they have to you, or 3) any products or services that they supply to you under their agreements

Each of us agrees that the complete agreement between us about these Services consists of 1) this Change Authorization, 2) the referenced Attachment and/or Statement of Work and their prior Change Authorizations which have not been replaced by this one, 3) supplemental terms referenced in any of the documents in 1 and 2 above, 4) applicable Schedules, and 5) the referenced Agreement. Accordingly, in entering into this Change Authorization you acknowledge that you are not relying upon any representation made by or on behalf of IBM that is not fully and expressly set out in the documents specified above, such as the results of any Services. By signing below for our respective Enterprises, both of us agree to the terms of this Change Authorization without modification.

As used in this Change Authorization, "you" and "your" refer to the transaction contracting entity that is part of the Enterprise identified below.

Agreed to (Enterprise Name): Palm Beach County	*Agreed to:* International Business Machines Corporation

By _____
          Authorized signature
	By _Richard U. Helu_____
	          Authorized signature

Name (type or print):	Name (type or print): RICHARD A. HELAIRE
Date:	Date: 10/25/06
Enterprise number:_06873206	Reference Agreement number:_HQ12291 / R94-247D
Enterprise address: 301 North Olive Avenue W Palm Beach, Florida 33401-4705	Reference Attachment number:_MAD5KC4
	Reference Statement of Work number:_AD5KC4
	Change Authorization number:
Enterprise telephone number:	IBM address:

APPROVED AS TO TERMS AND CONDITIONS
BY _Steve Bordelon_____
ISS DIRECTOR

IBM Schedule for ServiceElite

This Schedule contains a listing of the Eligible Machines at the Specified Locations identified below for which IBM will provide the identified Services as described in the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations. The complete agreement between us about these Services consists of 1) this Schedule 2) the referenced Master Services Attachment and any referenced Statements of Work and Change Authorizations, and 3) the IBM Customer Agreement (or any equivalent agreement in effect between us) identified below.

Name and Address of Customer:

PALM BEACH COUNTY
301 NORTH OLIVE AVE
W PALM BCH   FL 33401-4705

Customer Billing Address:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSI
PALM BCH CO FINANCE DEPT
PO BOX 4036
W PALM BCH   FL 33402-4036

Agreement Number:	HQ12291 /R94-247D	**Schedule Number:**	AD5KC4
Master Services Attachment Number:	MAD5KC4	**Revised Schedule:**	No
Statement of Work Number:	AD5KC4	**Schedule Effective Date:**	10/23/2006
Change Authorization Number:		**Proposal Reference Date:**	10/23/2006
Customer Number:	06873206		

Transaction Contract Period:
Start Date: 12/01/2006
End Date: 11/30/2009
Renewal Contract Period: 3 Year(s)

Charge Period Charges / Payment Plan (Inclusive of MES):

WSU One Time Charges:	0.00	¹Maintenance Charges:	150,277.99
SWMA ALF One Time Charges:	450.00	¹Service Charges:	61,037.45
MMS for CISCO HW One Time Charges:	0.00		
MMS for CISCO SW One Time Charges:	0.00	**TOTAL CHARGE PERIOD CHARGES:**	211,765.44
MMS for Nortel One Time Charges:	0.00	Quarterly	
One Time Charges:	0.00		

Charge Period:
Start Date: 12/01/2006
End Date: 11/30/2007

⁶Accumulated Adjustment Invoicing option: N

Automatic Inventory Increase Option Applies:
HWMA Option #1: N
Software Option #2: N

Price Protection Option: Annual Price Protection
Pricing Method: Line Item

Type of Discount(s) Applied: Term Incentive

¹Charges are based on the current inventory and services identified in this Schedule. Actual charges may vary with any additions, deletions, or changes to the inventory or services. Any applicable taxes are not included in the charge amounts herein but will be added to your invoice.

For a Machine subject to usage charges, in addition to the Service charge identified herein, you will be separately billed for usage in accordance with applicable usage rates and billing cycles.

The Parties need not to sign this Schedule, unless either of us requests it.

Agreed to:

PALM BEACH COUNTY

By: _____
        Authorized signature
Name (type or print): _____
Date: _____

Agreed to:

International Business Machines Corporation

By: _____
        Authorized signature
Name (type or print): *RICHARD A. HELAIRE*
Date: *10/25/06*

APPROVED AS TO TERMS AND CONDITIONS
BY *Steve Bordelon*
ISS DIRECTOR

IBM Schedule for ServiceElite

Enterprise Total for Charge Period by Customer Number Inclusive of MES:

Customer No.	Customer Name	Customer Location	Charges
06873206	PALM BEACH COUNTY	301 NORTH OLIVE AVE, W PALM BCH FL 33401-4705	211,315.44
Total			211,315.44

Note: One Time Charges are not included in the Total

IBM Schedule for ServiceElite

Maintenance Machine List

--------------Eligible Machine Description--------------

Mfg	Type	Model	M/T Part	Order Control Number	Product Description	Qty	Type of Chg	Billing Code	Charges	Billing Start	
			Specified Location: 06873206		City, State: W PALM BCH FL 33401-4705						
IBM	7028	6C4		0000805BF	PSERIES 630	1	B	1	2,352.79		01/01/2007
IBM	4100	HD1		000045067	INFOPRINT 4100	1	B	1	20,704.09	C	01/01/2007
IBM	4100	HD2		000046067	INFOPRINT 4100	1	B	1	22,230.78	C	01/01/2007
IBM	8670	11X		00KPLL855	XSER345 2.0G 512 512/OHD S	1	B	1	641.66	H	
IBM	7060	H50		0000100EB	S/390 MULTIPRISE 3000	1	B	1	32,533.32	H	
OEM	1332	005		000005621	IMI PRODUCT	1	B	2	1,262.58		01/01/2007
OEM	1332	024		000019229	ROLL SYSTEMS, I024 CTS	1	B	2	13,760.89		01/01/2007
IBM	2105	F20		000015005	ENTERPRISE STORAGE SERVER	1	B	1	21,901.92	H	
IBM	3174	11R		0000AF205	ESTABLISHMENT CONTROLLER	1	B	1	923.04	H	
IBM	3174	11R		0000AG063	ESTABLISHMENT CONTROLLER	1	B	1	520.93	H	
IBM	3174	13R		0000AG072	ESTABLISHMENT CONTROLLER	1	B	1	887.87	H	
IBM	3174	13R		0000AG074	ESTABLISHMENT CONTROLLER	1	B	1	574.17	H	
IBM	3174	13R		0000AG075	ESTABLISHMENT CONTROLLER	1	B	1	896.42	H	
IBM	3174	13R		0000AG080	ESTABLISHMENT CONTROLLER	1	B	1	574.17	H	
IBM	3174	11L		0000AG083	ESTABLISHMENT CONTROLLER	1	B	1	520.93	H	
IBM	3174	11L		0000AG084	ESTABLISHMENT CONTROLLER	1	B	1	520.93	H	
IBM	3174	01L		0000B5798	ESTABLISHMENT CONTROLLER	1	B	1	358.38	H	
IBM	3174	01L		0000D2482	ESTABLISHMENT CONTROLLER	1	B	1	211.03	H	
IBM	3174	51R		0000U2913	ESTABLISHMENT CONTROLLER	1	B	1	163.50	H	
IBM	3174	81R		000018683	ESTABLISHMENT CONTROLLER	1	B	1	134.99	H	
IBM	3745	210		000002340	BASE SINGLE CCU	1	B	1	6,245.44	H	
IBM	3995	C60		000006778	OPTICAL LIBRARYRISC 20 SLOT	1	B	1	1,984.92	H	
IBM	7026	H50		000014078	RS/6000 ENTERPRISE SERVER	1	B	1	3,000.00	H	
IBM	7133	D40		0000KJ907	SERIAL DISK SYSTEM	1	B	1	2,098.92	H	
IBM	7133	D40		000037056	SERIAL DISK SYSTEM	1	B	1	2,098.92	H	
IBM	7133	D40		000040201	SERIAL DISK SYSTEM	1	B	1	2,098.92	H	
IBM	7133	D40		00004228A	SERIAL DISK SYSTEM	1	B	1	2,098.92	H	
IBM	7133	D40		00004229A	SERIAL DISK SYSTEM	1	B	1	2,098.92	H	
IBM	7207	012		000058191	1.2GB 1/4IN TAPE DRIVE	1	B	1	228.12	H	
IBM	7337	306		00005164B	DIGITAL LINEAR TAPE LIBRARY	1	B	1	3,753.00	H	

See Legend for Details

IBM Schedule for ServiceElite

Maintenance Machine List

————————Eligible Machine Description————————

Mfg	Type	Model Mdl	Ftr Ftr	Owner Serial Number	Related Qlty Serial Number	Machine Description	Qty	Type of Svc	Maint Avl	Charge	Charge Charge	Charge Charge
IBM	9392	B23		000020403		DRAWER ARRAY	1	B	1	673.08		
IBM	6400	I20		0000PA725		LINE MATRIX PRINTER	1	B	1	2,224.44 H		
Subtotal Without MES										150,277.99		
Subtotal With MES										150,277.99		

Total Charge Period Charges for Maintenance Machine List Without MES	$150,277.99
Total Charge Period Charges for Maintenance Machine List With MES	$150,277.99

See Legend for Details

IBM Schedule for ServiceElite

Services List

Customer Technical Contact Name (if applicable):	Angel Alvarez
Customer Primary Technical Contact name :	Angel Alvarez
Customer Primary Technical Contact phone number :	5613554210

----------------Eligible Machine Description----------------

Specified Location: 06873206　　**City, State: W PALM BCH　FL 33401-4705**

			SWMA FOR AIX		711.42	12/27/2006
			SUBSCRIPTION			12/27/2006
			SUPPORT			12/27/2006
			D5			
			NUMBER OF PROCESSORS	2		
			CHARGEABLE PROCESSORS	2		
			FULL SHIFT			12/27/2006
7028	6C4	0000805BF		1		
			ALERT FOR pSERIES		513.36	
			HIPER PTF NOTIFICATION - ALERT			
7028	6C4	0000805BF		1		
			AA i/p SERVER SUPPORT		831.60	
			D5			
			SUPPORT			
			FULL SHIFT			
7028	6C4	0000805BF		1		
			SWMA FOR AIX		1,151.75	
			SUPPORT			
			SUBSCRIPTION			
			E5			
			NUMBER OF PROCESSORS	2		
			CHARGEABLE PROCESSORS	2		
			FULL SHIFT			
7026	H50	000014078		1		
			SWMA FOR AIX ALF			
			AFTER LICENSE FEE		450.00 O	
			CUST NOT CURRENT > 12 MTHS			

See Legend for Details

IBM Schedule for ServiceElite

Services List

----------Eligible Machine Description----------

Type	Model	Serial/Contract	Support Service	Charge Group/Service Option	Qty	Charges			
				NUMBER OF PROCESSORS	2				
				E5	1				
7026	H50	000014078	ALERT FOR pSERIES	HIPER PTF NOTIFICATION - ALERT	1	513.36			
7026	H50	000014078	SOFTWAREXCEL ENTERPRISE		1	49,735.44			
				FIRST MACHINE					
				MULTI-SITE=1 LOCATION					
				016 thru 021 MSU					
				FULL SHIFT					
7060	H50	0000100EB	HARD DRIVE RETENTION OPTION	HARD DRIVE RETENTION	1	1,467.36			
			ALERT/PM DPOC PREREQ	DESIGNATED POINT OF CONTACT					
				Angel Alvarez					
				Tele 5613554210					
				e-mail AALVAREZ@co.palm-beach.fl.us					
			AA i/p SERVER SUPPORT			831.60			
				E5					
				SUPPORT					
				FULL SHIFT					
7026	H50	000014078	AA i/p SERVER SERVICE CHARGE		1	5,281.56			
				E5					
				D5					
				PRIMARY SERVER					
				SECONDARY SERVER					
7026	H50	000014078			1				
7028	6C4	0000805BF			1				
Subtotal						61,037.45			

See Legend for Details

IBM Schedule for ServiceElite

Services List

------------Eligible Machine Description------------

Total Charge Period Charges for Services List $ 61,037.45

Note: One Time Charges are not included in these totals.
See Legend for Details

IBM Schedule for ServiceElite

Legends:

[2] TYPE OF SERVICE

A) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, next business day
B) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day.
C) On-Site Repair/Exchange Services, Monday through Friday (excluding holidays), 8am to 5pm, 4 hour response objective
     This type of repair service includes a response objective and is not a guarantee.
D) On-Site Repair/Exchange Services, 7 days a week, 24hrs/day, 2 hour response objective.
     This type of repair service includes a response objective and is not a guarantee.
X) EasyServe (remotely delivered services)

[3] MAINTENANCE SERVICES

1) Maintenance of IBM Machines
2) Maintenance of non-IBM Machines
3) Warranty Service Upgrade
4) Maintenance of Cisco Products
5) Maintenance of IBM Machines - Enhanced Service Response
6) Service for Machines Withdrawn from IBM Maintenance
7) Non-IBM Service for Machines Withdrawn from IBM Maintenance
8) Maintenance of IBM Machines (Labor Only)
9) Non-IBM Memory Exchange
10) Enhanced Parts Inventory
11) Spare Machine
12) Key Operator Support
13) Maintenance of non-IBM Machines during the Manufacturer's Warranty Period
16) IBM Maintenance Services - First Line Maintenance for Wincor Nixdorf ATMs
17) IBM Maintenance Services - Applications Maintenance Services for Wincor Nixdorf ATMs
18) Post Installation Coverage (PIC) Service Upgrade, for selected Non-IBM Machines

[4] Charges shown are for the Charge Period
A   (C) indicates a Machine that will have Usage Charges billed separately
An   (E) indicates a Machine that has been announced as withdrawn from generally available Maintenance Service
An   (H) identifies a Machine on an existing ServiceElite/ServiceSuite/ ServiceElect CHIS contract with duplicate Maintenance Services Coverage
A   (K) indicates Assumptive priced products included in the total Charge Period Price but will be billed based on the terms of the Contract
An   (N) indicates that the product is a non-GSA Schedule item
An   (O) indicates a One Time Charge
A   (P) indicates averaged billing or annual prepayment
An   (R) indicates the usage charge rate (Feet, Hours, or Impressions) for a machine under a usage plan
A   (U) indicates Usage Charges which are measured in either Feet, Hours, or Impressions
A   (W) indicates a Machine under Warranty
An   (X) indicates On-order Products which are shown for planning purposes only
A   (Y) indicates On-order MES products which are shown for planning purposes only. These charges are included in the related machine.

[5] Charges Start/Stop dates shown are those that differ from the Contract Period Start/End Dates
[6] Charge adjustments related to inventory and service changes will be accumulated and invoiced with your next standard invoicing cycle (may be sooner for annual or semiannual payment plans)

IBM Customer Agreement
R94 247D

Thank you for doing business with us. We are committed to providing you with the highest quality Products and Services. If, at any time, you have any questions or problems, or are not completely satisfied, please let us know. Our goal is to do our best for you.

This IBM Customer Agreement (called the "Agreement") covers the major business transactions we may do with you, including:

(a) sale of Machines;

(b) license of Programs; and

(c) provision of Services.

We also make several Options available to you concerning the Products and Services we provide under this Agreement, such as volume discounts.

This Agreement and its applicable Attachments and Transaction Documents are the complete agreement regarding these transactions, and replace any prior oral or written communications between us.

By signing below for our respective Enterprises, each of us agrees to the terms of this Agreement. Once signed, 1) any reproduction of this Agreement, an Attachment, or Transaction Document made by reliable means (for example, photocopy or facsimile) is considered an original and 2) all Products and Services you order under this Agreement are subject to it.

DOROTHY H. WILKEN, CLERK
Board of County Commissioners

By: _____
DEPUTY CLERK

Agreed to: (Enterprise name)
Palm Beach County

Agreed to:
International Business Machines Corporation

By _____
Authorized Signature

By _____
Authorized signature

Name (type or print): Mary McCarty

Name (type or print): PAMPA NKRSIPUR

Date: MAR 0 1 1994

Date: 12/01/93

Enterprise number: 6872933

Agreement number:

Enterprise address: TO FORM
_____ Olive Avenue
West Palm Beach, Fl 33401

IBM Office address: 1555 Palm Beach Lakes Blvd.
West Palm Beach, FL 33401

_____
COUNTY ATTORNEY

R95 76 D

| After signing, please return a copy of this Agreement to the local "IBM Office address" shown above. |

IBM Customer Agreement

Table of Contents

IBM Customer Agreement

Part 1 - General

1.1 Definitions

Customer-set-up Machine is an IBM Machine that you set up according to our instructions.

Date of Installation is the following:

1. for a Machine —
   a. the business day after the day we install it or, if you defer installation, make it available to you for installation;
   b. the second business day after the end of a Customer-set-up Machine's standard transit allowance period. We will allocate a reasonable transit allowance period; or
   c. the second business day after the arrival of a non-IBM Machine.

2. for a Program, the latest of —
   a. the day after its testing period ends (this does not apply to Program Packages);
   b. 10 days after we ship it; or
   c. the day, specified in a Transaction Document, on which we authorize you to make an Additional License Copy or a copy of a Distributed Feature.

Designated Machine is the machine, that you identify to us by type/model and serial (or plant order) number, on which you intend to use a Program for processing. When we specify that you do not have to provide this identification to us, the term "Designated Machine" means the single machine on which you may use the Program at any one time.

Enterprise is any legal entity (such as a corporation) and the subsidiaries it owns by more than 50 percent. The term "Enterprise" applies only to the portion of the enterprise located in the United States or Puerto Rico.

Machine is a machine, its features, conversions, upgrades, elements, or accessories, or any combination of them. The term "Machine" includes an IBM Machine and any non-IBM Machine (including other equipment) that we may provide to you.

Materials are work product (such as programs, program listings, programming tools, documentation, reports, and drawings) that we may deliver to you during a project. The term "Materials" does not include Programs.

Product is a Machine or a Program.

Program is the following, including features and any whole or partial copies:
1. machine-readable instructions;
2. a collection of machine-readable data, such as a data base; and
3. related licensed materials, including documentation and listings, in any form.

The term "Program" includes an IBM Program and any non-IBM Program that we may provide to you. The term does not include Licensed Internal Code or Materials.

Service is performance of a task or project, provision of advice and counsel, assistance, or use of a resource (such as access to an information data base) we make available to you.

Specifications is a document that provides information specific to a Product. For a Machine, we call the document "Official Published Specifications." For a Program, we call it "Licensed Program Specifications" or "License Information."

Specified Operating Environment is the Machines and Programs with which a Program is designed to operate, as described in the Program's Specifications.

1.2 Agreement Structure

Attachments

Some Products and Services have terms in addition to those we specify in this Agreement. We provide the additional terms in documents called "Attachments," which are also part of this Agreement. For example, we describe the additional terms for special projects (such as joint studies) in an Attachment. We make the Attachments available to you for signature.

Transaction Documents

For each business transaction, we will provide to you the appropriate "Transaction Documents" that confirm the details of the transaction. Some Transaction Documents require signature, and others do not. The following are examples of Transaction Documents that must be signed by both of us, with examples of the information they may contain:

1. addenda (selected contract-period duration, start date, and total quantity or revenue committed); and

2. statements of work (scope of Services, responsibilities, deliverables, Completion Criteria, estimated schedule, and charges).

The following are examples of administrative, unsigned Transaction Documents that confirm the details of a transaction, with examples of the information they may contain:

1. exhibits (eligible Products by category, discount schedules, and available contract periods);

2. invoices (item, quantity, price, and amount payable); and

3. supplements (Machine quantity and type ordered, price, estimated shipment date, and warranty period). Certain supplements may require signature if requested by either of us.

Conflicting Terms

If there is a conflict among the terms in the various documents, those of an Attachment prevail over those of this Agreement. The terms of a Transaction Document prevail over those of both of these documents.

Our Acceptance of Your Order

A Product or Service becomes subject to this Agreement when we accept your order. We accept your order by doing any of the following:

1. sending you a Transaction Document;

2. shipping the Product; or

3. providing the Service.

Your Acceptance of Additional Terms

You accept the additional terms in an Attachment or Transaction Document by doing any of the following:

1. signing it;

2. using the Product or Service, or allowing others to do so; or

3. making any payment for the Product or Service.

1.3 Delivery

We will use our best efforts to meet your delivery requirements for Products and Services you order, and will inform you of their status. We pay normal transportation charges for Products we ship to you.

1.4 Electronic Communications

Each of us may communicate with the other by electronic means. Each of us agrees to the following for all electronic communications:

1. an identification code (called a "USERID") contained in an electronic document is legally sufficient to verify the sender's identity and the document's authenticity;

2. an electronic document that contains a USERID is a signed writing; and

3. an electronic document, or any computer printout of it, is an original when maintained in the normal course of business.

Electronic Data Interchange

We may provide Electronic Data Interchange (called "EDI") Options to you. Electronic invoicing and electronic payment are examples of these Options. When using EDI Options, each of us agrees:

1. when a bank is involved, to pay our respective bank charges and to promptly notify the other of any changes to the bank payment process; and

2. to promptly notify the other of any changes to the technology, process, or information upon which the EDI transactions are based.

We will review with you respective responsibilities for the EDI Option you choose.

1.5 Prices and Price Changes

The following are the bases on which we may require the amount payable for a Product or Service to be paid, with an example of each:

1. one-time (the price of a Machine);

2. recurring (a monthly charge for Maintenance Services); or

3. a combination of both (an initial charge and a monthly license charge for a Program).

Additional bases for Services, such as Project Support Services, are time-and-materials, fixed-price, or any combination of all the bases.

We will specify the amount and basis for the particular Product or Service.

Price Increases

We may increase recurring charges, and Hourly Services rates and minimums for Project Support Services, by giving you three months' written notice. An increase applies on the first day of the applicable invoice period on or after the effective date we specify in the notice.

We may increase one-time charges and hourly rates (for other than Project Support Services) without notice. However, an increase to one-time charges does not apply to you if 1) we receive your order before the announcement date of the increase and 2) one of the following occurs within three months after the announcement:

1. we ship you the Product;

2. with our authorization, you make an Additional License Copy of a Program or a copy of a Distributed Feature; or

3. a Program's group-upgrade charge becomes due.

Price Decreases

You receive the benefit of a decrease in charges for amounts which become due on or after the effective date of the decrease.

1.6 Invoicing, Payment, and Taxes

We invoice:

1. recurring charges (other than usage charges) for a Program and for Maintenance Services in advance for the applicable invoice period;

2. Project Support Services charges monthly as the work progresses (unless specified otherwise in the Statement of Work). Invoices include, as applicable, actual hours expended, and actual travel and living expenses;

3. usage charges following the period in which you incur them; and

4. all other charges when or after you incur them.

For a Product with a one-time charge, payment is due on its Date of Installation. Recurring charges for a Product begin on its Date of Installation.

Amounts due are payable as we specify in the invoice. You agree to pay accordingly. You also agree to pay amounts equal to any applicable taxes resulting from any transaction under this Agreement. This does not include taxes based on our net income. You are responsible for personal property taxes for each Product from the date we ship it to you.

1.7 Additional Charges

Depending on the particular Product, Service, or circumstances, additional charges may apply. We charge extra if, for example, 1) we are required to use other than private automobile or scheduled public transportation to provide Maintenance Services to you or 2) we respond to your request for service of a Machine outside its standard service period. We will notify you in advance if these charges apply.

1.8 Types of Service for Machines

We provide certain types of service for a Machine to keep it in, or restore it to, good working order. The following terms apply to warranty service, Maintenance Services, and other applicable Services.

Depending on the Machine, the service may be 1) a "Repair" service at your location (called "On-site") or at one of our service locations (called "Carry-in") or 2) an "Exchange" service, either On-site or Carry-in. We will inform you of the available types of service for a Machine. You may select the type of service from those available for the Machine. We require that a Machine and its features have the same type of service.

Under warranty and Maintenance Services, we offer On-site types of service 24 hours a day, seven days a week. For certain Machines, however, this service period may vary. Carry-in types of service are available during the normal business hours of our service locations.

Under Carry-in service, you may deliver the failing Machine, or ship it (prepaid, unless we specify otherwise, and suitably packaged), to a location we designate. After we have repaired or exchanged the Machine, we will return it to you at our expense.

Under On-site Exchange service, depending on the nature of the failure, we may repair the failing Machine at your site instead of exchanging it.

When a type of service involves the exchange of a Machine or part, the item we replace becomes our property and the replacement becomes yours. The replacement may not be new, but will be in good working order and at least functionally equivalent to the item replaced.

We are responsible for loss of, or damage to, your Machine while it is 1) in our possession or 2) in transit in those cases where we are responsible for the transportation charges.

You agree to:

1. obtain authorization from the owner to have us service a Machine that you do not own;
2. where applicable, before we provide service —
   a. follow the problem determination, problem analysis, and service-request procedures that we provide,
   b. secure all programs, data, and funds contained in a Machine,
   c. inform us of changes in a Machine's location, and
   d. for a Machine with Exchange service, remove all features, parts, options, alterations, and attachments not under our service. You also agree to ensure that the Machine is free of any legal obligations or restrictions that prevent its exchange;
3. be responsible for loss of, or damage to, a Machine in transit in those cases where you are responsible for the transportation charges; and
4. on completion of Carry-in Repair service, connect a repaired Machine and verify its operation.

1.9 Patents and Copyrights

For purposes of this Section only, the term "Product" includes Materials alone or in combination with Products we provide to you as a system.

If a third party claims that a Product we provide to you infringes that party's patent or copyright, we will defend you against that claim at our expense and pay all costs, damages, and attorney's fees that a court finally awards, provided that you:

1. promptly notify us in writing of the claim; and
2. allow us to control, and cooperate with us in, the defense and any related settlement negotiations.

If such a claim is made or appears likely to be made, you agree to permit us to enable you to continue to use the Product, or to modify it, or replace it with one that is at least functionally equivalent. If we determine that none of these alternatives is reasonably available, you agree to return the Product to us on our written request. We will then give you a credit equal to your net book value for the Product, provided you have followed generally-accepted accounting principles.

This is our entire obligation to you regarding any claim of infringement.

Claims for Which We are Not Responsible

We have no obligation regarding any claim based on any of the following:

1. your modification of a Product, or a Program's use in other than its Specified Operating Environment;
2. the combination, operation, or use of a Product with any product, data, or apparatus that we did not provide; or
3. infringement by a non-IBM Product alone, as opposed to its combination with Products we provide to you as a system.

1.10 Limitation of Liability

Circumstances may arise where, because of a default on our part or other liability, you are entitled to recover damages from us. In each such instance, regardless of the basis on which you are entitled to claim damages from us, we are liable only for:

1. payments referred to in our patent and copyright terms described above;

2. bodily injury (including death), and damage to real property and tangible personal property; and

3. the amount of any other actual loss or damage, up to the greater of $100,000 or the charges (if recurring, 12 months' charges apply) for the Product or Service that is the subject of the claim.

This limit also applies to any of our subcontractors and Program developers. It is the maximum for which we are collectively responsible.

Items for Which We are Not Liable

Under no circumstances are we, our subcontractors, or Program developers liable for any of the following:

1. third-party claims against you for losses or damages (other than those under the first two items listed above);

2. loss of, or damage to, your records or data; or

3. economic consequential damages (including lost profits or savings) or incidental damages, even if we are informed of their possibility.

1.11 Mutual Responsibilities

Each of us agrees that under this Agreement:

1. neither of us grants the other the right to use its trademarks, trade names, or other designations in any promotion or publication;

2. all information exchanged is nonconfidential. If either of us requires the exchange of confidential information, it will be made under a signed confidentiality agreement;

3. each is free to enter into similar agreements with others;

4. each grants the other only the licenses specified. No other licenses (including licenses under patents) are granted;

5. each will promptly notify the other if it becomes aware of any unsafe conditions or hazardous materials to which the other's personnel would be exposed at any of its facilities;

6. each will allow the other reasonable opportunity to comply before it claims that the other has not met its obligations; and

7. neither of us will bring a legal action more than two years after the cause of action arose.

1.12 Your Other Responsibilities

You agree:

1. not to assign, or otherwise transfer, this Agreement or your rights under it, delegate your obligations, or resell any Service, without prior written consent. Any attempt to do so is void;

2. to acquire Machines with the intent to use them within your Enterprise and not for reselling, leasing, or transferring to a third party, unless either of the following applies —

   a. you are arranging lease-back financing for the Machines, or

   b. you purchase them without any discount or allowance, and do not remarket them in competition with our authorized remarketers;

3. to allow us to install mandatory engineering changes (such as those required for safety) on a Machine. Any parts we remove become our property;

4. that you are responsible for the results obtained from the Products and Services;

5. to comply with all applicable government export laws and regulations; and

6. to provide us with sufficient, free, and safe access to your facilities for us to fulfill our obligations.

1.13 Your Additional Rights

You may have additional rights under certain laws (such as consumer laws) that do not allow the exclusion of implied warranties, or the exclusion or limitation of certain damages. If these laws apply, our exclusions or limitations may not apply to you.

1.14 IBM Business Partners

We have signed agreements with certain organizations (called "IBM Business Partners") to promote, market, and support some of our Products and Services. We have chosen these organizations because of their skills and experience in a particular field.

When you order our Products or Services (marketed to you by these organizations) under this Agreement, we confirm that we are responsible for providing them to you under the warranties and other terms of this Agreement. We are not responsible for 1) the actions of these organizations, 2) any additional obligations they may have to you, or 3) any products or services that they (and not us) may supply to you.

1.15 Changes to the Agreement Terms

In order to maintain flexibility in our Products, Services, and Options, we may change the terms of this Agreement by giving you three months' written notice. However, these changes are not retroactive. They apply, as of the effective date we specify in the notice, only to new orders (those we receive on or after the date of the notice) and to on-going transactions, such as licenses and Services.

Otherwise, for a change to be valid, both of us must sign it. Additional or different terms in any order or written communication from you are void.

1.16 Agreement Termination

You may terminate this Agreement on written notice to us following the expiration or termination of all your obligations.

Either of us may terminate this Agreement if the other does not comply with any of its terms, provided the one who is not complying is given written notice and reasonable time to comply.

Any terms of this Agreement which by their nature extend beyond its termination remain in effect until fulfilled, and apply to respective successors and assignees.

1.17 Geographic Scope

All your rights, all our obligations, and all licenses (except for Licensed Internal Code and as specifically granted) are valid only in the United States and Puerto Rico.

1.18 Governing Law

The laws of the State of ~~New York~~ *Florida* govern this Agreement.

IBM Customer Agreement

Part 2 - Warranties

2.1 The IBM Warranties

Warranty for IBM Machines

For each IBM Machine, we warrant that it:

1. is free from defects in materials and workmanship; and
2. conforms to its Specifications.

The warranty period for a Machine is a specified, fixed period. We calculate its expiration from the Machine's Date of Installation.

During the warranty period, we provide warranty service under the type of service we designate for the Machine or under the alternative service you select under Maintenance Services.

For us to provide warranty service for a feature, conversion, or upgrade, we require that the Machine on which it is installed be 1) the designated, serial-numbered Machine and 2) at an engineering-change level compatible with the feature, conversion, or upgrade..

During the warranty period, we manage and install engineering changes that apply to the Machine.

If a Machine does not function as warranted during the warranty period, we will repair or replace it with one that is at least functionally equivalent, without charge. If we are unable to do so, you may return it to us and we will refund your money.

Warranty for IBM Programs

For each warranted IBM Program, we warrant that:

1. we have the right to license it; and
2. it conforms to its Specifications.

The warranty period for a Program expires when its Program Services are no longer available.

During the warranty period, we provide warranty service, without charge, for a Program through Program Services. Program Services are available for a warranted Program for at least one year following its general availability. Therefore, the duration of warranty service depends on when you obtain your license.

If a Program does not function as warranted during the first year after you obtain your license and we are unable to make it do so, you may return the Program to us and we will refund your money. To be eligible, you must have acquired the Program while Program Services (regardless of the remaining duration) were available for it.

Warranty for IBM Services

For each IBM Service, we warrant that we perform it:

1. in a workmanlike manner; and
2. according to its current description (including any Completion Criteria) contained in this Agreement, an Attachment, or a Transaction Document.

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Warranty for Systems

Where we provide Products to you as a system (for example, when we provide Machines and Programs according to our marketing proposal or when we deliver them during a Services engagement), we warrant that they are compatible and will operate with one another. This warranty is in addition to our other applicable warranties.

Warranty for Integrated Systems

For each integrated system we deliver to you under a Statement of Work for Systems Integration Services, we warrant that the integrated system (including any Materials, IBM Products, and non-IBM Products contained in it) meets its Completion Criteria as specified in the Statement of Work. This warranty is in addition to our other applicable warranties.

The warranty period for an integrated system is a fixed period as specified in the Statement of Work. It begins on the date we deliver the integrated system to you.

During the warranty period, we manage the individual warranties and Maintenance Services, if any, for the components (including non-IBM Products) of the integrated system.

If an integrated system does not function as warranted during the warranty period, we will correct the deficiency without charge. If we are unable to do so, you may return the integrated system to us and we will refund your money.

2.2   Extent of Warranty

If a Machine is subject to federal or state consumer warranty laws, our statement of limited warranty included with the Machine applies in place of these Machine warranties.

Misuse, accident, modification, unsuitable physical or operating environment, operation in other than the Specified Operating Environment, improper maintenance by you, or failure caused by a product for which we are not responsible, may void the warranties.

THESE WARRANTIES REPLACE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.3   Items Not Covered by Warranty

We do not warrant uninterrupted or error-free operation of a Product or Service.

We will identify IBM Products that we do not warrant.

Unless we specify otherwise (for example, in our warranty for integrated systems), we provide Materials, non-IBM Products, and non-IBM Services on an "AS IS" basis. However, non-IBM manufacturers, suppliers, or publishers may provide their own warranties to you.

IBM Customer Agreement

Part 3 - Machines

3.1 Title

When we accept your order, we agree to sell you the Machine described in a Transaction Document. We transfer title to you or, if you choose, your lessor when we ship the Machine. However, we reserve a purchase money security interest in the Machine until we receive the amounts due. For a feature, conversion, or upgrade involving the removal of parts which become our property, we reserve the security interest until we receive the amounts due and the removed parts. You agree to sign an appropriate document to permit us to perfect our purchase money security interest.

3.2 Risk of Loss

We bear the risk of loss for the Machine through its Date of Installation. Thereafter, you assume the risk.

3.3 Production Status

Each Machine is manufactured from new parts, or new and serviceable used parts (which perform like new parts). In some cases, the Machine may not be new and may have been previously installed. Regardless of the Machine's production status, our warranty terms apply.

3.4 Installation

For the Machine to function properly, it must be installed in a suitable physical environment. You agree to provide an environment meeting our specified requirements for the Machine.

We design our standard installation procedures to ensure that each Machine we install is in good working order and meets its Specifications. We will successfully complete these procedures before we consider the Machine installed.

You are responsible for setting up a Customer-set-up Machine (we provide instructions to enable you to do so) and for the installation of a non-IBM Machine.

Machine Features, Conversions, and Upgrades

We sell features, conversions, and upgrades for installation only on designated, serial-numbered Machines. You represent that you have the permission of the owner (if you are not the owner of the Machine) and any lien holders to 1) install features, conversions, and upgrades and 2) transfer removed parts to us.

Some of these transactions (called "Net-Priced" transactions) include associated replacement parts. We provide these parts on an exchange basis. All removed parts in a Net-Priced transaction become our property. For a Net-Priced transaction, you agree to allow us to install it within 30 days of its delivery and to recover the removed parts. Otherwise, we may terminate the transaction and you must return the feature, conversion, or upgrade to us at your expense.

3.5 Licensed Internal Code

Certain Machines we specify (called "Specific Machines") use Licensed Internal Code (called "Code"). We own copyrights in Code. We own all copies of Code, including all copies made from them.

We will identify each Specific Machine in a Transaction Document. If you are the rightful possessor of a Specific Machine, we grant you a license to use the Code (or any replacement we provide) on, or in conjunction with, only the Specific Machine, designated by serial number, for which the Code is provided. We license the Code to only one rightful possessor at a time.

Under each license, we authorize you to do only the following:

1. execute the Code to enable the Specific Machine to function according to its Specifications;

2. make a backup or archival copy of the Code (unless we make one available for your use), provided you reproduce the copyright notice and any other legend of ownership on the copy. You may use the copy only to replace the original, when necessary; and

3. execute and display the Code as necessary to maintain the Specific Machine.

You agree to acquire any replacement for, or additional copy of, Code directly from us in accordance with our standard policies and practices. You also agree to use that Code under these terms.

You may transfer possession of the Code to another party only with the transfer of the Specific Machine. If you do so, you must 1) destroy all your copies of the Code that were not provided by us, 2) either give the other party all your IBM-provided copies of the Code or destroy them, and 3) give the other party a copy of this page with the Specific Machine's Identification information filled in below. We license the other party when it accepts these terms by initial use of the Code. These terms apply to all Code you acquire from any source.

Your license terminates when you no longer rightfully possess the Specific Machine.

Actions You May Not Take

You agree to use the Code only as authorized above. You may not do, for example, any of the following:

1. otherwise copy, display, transfer, adapt, modify, or distribute the Code (electronically or otherwise), except as we may authorize in the Specific Machine's Specifications or in writing to you;

2. reverse assemble, reverse compile, or otherwise translate the Code;

3. sublicense or assign the license for the Code; or

4. lease the Code or any copy of it.

INFORMATION FOR SUBSEQUENT LICENSEE OF LICENSED INTERNAL CODE

This page is copied from the IBM Customer Agreement and is provided to the subsequent licensee when Code is transferred.

The Specific Machine being transferred is identified as:

Type/Model_____ Serial Number_____

The following definitions are provided for the subsequent licensee of the Code:

1. "We" means International Business Machines Corporation (IBM);

2. "Transaction Document" does not apply to you. The above Type/Model and Serial Number identify the Specific Machine to you;

3. "You" means the subsequent licensee of the Code; and

4. "Specifications" means IBM's Official Published Specifications.

IBM Customer Agreement
Part 4 - Programs

4.1 Grant of License

When we accept your order, we grant you a license for the Program. Programs are copyrighted and licensed (not sold). We do not transfer title to Programs to you.

4.2 License Details

Under each license, we authorize you to:

1. use the Program's machine-readable portion on only the Designated Machine, unless —

   a. the Designated Machine is inoperable. You may then use the Program on a backup Machine,

   b. the Designated Machine cannot assemble or compile the Program. You may then assemble or compile it on another Machine,

   c. we grant an "Installation License." You may then use the Program on any other Machine in the same or adjoining rooms as the Designated Machine, or

   d. we grant a "Location License." You may then use the Program on any other Machine in the same building with the same mailing address as the Designated Machine.

   If you change the Designated Machine, you agree to notify us of the change and its date;

2. store the Program's machine-readable portion in, transmit it through, and display it on, Machines associated with the Designated Machine;

3. do the following to support your authorized use as described above —

   a. modify the Program's machine-readable instructions or data, or merge them into another Program, and

   b. make copies of the Program, provided you reproduce the copyright notice and any other legend of ownership on each copy or partial copy; and

4. use any portion of the Program we mark restricted (for example, "Restricted Materials of IBM") only to —

   a. resolve problems related to the use of the Program, and

   b. modify the Program so that it will work together with other products.

You agree to comply with any additional terms (for example, a usage restriction) that a Program's Specifications may contain. We provide the Specifications to you with the Program. For an "AS IS" Program, any additional terms are contained in a document called "Notice of Availability."

Actions You May Not Take

You agree not to do any of the following:

1. sublicense, assign, or transfer the license for any Program;

2. distribute any Program to any third party; or

3. reverse assemble, reverse compile, or otherwise translate any Program.

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4.3 Distributed Features

Some Programs have features (called "Distributed Features") that are designed to work with those Programs (called "Associated Programs"). After we accept your order for a Distributed Feature, we authorize you to:

1. make a copy of the Distributed Feature and its documentation; and

2. distribute the copy to, and use it on, a Machine other than the Designated Machine of the Associated Program. You may use the copy on only one Machine at a time. Persons using a Machine outside of your Enterprise may use the copy only to access the Associated Program.

4.4 Additional License Copies

You may order additional licenses for Programs. If you prefer, for each license we grant, rather than shipping you another copy of the Program, we will authorize you to make an additional copy (called an "Additional License Copy").

For some Programs, you may make a copy under a Distributed System License Option (called a "DSLO" license). We charge less for a DSLO license than we do for the original license (called the "Basic" license). In return for the lesser charge, you agree to do the following while licensed under a DSLO:

1. have a Basic license for the Program;

2. provide problem documentation and receive Program Services (if any) only through the location of the Basic license; and

3. distribute to, and install on, the DSLO's Designated Machine, any release, correction, or bypass that we provide for the Basic license.

4.5 Program Testing

We provide a testing period for certain Programs to help you evaluate if they meet your needs. The testing period for a Program starts 1) 10 days after we ship it or 2) on the day we authorize you to make an Additional License Copy. We will inform you of the duration of the Program's testing period.

For the first order for each Distributed Feature, the testing period is the same as its Associated Program.

We do not provide a testing period for a Program under a DSLO license.

4.6 Program Packages

We provide certain Programs together with their own license agreements. These Programs (called "Program Packages") are licensed under the terms of the agreements provided with them. This Agreement's patent and copyright terms apply to IBM Program Packages.

For a Program Package, we may specify that:

1. Additional License Copies apply. If so, 1) these copies are subject to the terms of the Program Package's agreement, except that you may not transfer them, and 2) you may copy all of the Program Package's printed documentation; and

2. a testing period applies. If so, and you return the Program Package to us before the end of the testing period, we will refund your money.

If a Program Package has Distributed Features, this Agreement's terms regarding Distributed Features apply.

4.7 Program Protection

For each Program, you agree to:

1. ensure that anyone who uses it (accessed either locally or remotely) does so only for your authorized use and complies with our terms regarding Programs;
2. maintain a record of all copies; and
3. if it is a licensed data base, allow access to the information contained in it only to your employees, agents, or subcontractors, and only in support of their work for you.

4.8 Program Services

We provide Program Services for warranted Programs and for selected other Programs. If we can reproduce your reported problem in the Specified Operating Environment, we will issue defect correction information, a restriction, or a bypass. We provide Program Services for only the unmodified portion of a current release of a Program.

We provide Program Services 1) on an on-going basis (with at least six months' written notice before we terminate services for a Program), 2) until the date we specify, or 3) for a period we specify.

4.9 Variable-Charge Programs

We may place a Machine in a Machine group. The charges for some Program licenses depend on the group of the Designated Machine. We call these Programs "Variable-Charge" Programs. Variable charges include graduated charges and processor-based charges. We will specify the group for a Machine and will inform you of any changes.

For these licenses, the following apply:

1. If you change (including upgrade or downgrade) a Designated Machine to a Machine in another group, you may incur a group-upgrade charge or a changed recurring charge. You agree to promptly notify us of the date of such a change;
2. If we reassign a Designated Machine to a Machine group with different charges, Program licenses with one-time charges due or paid before the reassignment are not affected. Otherwise, our price change terms apply; and
3. If a change or reassignment results in a lower charge, we do not give credits or refunds for one-time charges already due or paid.

4.10 License Termination

You may terminate the license for a Program on one month's written notice or at any time during the Program's testing period. For some Programs, if you terminate the license and replace that Program with another we specify, we only require you to pay an upgrade charge.

We may terminate any license we grant in this Part if you do not meet your obligations regarding Programs.

You agree to destroy all copies of the Program within three months after license termination. However, you may keep a copy in your archives.

IBM Customer Agreement

Part 5 - Services

5.1 Maintenance Services

You may select the type of service from those available for the Machine. When we accept your order, we agree to service the Machine described in a Transaction Document. Based on the type of service, we will restore the Machine to good working order or exchange it. We may also perform preventive maintenance, including lubrication, adjustments, and replacement of parts. We manage and install engineering changes that apply to the Machine. We provide Maintenance Services for selected non-IBM Machines only when they are connected to certain IBM Machines.

We will inform you of the date on which Maintenance Services begin. We may inspect the Machine within one month following that date. If the Machine is not in an acceptable condition for service, you may 1) have us restore it for a charge or 2) withdraw your request for Maintenance Services and we will refund any amounts you have paid to us for its service.

For a Machine under a usage plan, you agree to provide us with the meter reading as of the last working day of the period that the minimum maintenance charge covers.

Maintenance Services do not cover accessories and certain parts, such as frames and covers. In addition, Maintenance Services do not cover service of a Machine damaged by misuse, accident, modification, unsuitable physical or operating environment, improper maintenance by you, or failure caused by a product for which we are not responsible.

Alternative Service During Warranty

For certain Machines, at any time during the warranty period, you may select a different type of service from that which we designate for the Machine. For example, if you prefer On-site service to Carry-in, it may be available. We will inform you of the available types of service for the Machine and the available alternative service periods. We provide the alternative type of service for an additional charge. When the alternative service ends, we will continue Maintenance Services for the Machine under the same type of service you selected.

Maintenance Services Termination

You may terminate Maintenance Services for a Machine on one month's written notice to us under any of the following circumstances:

1. after it has been under Maintenance Services for at least six months;
2. if you permanently remove it from productive use within your Enterprise;
3. as of the effective date of an increase in Maintenance Services charges; or
4. if you terminate coverage for a Maintenance Service Option under our terms for 1) removal of a Machine type from eligibility or 2) increased total adjusted charges for Maintenance Services.

We may terminate Maintenance Services for a Machine on three months' written notice, provided it has been under Maintenance Services for at least one year.

Either of us may terminate service for any Machine if the other does not meet its obligations concerning Maintenance Services. On termination of service for a Machine, we will give you any applicable credit.

5.2 Continuing Support Services

We provide Continuing Support Services on a contract-period basis to assist you in such areas as improving the availability of your systems and improving your productivity. We

provide the terms specific to a Service in an Attachment. If we make a change to the terms of an Attachment that 1) affects your current contract period and 2) you consider unfavorable, on your request, we will defer it until the end of that contract period.

We will specify the eligible Products, applicable prerequisites and minimum commitments, exit-option percents, and available contract periods for a Service. We will also inform you periodically of any changes. These changes apply only to orders that we confirm on or after the effective date of the change.

When we accept your order, we will confirm the specific details of the Service in a Transaction Document. You may select a start date for the Service that is within three months following the effective date we specify in the Transaction Document.

During a contract period, we may increase charges. An increase becomes effective on the next anniversary of the start of a contract period, following the effective date we specify in the notice. When an increase results in a change to your total monthly charge for a Service of more than the exit-option percent we specify, you may terminate that Service on the effective date of the increase. Adjustment or termination charges do not apply in this case.

You may request a change to the Services you have selected on one month's notice. If we agree, we will confirm the change to you with applicable adjustments in charges.

Each of us agrees to notify the other (before your current contract period expires) if they do not intend to renew.

Continuing Support Services Termination

You may terminate a Continuing Support Service by providing us one month's written notice upon fulfillment of any minimum commitments.

The termination of Services with contract periods longer than one year results in adjustment charges. In this case, you agree to pay the lesser of:

1. the difference between the total charges you paid through the termination date and those you would have paid for the shorter contract period;

2. the monthly charge multiplied by the applicable adjustment charge factor; or

3. the total charges remaining to complete the contract period.

5.3 Project Support Services

The Project Support Services we make available to you include providing:

1. Consulting Services, such as reengineering business processes, linking business and technology strategies, improving manufacturing processes, and enhancing application development and information processing capabilities;

2. Custom Services, such as managing and performing a project to deliver Materials;

3. Hourly Services, such as assisting on a technical task; and

4. Systems Integration Services, such as acting as a prime contractor to deliver an integrated system that may consist of a combination of Products, Services, Materials, and other items.

We require a separate Statement of Work, signed by both of us, for each Services engagement (including each project). When we accept your order, we agree to provide the Services described in the Statement of Work.

The Statement of Work includes, for example:

1. our respective responsibilities;

2. the specific conditions (called the "Completion Criteria"), if any, that we are required to meet to fulfill our obligations;

Summary of Project Support Services

The following table summarizes the major Project Support Services we make available to you.

Statement of Work	Overview of Services
Consulting Services	The Statement of Work contains, for example, subject and term of the engagement, IBM engagement manager's name, estimated schedule for production of the report (containing our findings and recommendations), charges, payment schedule, and other applicable terms. We are responsible for managing the engagement.
Custom Services	The Statement of Work contains, for example, scope of Services, respective responsibilities, deliverables (including identification of Materials), Completion Criteria, estimated schedule, charges, and other applicable terms. We are responsible for managing the project, unless specified otherwise in the Statement of Work.
Hourly Services	The Statement of Work contains, for example, a description of the assistance tasks, estimated schedule, hourly rate, and estimated number of hours. The estimate is not a fixed-price commitment. Charges = (hours x rate) + expenses. You are responsible for managing the project and for any results achieved. Services end when the first of the following occurs: 1) you advise us, in writing, that further Services are not required, 2) we provide the specified number of hours, or 3) the estimated end date expires. You may authorize, in writing, additional hours or extension of the end date.
Systems Integration Services	The Statement of Work contains, for example, scope of Services, warranty period, our responsibilities (such as designing, developing, delivering, installing, and supporting the integrated system), your responsibilities, deliverables (including Products and identification of Materials), Completion Criteria, estimated schedule, charges, and other applicable terms. We are responsible for managing the project.

5.4 On-line and Other Services

On-line Services

We make on-line Services available to you, including access to certain of our information data bases. These Services may be available only through selected telecommunications service providers. We provide the terms specific to an on-line Service in an Attachment.

Other Services

We make other Services available to you that are not associated with the Services described in this Part. For these Services, we provide all the additional terms in Attachments.

3. an estimated schedule that we provide for planning purposes; and

4. applicable charges (not including taxes) and any other terms.

Each of us agrees to make reasonable efforts to carry out our respective res... ...
according to the estimated schedule. If the Statement of Work contains Completi...
we will inform you when we meet each of them. You then have 10 days to inform ...
believe that we have not met those criteria. The project is complete when we r...
Completion Criteria.

Changes to the Statement of Work

When both of us agree to change a Statement of Work, we will prepare a written descripti...
of the change (called a "Change Authorization"), which both of us must sign. The terms of ...
Change Authorization prevail over those of the Statement of Work and any of its previous
Change Authorizations.

Any change in the Statement of Work may affect the charges, estimated schedule, or other
terms. Depending on the scope of the requested change, we may charge you for our effort to
analyze it. We will then give you a written estimate of the charges for the analysis. We will
perform the analysis only on your written authorization.

Personnel

Each of us will authorize a person to represent us during the project. Each will 1) address all
notices to the other's representative and 2) promptly notify the other in writing if this person is
replaced. Each of us is responsible for supervising and controlling only our own personnel.

We will try to honor your requests regarding the assignment of our personnel to your project.
However, we reserve the right to determine the assignment of our personnel.

Ownership and License

The Statement of Work will specify if Materials are to be delivered during the project. It will
identify them as being "Type I Materials," "Type II Materials," or otherwise as we both agree.

Type I Materials are those, created during the project, in which you will have all right, title,
and interest (including ownership of copyright). We will retain one copy of the Materials. You
grant us 1) an irrevocable, nonexclusive, worldwide, paid-up license to use, execute,
reproduce, display, perform, distribute (internally and externally) copies of, and prepare
derivative works based on Type I Materials and 2) the right to authorize others to do any of
the former.

Type II Materials are those, created during the project or otherwise (such as those that
preexist the project), in which we or third parties have all right, title, and interest (including
ownership of copyright). We will deliver one copy of the Materials to you. We grant you an
irrevocable, nonexclusive, worldwide, paid-up license to use, execute, reproduce, display,
perform, and distribute (internally only) copies of Type II Materials.

Each of us agrees to reproduce the copyright notice and any other legend of ownership on
any copies made under the licenses granted in this Part.

Project Support Services Termination

You may terminate a project on written notice to us. We may terminate a project if you do not
meet your obligations concerning it. Upon termination, we will stop our work in an orderly
manner as soon as practical.

You agree to pay us for all Services we provide and any Materials we deliver through the
project's termination. Payment includes any charges we incur in terminating subcontracts.

IBM Customer Agreement

Part 6 - Options

6.1 Volume Discounts

We provide discounts for certain Products based on the volume of business you agree to do with us (called your "Commitment") during a contract period. You may make a Commitment based on either Product quantity or revenue. Revenue for a Product is its single-unit charge, less any discounts or allowances.

We will specify the eligible Products, their categories, available discount percents and contract periods, upper-limit percents, and adjustment charge factors. We will inform you periodically of any changes. An unfavorable change (and all changes related to it) applies to an existing Commitment only if you accept it in writing. Related changes become effective at the same time. We will also inform you if we withdraw eligible Products from marketing. We then accept orders you place for these Products subject to their availability.

Unless we specify otherwise, we do not discount Program upgrades, Program features ordered separately from Programs, accessories, or field-installed Machine features, conversions, or upgrades.

End User Certification

You agree to acquire the Products for use only within your Enterprise and not for remarketing. We call this representation "End User Certification." We provide the discounts to you based on End User Certification.

How You May Obtain the Discounts

If you wish to obtain the discounts, you agree to sign an Addendum specifying your Commitment, and selected contract-period start date and duration.

During the contract period, you may increase your Commitment or extend the contract period (subject to our approval) by signing a revised Addendum. If you extend, you agree to increase your Commitment so that the new discount percent is at least equal to your current discount percent. Any increased discount percent applies to all eligible Products for which Date of Installation is on or after the date we receive your signed Addendum.

How We Apply the Discounts

We apply the discount to the single-unit charges of eligible Products that you acquire from us during the contract period. The charges are the lesser of 1) those generally available at the time of acquisition or 2) the announced charges in effect on the date we receive the initial Addendum, subject to our price change terms described below.

We count specified Products that you acquire from our authorized remarketers when we receive the required certification. Adjustment charges do not apply to these Products.

We may place some Products in a dependent category with an associated controlling category. To determine the discount percent applicable to either category, we count quantities or revenue for only those Products in the controlling category.

Price Changes

During a contract period, we may increase or decrease charges. We apply your discount to the new charges as follows:

1. we establish a maximum charge (called an "Upper Limit") for each Product in a committed category for each year of a contract period. We determine the Upper Limit by increasing the announced charge in effect, as of the date we receive the initial Addendum,

by a certain amount. We calculate this amount by multiplying that charge by the upper-limit percent we specify at the time of your Commitment;

2. for an increase, we apply the discount to either the increased charge or the Upper Limit, whichever is less; and

3. for a decrease, we apply the discount to the decreased charge, provided you accept any related changes in terms we may have made after your Commitment. Otherwise, you may select 1) the decreased charge without discount or 2) the discounted charge available to you before the decrease.

Adjustment Charges

If you have not met your Commitment by the end of the contract period, you agree to pay adjustment charges. The adjustment charge for each Product is either:

1. the difference between the discounted amount we charged you and the discounted amount which you were entitled to receive; or

2. the result of multiplying the adjustment charge factor by the number of discount percentage points between what we gave you and what you were entitled to receive.

We will inform you which method we use for a particular Product.

For a revenue-based Commitment, the total of the adjustment charges will not be more than the difference between your Commitment and the actual revenue you attained.

International Discounts

For our international customers, we provide volume discounts based on worldwide Commitments. To allow you to participate in such a Commitment, this Agreement may be modified by a signed international agreement. You, your international enterprise coordinator, and we will sign the relevant Transaction Document, unless the coordinator exempts you from signing. That Transaction Document becomes part of this Agreement.

6.2 Maintenance Service Options

We provide Maintenance Service Options for certain Machines. If you wish to obtain the benefit of lower charges available under an Option, you agree to assume additional, specified responsibilities. We provide the terms specific to an Option in an Attachment.

We will specify the eligible Machine types, eligible types of service, available discount percents and contract periods, exit-option percents, and notice requirements for termination of each contract period, as applicable to each Option. We will also inform you periodically of any changes. We will defer an unfavorable change (and all changes related to it) until the end of your contract period, if you request it in writing before the effective date of the change. Related changes become effective at the same time.

6.3 Payment Options

Extended Maintenance Option

You may order the Extended Maintenance Option (called the "EMO") for certain Machines. Under EMO, we adjust your Maintenance Services charges based on your prepayment of those charges during an available contract period. We calculate the EMO charge for a Machine using the announced Maintenance Services charges and any applicable discounts in effect for the Machine when coverage begins. EMO charges are not refundable after coverage has started for the Machine.

Palm Beach County   International Business ~~chines Corporation

AMENDMENT TO

IBM CUSTOMER AGREEMENT

Palm Beach County and IBM agree that the following terms and conditions amend the IBM Customer Agreement (Z125-4575-01 3/93) between Palm Beach County and IBM.

1. Section 1.2 Agreement Structure

    Delete items 2 and 3 from the subsection "Your Acceptance of Additional Terms".

2. Section 1.4 Electronic Communications

    Delete items 1 and 2 from the first paragraph.

3. Section 1.11 Mutual Responsibilities

    Delete Item 7.

4. Section 3.1 Title

    Delete the third, fourth and fifth sentences.

5. Section 4.5 Program Testing

    Add "at no additional charge" after "We provide" in the first sentence. Substitute "when you receive it" for "10 days after we ship it" in the second sentence.

6. Section 5.1 Maintenance Services

    In the subsection "Maintenance Services Termination", replace "applicable credit" with "applicable refund or rebate."

Agreed to: Agreed to:

Palm Beach County   International Business Machines
                                         Corporation

By: _____   By: _____

Printed Name: _____   Printed Name: _Silvia G. Tatum_

Title: __CHAIRMAN__   Title: _Marketing Manager_

Date: __MAR 0 7 1994__   Date: _1-5-94_
       APPROVED AS TO FORM
       AND LEGAL SUFFICIENCY   R94   2470

Palm Beach County _____   Page 1 of 1last.
                  COUNTY ATTORNEY

We will specify the eligible Machine types and available contract periods. We will also inform you periodically of any changes. A change applies only to Machines you add under EMO on or after the effective date of the change.

The Transaction Document will list the Machines covered and the dates of coverage for the contract period you have selected for each Machine.

You may select EMO in addition to other Maintenance Service Options. We then adjust the Machine's EMO charge based on the applicable discounts which you are entitled to receive under those Options. While under this Option, you agree to maintain coverage under all the Services and other Options on which we base the Machine's EMO charge.

For a Machine not yet installed or set up, coverage starts on its Date of Installation. For an installed Machine, coverage starts on a mutually-agreed-to date. If applicable, the contract period includes the Machine's warranty period.

Each of us agrees that if a feature, conversion, or upgrade is installed on a Machine while it is under this Option, 1) an additional charge may apply and 2) the feature, conversion, or upgrade is subject to the remaining portion of the contract period.

If we increase the EMO charge, the increase does not apply to a Machine not yet installed or set up, unless we give you at least three months' notice before its scheduled date of shipment. If we decrease the EMO charge before coverage has begun for a Machine, you receive the benefit of the decrease.

We will give you at least three months' notice of a Machine's eligibility for renewal. At the end of your contract period, we will continue Maintenance Services for the Machine (if available), unless you request us not to do so.

If you transfer coverage for a Machine to a third party, you agree to inform that party 1) of the applicable terms of this Agreement and 2) that it must notify us in writing of the transfer, the location of the Machine, and acceptance of coverage. If that party does not wish to maintain coverage under all the Services and other Options on which we base the Machine's EMO charge, you agree to pay the transfer charge that we specify.

Invoicing Options

We make Invoicing Options available to you for certain Products and Services to provide flexibility in payment terms. We provide the terms specific to an Option in an Attachment.

We will specify the eligible Products, Services, and charges, and the available contract periods, invoicing schedules, and environments which may be covered by an Option. We will also inform you periodically of any changes.

Together, we will estimate your requirements for the applicable Products and Services. We use this estimate to determine the total charges that we will invoice, distributed according to the schedule you select. These invoiced amounts replace the applicable charges otherwise due. Depending on the Option, the total charges may be subject to adjustments.

The Transaction Document, signed by both of us, will list the date from which we provide the selected Option to you and its other details.

6.4 Special Options

In order to meet your specific requirements, we may provide Special Options to you. Under these Options, we are willing to provide special terms and tailor our processes for you. We will describe our mutual commitments under a Special Option in a Transaction Document.

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IBM Customer Agreement

Attachment for Estimated Billing Option

These terms are in addition to those of the IBM Customer Agreement (or any equivalent agreement signed by both of us) and specifically supplement its Invoicing Options terms. You accept these terms by signing the Signature Page for Attachments or using, or making any payment for, the Option described below.

Under the Estimated Billing Option (called "EBO"), we make invoicing options available to you for certain Products and Services. These options provide you flexibility in your payment terms. We will specify the Products and Services subject to EBO in a Supplement.

1. Mutual Responsibilities

Both of us agree that:

1. we will jointly develop an estimate of 1) your Services requirements for selected locations and Machine types or 2) your requirements for Programs, in selected locations, subject to monthly license charges; and

2. on either party's request, an adjustment will be made if unforeseen events in your business or information system plans occur which, had they been reflected in the estimate, would cumulatively have affected the total charge by ten percent or more. We will adjust the total charge based on a new estimate for the remaining portion of the contract period. The new total charge will be effective as of the date of the event that caused the adjustment.

For Services, we will adjust the total charge if any of the following occurs:

   a. a change in the amount of Services you use which are already subject to EBO;

   b. an increase or decrease in your inventory of selected Machines. However, we will not adjust the total Services charge if you terminate Maintenance Services for a Machine and it remains in productive use within your Enterprise;

   c. an increase or decrease in the amount you use Usage Plan Machines; or

   d. termination of discount Options.

For Services and Program licenses included in the initial estimate, we will use the charges in effect at the time of the initial estimate to calculate the adjustment. For Program licenses not included in the initial estimate, we will use the charges in effect on the preparation date of the revised Supplement to calculate the adjustment.

2. Our Other Responsibilities

We will:

1. base the total charge for the estimate on current and announced charges that will be in effect during the contract period. We may revise the total charge before the start date of a contract period, unless we receive the signed Supplement for EBO from you within one month following the Supplement preparation date;

2. revise the total charge for Estimated Billing of Services to reflect new Services or Options which you add to EBO during the contract period; and

3. delay an unfavorable change to the terms of this Attachment, upon your request, until the expiration of your current contract period.

If we request, you agree to use Programs provided by us for call placement and problem status tracking for Qualified Machines in a network environment. We will provide these Programs at no additional charge. You agree not to modify these Programs. On termination or expiration of coverage, you agree to destroy your copies of the Programs.

Mid-Range System Option

You agree that a Qualified Machine under MRSO is one that meets the following criteria:

1. It is an eligible processor type located at a Qualified Location and is under warranty or Maintenance Services; or

2. It is an eligible Machine type controlled by such processor and is either a) located at a Qualified Location or b) one for which your network coordinator controls all requests for Maintenance Services. We will describe the role of the network coordinator in a Procedures Exhibit.

Eligible processor and Machine types are specified in an Exhibit.

3. Termination

You may terminate, without additional charge, coverage for a Machine only if:

1. you give us the required notice (specified in a Supplement);

2. you remove it from productive use within your Qualified Location; or

3. we remove it from eligibility.

Otherwise, you agree to pay one month's Maintenance Services charges for the Machine.

You may terminate either Option if a change in discount or Maintenance Services charges increases your total adjusted charges by more than the specified exit-option percent in any 12-month period. Termination will occur on the effective date of the change. We will not increase the exit-option percent during a contract period.

If you also wish to terminate Maintenance Services, you must do so under its terms.

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IBM Customer Agreement

Attachment for CSO and MRSO Options

These terms are in addition to those of the IBM Customer Agreement and specifically supplement its Maintenance Service Options terms. You accept these terms by signing the Signature Page for Attachments or using, or making any payment for, the Options described below.

We provide two Options under which we will reduce Maintenance Services charges for eligible Machines (called "Qualified Machines"), provided you follow the applicable systems management procedures that we specify in a Procedures Exhibit. You may select either the Corporate Service Option (called "CSO") for eligible large system environments or the Mid-Range System Option (called "MRSO") for eligible mid-range system environments. Under these Options, we require that the Qualified Machines be 1) under On-site type of service and 2) located at, or controlled through, locations within your Enterprise which follow our systems management procedures (called "Qualified Locations").

The contract period you select applies to all Machines under an Option. Machines which come under an Option after a contract period has started will assume the remaining portion of that contract period.

Each of us agrees to notify the other (before the current contract period expires) if they do not intend to renew an Option.

1. Our Responsibilities

We will:

1. confirm in a Supplement your start date, and selected Option and contract period;

2. provide On-site type of service for a Qualified Machine under warranty at no additional charge;

3. provide you a self-review form, for MRSO, to assist you in obtaining the information we need to determine if a location is a Qualified Location. In order to determine if a location is a Qualified Location for CSO, we may conduct on-site reviews. If we do so, we will inform you of any applicable charges in advance; and

4. adjust your Maintenance Services charges for Qualified Machines using the applicable discount percents (specified in an Exhibit). For a Qualified Machine subject to an annual charge, we will adjust the charge only for that portion of the annual period which is within a contract period.

2. Your Responsibilities

Corporate Service Option

You agree that a Qualified Machine under CSO is one that meets the following criteria:

1. It is an eligible System Machine type, located at a Qualified Location; or

2. It is an eligible Network Machine type, controlled through a Qualified Location. You agree to place requests for Maintenance Services only through the Qualified Location.

Eligible System and Network Machine types are specified in an Exhibit.

IBM Customer Agreement
Signature Page for Attachments

The following Attachments to the IBM Customer Agreement contain additional terms. Copies of the Attachments which you select (by marking the appropriate space below) are included with this page.

Products

_____ ES/Express Preload (Z125-4146-02)

_____ IBM Entry End User/370 License (Z125-4379-02)

_____ Licensed Program Support (Z125-3920-04)

_____ Trial or Loan of Products (Z125-4135-05)

_____ Rental of IBM Machines (Z125-6301-01)

_____ Trade-Ins (Z125-4134-02)

Continuing Support Services

_____ Business Recovery Services (Z125-6306-04)

_____ End User Support Services (Z125-4301-02)

_____ Network Traffic Analysis Services (Z125-4290-01)

_____ Problem Management Productivity Services (Z125-4304-02)

_____ SystemXtra Services (Z125-4294-05)

_____ SoftwareXcel Services (Z125-4298-05)

On-line and Other Services

_____ FASTService Services (Z125-6287-02)

_____ IBMLink Services (Z125-4555-03)

_____ Multiple Vendor Services (Z125-4150-03)

_____ K-12 Personal Computer Installation Services (Z125-5003-00)

_____ Technical Telephone Services (K-12 Customers) (Z125-4896-00)

_____ Service of Non-IBM Machines (Z125-4990-00)

Options

_____ Central Facility Maintenance Service Option (Z125-3333-05)

__X__ CSO and MRSO Options (Z125-3927-04)

__X__ Estimated Billing Option (Z125-4116-03)

_____ Volume Maintenance Option (Z125-3777-02)

_____ System Services Availability (Z125-4633-05)

Miscellaneous

_____ Special Projects (Z125-4855-00)

_____ Educational Allowance (Z125-3083-03)

_____ IDNX* Licensed Internal Code (Z125-4041-01)

__X__ State & Local Government (Z125-4205-02)

* IDNX is a registered trademark of Network Equipment Technologies, Inc.

By signing below for our respective Enterprises, each of us agrees to the terms of the IBM Customer Agreement and the included Attachments. Once signed, any reproduction of this page or an Attachment made by reliable means (for example, photocopy or facsimile) is considered an original.

Agreed to: (Enterprise name)
Palm Beach County

By _____
Authorized signature

Name (type or print): Mary McCarty

Date: MAR 0 1 1994

Enterprise number: 6872933

Enterprise address: 301 N. Olive Avenue
APPROVED AS TO FORM
AND LEGAL SUFFICIENCY, FL 33401

_____
COUNTY ATTORNEY

Agreed to:
International Business Machines Corporation

By _____
Authorized signature

Name (type or print): PAMPA NARSIPUR

Date: 12/1/93

IBM Customer Agreement number:

IBM Office address: 1555 Palm Beach Lakes Blvd.
West Palm Beach, FL 33401

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After signing, please return a copy of this page to the local "IBM Office address" shown above.

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