

For Buis - +
 1 more copy is
 coming separately
 for Mike Lee
 they didn't know they
 had to send 2

For Microsoft Internal Use Purposes

Enterprise Agreement Number

NOT FOR USE WITH THE MICROSOFT BUSINESS AGREEMENT

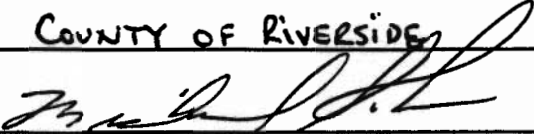
MICROSOFT STATE AND LOCAL GOVERNMENT ENTERPRISE AGREEMENT

This MICROSOFT STATE AND LOCAL GOVERNMENT ENTERPRISE AGREEMENT is entered into between the following entities as of the effective date identified below. If different from the main contact information, any notices must be addressed to the contact and locations outlined in the notices section below. We will notify you in writing if our address information changes. You must notify us in writing if your address changes.

Customer Name COUNTY OF RIVERSIDE	Name and address of contracting Microsoft affiliate MSLI, GP
Street Address and/or post office box 4080 LEMON ST. PO Box 1589	Street Address and/or post office box 6100 Neil Road Suite 210
City and State / Province RIVERSIDE CA	City and State / Province Reno, NV
Country and Postal Code USA 92502 - 1589	Country and Postal Code USA 89511-1137
Contact Name MIKE LEE	Account Manager Name, Location, and E-Mail Address
Phone Number (909) 955-4942	Phone Number 775-823-5600
Fax Number (909) 955-4948	Fax Number 775-826-7287
Email Address Purchasing.mike.lee@co.riverside.ca.us	Email Address Selquest@microsoft.com
For the Attention of:	For the Attention of: Dept. 551, Volume Licensing
Customer Notices Information (if different from above)	The agreement and attached documents should be sent to the above address for approval and processing.
Customer Name	All NOTICES should have Copy To: Microsoft Corporation, Law and Corporate Affairs
Street Address and/or post office box	One Microsoft Way
City and State / Province	Redmond, WA
Country and Postal Code	USA 98052
Contact Name	
Phone Number	
Fax Number	425-936-7329
Email Address	@Microsoft.com
For the Attention of:	For the Attention of: Volume Licensing Attorney




This agreement consists of (1) this cover page, (2) the attached terms and conditions, (3) the Product List, (4) the product use rights applicable to products licensed under this agreement and (5) any enrollment entered into under this agreement. By signing below, you represent that the information you provide on each of the attached forms is accurate.

Name of Customer (Entity Name): COUNTY OF RIVERSIDE	Name of contracting Microsoft affiliate: MSLI, GP
By: 	By:
(Signature)	(Signature)
Name: MICHAEL S. LEE	Name:
(Printed)	(Printed)
Title: PROCUREMENT CONTRACT SPECIALIST	Title:
(Printed)	(Printed)
Date: 6/7/01	Effective Date:

FORM APPROVED
COUNTY COUNSEL

JUN 06 2001

BY: 



MICROSOFT STATE AND LOCAL GOVERNMENT ENTERPRISE AGREEMENT

TERMS AND CONDITIONS

1. **Definitions.** In this agreement, "you" means the entity that has entered into this agreement with us, and "we" or "us" means the Microsoft company which has signed this agreement. In addition, the following definitions apply:

"additional products" means those products other than enterprise products that an enrolled affiliate chooses to license under this agreement;

"affiliates" means (i) with regard to you, any government agency, department, instrumentality, division, unit or other office that is supervised by or is part of you, or which supervises you or of which you are a part; together with, as mandated by law, any county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality located within your jurisdiction and geographic boundaries, provided that a state and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates; and (ii) with regard to us, legal entities that we own, which own us, or which are under common ownership with us;

"enrolled affiliate" means the party, either you or any of your affiliates, that has entered into an enrollment under this agreement;

"enrollment" means the document that you or your affiliate submits to us or one of our affiliates before orders can be placed under this agreement;

"enterprise" means the enrolled affiliate and the affiliates it includes in its enterprise on its enrollment;

"enterprise product(s)" means the product(s) that an enrolled affiliate chooses on its enrollment to license throughout its enterprise;

"license confirmation" means the evidence of license provided by us, or by one of our affiliates;

"product" means any product available to you for license under this agreement, as described on the Product List;

"Product List" means, with respect to any licensing program, the statement published by Microsoft from time to time which identifies the products available under the Enterprise agreement program and any product-specific conditions or limitations on the acquisition of licenses for the product;

"qualified desktops" means the personal desktop computers, portable computers, workstations and similar devices, which are used by and for the benefit of an enrolled affiliate or any affiliate included in its enterprise and which meet the minimum requirements for running any of the enterprise products. Qualified desktops do not include: (i) any computer that is designated as a server and not used as a personal computer, or (ii) any system dedicated to run ONLY line-of-business software (e.g., an accounting or bookkeeping program used by an accountant, or a computer-aided design program used by an engineer or architect);

"reseller" means a Large Account Reseller authorized by us or one of our affiliates to resell licenses in an enrolled affiliate's area under this program; and

"run" or "use" means to copy, install, use, access, display, run or otherwise interact with.

2. **Enterprise agreement program.** Upon entering into this agreement, you and your affiliates may submit enrollments identifying the enterprise products (and, if applicable, the additional products) you or they wish to license from us. Each enrollment must include at least one enterprise product. Each enrollment will expire in accordance with its terms or on the earlier termination of this agreement for cause. Nothing contained in this agreement obligates us to accept an enrollment.

a. **Terms of use.** Use of any product that you license from us is governed by product use rights specific to each product and version and by the terms of this agreement. For any version released on or before the date of the enrollment, the product use rights in effect on the enrollment date for that product and version will apply. For a later version or product, the product use rights in effect on the date of commercial release under the Enterprise Agreement program will apply. We will provide you with a copy of the applicable product use rights, or will make them available to you either by publication on the World Wide Web at a site we identify to you or by some other reasonable means. You acknowledge that you have access to the World Wide Web. We do not transfer any ownership rights in any licensed product and we reserve all rights not expressly granted. In lieu of your obligation to indemnify us under various provisions of the product use rights, you agree that you will be completely responsible for any costs and damages arising from any claim or action to which your indemnity obligation would otherwise apply.

b. **License confirmation.** Upon expiration (but not early termination) of each enrollment, we or one of our affiliates will issue a license confirmation to each enrolled affiliate for its enterprise products and additional products. We will issue the license confirmation either via post, express courier, facsimile, or Internet display. The license confirmations will be your enrolled affiliate's evidence of licenses for (i) the latest version of each enterprise product in a number equal to the total number of qualified desktops identified in the enrollment, as updated by annual orders for licenses for additional qualified desktops, and (ii) the latest version of each additional product in the number initially ordered, as updated by subsequent orders. These licenses will be issued in the language group designated by the enrolled affiliates on the Enterprise Order Form. Once an enrolled affiliate has received a license confirmation, the listed licenses (but not rights, if any, to future releases of products) become perpetual, as long as the products are used only as permitted by this agreement and the product use rights.

c. Transfers of licenses. Once an enrolled affiliate has received a license confirmation, it may transfer the licenses identified on the license confirmation to an affiliate. For all other transfers of licenses, our written consent is required. We will not withhold our consent unreasonably.

In order to transfer licenses, an enrolled affiliate must physically transfer the relevant license confirmations. If transferring only some of the licenses listed on the license confirmation, the enrolled affiliate must record the transfer on the face of the license confirmation and provide a photocopy of the revised license confirmation to the entity to which the licenses are being transferred. In addition, no license transfer will be valid unless the entity to which the licenses are being transferred accepts in writing the applicable product use rights, use restrictions and limitations of liability. Licenses cannot be transferred on a short-term basis.

An enrolled affiliate may transfer an upgrade license for an operating system product licensed under this agreement only as part of the sale or transfer of the computer system on which the product was first installed.

The reference prices for a given enrollment take into account ownership of licenses acquired by any legal means prior to the execution of that enrollment (pre-existing licenses). Therefore, any license confirmations issued under this agreement replace all pre-existing licenses for the same or prior versions of the products – accordingly, pre-existing licenses may not be transferred separately from the licenses acquired under this agreement.

Any transfer made in violation of the requirements or restrictions of this section will be void.

d. Resellers. Each enrolled affiliate must choose and retain a reseller authorized in the enrolled affiliate's area. If at any time during the term of its enrollment the enrolled affiliate wishes to terminate the relationship with its designated reseller, or if we discontinue the reseller's authority to resell licenses under this program, the enrolled affiliate must choose a replacement. If the enrolled affiliate intends to change resellers, a change may only be made on an anniversary of the effective date of the enrollment. To change a reseller, the enrolled affiliate must notify us and the former reseller of the proposed change in writing, on a form we provide, at least thirty (30) days prior to the anniversary on which the change is to take effect. You will be completely responsible for all costs and damages arising out of any change of reseller you initiate.

e. Country of usage. Each enrolled affiliate will be asked to represent the total number of qualified desktops in its enterprise, and to provide a list, by country, of its approximate number of qualified desktops located in each country in which it has facilities. This information will be for our internal use only, and will not alter the reference prices for the enterprise products or additional products licensed under this agreement.

3. Ordering enterprise product licenses.

a. Initial order. Each enrolled affiliate must submit an initial purchase order for the enterprise products it has selected to its reseller. Upon submission of the order and our acceptance of the enrollment, the enrolled affiliate may, during the term of its enrollment, run one copy of the latest version (or any prior version) of each enterprise product, in any of the languages that are part of the language group chosen on its enrollment, on each qualified desktop. By including affiliates in its enterprise, the enrolled affiliate sublicenses this right to each of them.

b. Subsequent enterprise product orders. An enrolled affiliate may add additional enterprise products to their existing enrollment or they may sign a new enrollment to cover the additional enterprise products for another 36 full calendar month term. To add additional enterprise products to an existing enrollment, the enrolled affiliate must submit a purchase order to its reseller for the additional enterprise product(s), identifying country of usage.

c. Enterprise true-up orders. Each enrolled affiliate must determine the current number of qualified desktops in its enterprise at each anniversary of the effective date of its enrollment and at the expiration or early termination of the enrollment. If the number has increased, the enrolled affiliate must submit a purchase order to its reseller to license those additional qualified desktops for the enterprise products it has previously ordered within 15 days following the anniversary, expiration or termination. In each order, the enrolled affiliate must identify the country of usage of all additional qualified desktops. If the number has not increased, the enrolled affiliate must submit a statement to that effect on the form we provide within that 15-day period.

d. Reorganization. If the number of qualified desktops in an enterprise changes by more than ten percent as a result of a reorganization, we will work with the enrolled affiliate in good faith to determine how to accommodate its changed circumstances in the context of this agreement. If you or any entity included within your enterprise merges with an existing enterprise customer, we will work with you in good faith to accommodate the surviving entity fairly.

4. Ordering additional product licenses.

a. Initial order. Each enrolled affiliate must submit an initial purchase order for the additional products it has selected to its reseller. Upon submission of the order and our acceptance of the enrollment, the enrolled affiliate may, during the term of its enrollment, run the number of copies of the latest version (or any prior version) of each additional product selected in its enrollment, in any of the languages that are part of the language group chosen on its enrollment.

b. Subsequent orders. Each enrolled affiliate may run copies of additional products not part of the initial order by complying with the terms of this section. At any time before each anniversary of the effective date of each enrollment, and before the expiration or early termination of the enrollment, each enrolled affiliate must submit a purchase order to its reseller for any copies of additional products run within its enterprise for which it has not previously submitted an order or purchased a license.

In each order, the enrolled affiliate must identify the country of usage of all additional products. Orders placed under this agreement for any copies of additional products will be deemed to satisfy any obligations under any other agreement to order licenses for those copies.

5. Restrictions on use. You may not:

- Separate the components of a product made up of multiple components by running them on different computers, by upgrading or downgrading them at different times, or by transferring them separately, except as otherwise provided in the product use rights;
- Rent, lease lend or host products, except where we agree by separate agreement;
- Reverse engineer, de-compile or disassemble products, except to the extent expressly permitted by applicable law despite this limitation.
- Transfer licenses to, or sublicense, products to the U.S. Government

You acknowledge that products licensed under this arrangement are of US-origin. You agree to comply with all applicable international and national laws that apply to these products, including the U.S. Export Administration Regulations, as well as end-user, end-use and destination restrictions issued by U.S. and other governments. For additional information on exporting Microsoft products, see <http://www.microsoft.com/exporting/>.

6. Reference prices and payment. We or one of our affiliates will invoice each enrolled affiliate's reseller for any products ordered according to the payment terms outlined in the applicable enrollment. While the enrollment will contain reference prices, the enrolled affiliate's price and payment terms for all products ordered will be determined by agreement with the chosen reseller. Reference prices do not include any applicable taxes, duties, or tariffs. Product support is not included in the reference prices under this program.

7. Making copies of software. Each enrolled affiliate may make as many copies of the products licensed under its enrollment as necessary to distribute the products to the users within its enterprise. All copies must be true and complete copies (including copyright and trademark notices) and be made from CD-ROMs, disk sets or a network source, acquired from or made available by a Microsoft approved fulfillment source. Each enrolled affiliate may also have a third party make and distribute copies in its place, but the enrolled affiliate is responsible for third party actions to the same extent it would be if the third party were its employee.

You and your affiliates must make reasonable efforts to make employees, agents and other individuals running a product aware that the product is licensed from us and may only be run or transferred subject to the terms of this agreement. In addition each enrolled affiliate has the right to (i) run up to 20 copies of any product in a dedicated training facility on its premises; (ii) run up to 10 copies of any product for a 60-day evaluation period; and (iii) make and retain one copy of any licensed product for back-up or archival purposes for each of its distinct geographic locations.

8. Confidentiality. The terms and conditions of this agreement shall be disclosed only in accordance with the requirements of your public records law and regulations, if any. In the absence of such law and regulations, the terms and conditions of this agreement are confidential. Neither you nor we will disclose such terms and conditions, or the substance of any discussions that led to them, to any third party other than your or our affiliates or agents, or to your designated or prospective resellers who: (i) have a need to know such information in order to assist in carrying out this agreement; and (ii) have been instructed by you or us that all such information is to be handled in strict confidence.

9. Warranties.

a. Limited product warranty. We warrant that each version of a product will perform substantially in accordance with our user documentation. This warranty is valid for a period of 90 days from the date you first run a copy of the version. Any warranties imposed by law concerning the products are limited to the same 90-day period. This warranty does not apply to components of products which you are permitted to redistribute under applicable product use rights, or if failure of the product has resulted from accident, abuse or misapplication. If you notify us within the warranty period that a product does not meet this warranty, then we will, at our option, either (i) return the price paid for the product or (ii) repair or replace the product. This is your exclusive remedy for any failure of any product to function as described in this paragraph.

b. Year 2000 warranty. For purposes of this section, "Year 2000 Warranted Product" means the specific version of each product identified in the Product Guide on the effective date of this agreement, by version number and language, as "compliant," and any new products (including new versions of products) released after the effective date, and "Product Guide" means the Microsoft Year 2000 Product Guide located on the Microsoft Year 2000 Resource Center web page (www.microsoft.com/technet/year2k/product/product.asp). We warrant that each Year 2000 Warranted Product, when run with accurate date data and in accordance with its documentation and the recommendations and exceptions set forth in the Product Guide, will recognize the year 2000 as a leap year and will not produce material errors processing date data in connection with the year change from 1999 to 2000, as long as, and only to the extent that, all other information technology used in combination with such Year 2000 Warranted Product (e.g., software, firmware, hardware) properly exchanges date data with it. This warranty does not extend or apply to user customizable features or third party add-on features or products, including items such as macros and custom programming or formatting features. Except as provided in the next sentence, if you or an enrolled affiliate reports to us on or before June 1, 2000 that a

product does not meet this warranty, we will: (i) exercise commercially reasonable efforts to correct any material non-compliance which is generally reported by other users; and (ii) provide any resulting correction, without charge, when it is made available generally. The June 1, 2000 date will be extended to January 1, 2001 for the following products and future versions thereof: Windows NT Workstation 4.0 & 3.51, Windows 98 & 95, Windows NT Server 4.0 & 3.51, SQL Server 6.5 & 7.0, Microsoft Exchange 5.5, Site Server 3.0; SNA Server 4.0, Systems Management Server 1.2, Proxy Server 2.0, Internet Information Server 4.0, Office 97 & 95 (Microsoft Word, Excel, Access, Outlook, PowerPoint), Works 4.0-4.5a, Visual C++ 6.0, Visual Basic 6.0, Visual Fox Pro 6.0, Visual J++ 6.0 and Visual SourceSafe 6.0. This is the exclusive remedy for any failure of a product to function as described in this section, or for any other Year 2000-related failure of a product.

c. NO OTHER WARRANTIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, WE DISCLAIM ALL WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY OTHER THAN THOSE IDENTIFIED EXPRESSLY IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS OR RELATED MATERIALS. WE WILL NOT BE LIABLE FOR ANY SERVICES OR PRODUCTS PROVIDED BY THIRD PARTY VENDORS, DEVELOPERS OR CONSULTANTS IDENTIFIED OR REFERRED TO YOU BY US UNLESS SUCH THIRD PARTY PRODUCTS OR SERVICES ARE PROVIDED UNDER WRITTEN AGREEMENT BETWEEN YOU AND US, AND THEN ONLY TO THE EXTENT EXPRESSLY PROVIDED IN SUCH AGREEMENT.

10. Defense of infringement claim. We will defend you against any claim by an unaffiliated third party that any product infringes its patent or copyright, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and we will reimburse you for reasonable out of pocket expenses that you incur in providing that assistance.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) your running of the product after we notify you to discontinue running due to such a claim; (ii) your combining the product with a non-Microsoft product, data or business process; (iii) use of, or access to, the product by any person or entity other than an employee of you or one of your affiliates; (iv) your distribution of the product to an unaffiliated third party; or (v) your altering the product. You will be completely responsible for all costs and damages that result from these actions.

If we receive information concerning an infringement claim related to a product, we may, at our expense and without obligation to do so, either (i) procure for you the right to continue to run the allegedly infringing product, or (ii) modify the product or replace it with a functional equivalent, to make it non-infringing, in which case you will stop running the allegedly infringing product immediately. If, as a result of an infringement claim, your use of a product is enjoined by a court of competent jurisdiction, we will use commercially reasonable efforts to either procure the right to continue its use, replace it with a functional equivalent, or modify it to make it non-infringing.

If any other type of third party claim is brought against you regarding our intellectual property, you must notify us promptly in writing. We may, at our option, choose to treat these claims as being covered by this section.

11. Limitation of liability.

a. Limitation. There may be situations in which you have a right to claim damages or payment from us. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claim, our liability will be limited, to the maximum extent permitted by applicable law, to direct damages up to the amount you have paid for the product giving rise to the claim. In the case of our responsibilities with respect to third party patent or copyright infringement claims, our obligation to defend such claims will not be subject to the preceding limitation, but our liability to pay damages resulting from any final adjudication (or settlement to which we consent) will be. In the case of free product or code you are authorized to redistribute to third parties without separate payment to Microsoft, our total liability to you will not exceed US\$5000. The limitations contained in this paragraph will not apply with respect to our obligations under Section 8 (confidentiality).

b. No liability for certain damages. To the maximum extent permitted by applicable law, neither party nor any of their affiliates or suppliers will be liable for any indirect damages (including, without limitation, consequential, special or incidental damages, damages for loss of profits or revenues, business interruption, or loss of business information) arising in connection with this agreement or any product or service, even if advised of the possibility of such damages or if such possibility was reasonably foreseeable. This exclusion of liability does not apply to either party's liability to the other for violation of its confidentiality obligation or of the other party's intellectual property rights.

c. Application. The limitations on and exclusions of liability for damages in this agreement apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory.

12. Verifying compliance. You must keep records relating to the products you and any affiliate run. We have the right to verify compliance, at our expense, during the term of this agreement or any enrollment and for a period of one year thereafter. To do so, we will engage an independent accountant from a nationally recognized public accounting firm, which will be subject to a confidentiality obligation. Verification will take place upon not fewer than 15 days notice, during normal business hours and in a manner that does not

interfere unreasonably with your operations. As an alternative, we may require you to accurately complete our self-audit questionnaire relating to the products you and any affiliates use. If verification or self-audit reveals unlicensed use of products, you must promptly order sufficient licenses to permit all product usage disclosed. If material unlicensed use is found (license shortage of 5% or more), you must reimburse us for the costs we have incurred in verification and acquire the necessary additional licenses as single retail licenses within 30 days. If we undertake such verification and do not find material unlicensed use of products, we will not undertake another verification of the same entity for at least one year. We and our auditors will use the information obtained in compliance verification only to enforce our rights and to determine whether you are in compliance with the terms of this agreement. By invoking the rights and procedures described above, we do not waive our rights to enforce this agreement or to protect our intellectual property by any other means permitted by law.

13. Term and Termination.

a. Term. This agreement will remain in effect unless it is terminated by either party as described below.

b. Termination. Either party to an enrollment may terminate it for cause. If we terminate an enrollment for cause (including for non-payment due to non-appropriation of funds), we may also terminate this agreement and all other enrollments under it. Failure of any enrolled affiliate to submit orders or pay amounts owed shall constitute cause. Except where the cause for termination is by its nature not curable (or not curable within 30 days), the terminating party will give 30 days notice and opportunity to cure. If we give such notice to an enrolled affiliate, we will give you a copy of that notice as well. If an enrolled affiliate ceases to be your affiliate, you must notify us of this fact, and we may terminate its enrollment.

Either party may terminate this agreement for any reason upon 60 days written notice. Such termination will merely terminate either party's ability to enter into new enrollments under this agreement. Such termination will not affect any enrollment not otherwise terminated, and any terms of this agreement applicable to any enrollment not otherwise terminated will continue in effect with respect to that enrollment.

If (i) an enrolled affiliate terminates an enrollment for cause, (ii) we terminate an enrolled affiliate's enrollment because it has ceased to be your affiliate, or (iii) we terminate an enrollment for cause for non-payment due to non-appropriation of funds, then the enrolled affiliate will be entitled to require that we issue a license confirmation for either (i) a number of copies of the products it has licensed under this agreement proportionate to the total amount it has paid at the time of the early termination; or (ii) all copies of the products it has licensed under this agreement, provided that it pays the total remaining amount due.

14. Miscellaneous.

a. Notices. All notices, authorizations, and requests given or made in connection with this agreement must be sent by post, express courier, facsimile, or email to the addresses and numbers indicated in the applicable cover page to this agreement. Notices will be deemed delivered on the date shown on the postal return receipt or on the courier, facsimile or email confirmation of delivery.

b. Assignment. This agreement may be assigned by either party only to an affiliate, but assignment will not relieve the assigning party of its obligations under the assigned agreement. If either party assigns this agreement or any enrollment, it must notify the other party of the assignment in writing.

c. Severability. If a court holds any provision of this agreement to be illegal, invalid or unenforceable, the remaining provisions will remain in full force and effect and the parties will amend the agreement to give effect to the stricken clause to the maximum extent possible.

d. Waiver. No waiver of any breach of this agreement shall be a waiver of any other breach, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

e. Force Majeure. To the extent that either party's performance is prevented or delayed, either totally or in part, for reasons beyond that party's control, then that party will not be liable, so long as it resumes performance as soon as practicable after the reason preventing or delaying performance no longer exists.

f. Note on Java Support. The products may contain support for programs written in Java. Java technology is not fault tolerant and is not designed, manufactured, or intended for use or resale as online control equipment in hazardous environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft navigation or communication systems, air traffic control, direct life support machines, or weapons systems, in which the failure of Java technology could lead directly to death, personal injury, or severe physical or environmental damage. *Sun Microsystems, Inc. has contractually obligated Microsoft to make this disclaimer.*

g. Limitations on actions. Except for any different period required by applicable law, any action arising under this agreement must be brought within two years from the date that the cause of action arose.

h. Entire agreement. The documents identified on the cover page to this agreement constitute the entire agreement concerning the subject matter hereof, and supersede any prior or contemporaneous communications. The terms of these documents shall control in the following order: (i) this State and Local Government Enterprise Agreement; (ii) the product use rights; (iii) the Product List; and (iv) any and all enrollments under this agreement. The terms of any purchase order or any general terms and conditions you or your affiliates maintain, other than those mandatory terms required by statute or regulation, do not apply. This agreement (except the product use rights and the Product List) can be changed only by an amendment signed by both parties.

i. Survival. Licenses identified in license confirmations and provisions regarding warranties, limitations of liability, compliance verification and obligations on termination or expiration will survive termination or expiration of this agreement or any enrollment.

j. Independent contractors. Resellers are independent contractors who act in their own name and for their own account, and have no authority to bind or impose any obligation or liability upon us.

k. Applicable law. This agreement shall be interpreted in accordance with and governed by the laws of your State, without giving effect to its conflicts of law provisions. This choice of law does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights or confidentiality obligations in any appropriate jurisdiction. Disputes relating to this agreement will be subject to applicable dispute resolution statutes and regulations of your State, if any.

l. Copyright Violation. Except to the extent you are licensed under this agreement, you shall be responsible for your violation of our copyright in the products, including payment of license fees specified in this agreement for unlicensed use.

Send with
ERP CONTRACT.

Microsoft Enterprise Agreement
Number

To be completed
by Microsoft

**AMENDMENT ONE
TO THE
STATE AND LOCAL GOVERNMENT ENTERPRISE AGREEMENT**

This amendment ("amendment") is made and entered into by and between the undersigned for the certain Microsoft State and Local Government Enterprise Agreement ("agreement") identified above between County of Riverside and MSLI, GP. All terms used but not defined in this amendment will have the meanings assigned to such terms in the agreement, as amended.

I. Modifications to the Agreement.

1. Paragraph 6 of the Agreement is amended in its entirety as follows:

6. Reference prices and payment. We or one of our affiliates will invoice each enrolled affiliate's reseller for any products ordered according to the payment terms outlined in the applicable enrollment. While the enrollment will contain reference prices, the enrolled affiliate's price and payment terms for all products ordered will be determined by agreement with the chosen reseller. Reference prices do not include any applicable taxes, duties, or tariffs. Product support is not included in the reference prices under this program.

The Estimated Reference Price (ERP) for the enterprise products for each qualified desktop enrolled under an enrollment accepted by us on or before October 1, 2001, will be \$243.00. Provided you and your affiliates enroll in the aggregate at least 100,000 full platform qualified desktops qualified desktops, under this agreement on or before October 1, 2001, the three annual payments for each enrolled desktop will be \$243.00 (ERP). However, if you and your affiliates do not enroll, in the aggregate, at least 100,000 qualified desktops under this agreement on or before October 1, 2001, the ERP annual payment for qualified desktops enrolled on or before October 1, 2001, will be determined as follows:

Full Platform (OS, BackOffice CAL and Office Professional)

<i>1st annual payment:</i>	\$243.00
<i>2nd and third annual payment (based on aggregate number of enrolled qualified desktops as of October 1, 2001)</i>	\$267.00 (50,000-99,999) \$284.00 (20,000-49,999) \$301.00 (5,000-19,999) \$334.00 (1000-4,999) \$350.00 (500-999) \$380.00 (250-499)

OS Component:

<i>1st annual payment:</i>	\$44.00
<i>2nd and third annual payment (based on aggregate number of enrolled qualified desktops as of October 1, 2001)</i>	\$50.00 (50,000-99,999) \$53.00 (20,000-49,999) \$56.00 (5,000-19,999) \$61.00 (1000-4,999) \$64.00 (500-999) \$380.00 (250-499)

BackOffice Component:

<i>1st annual payment:</i>	\$99.00
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2nd and third annual payment *\$111.00 (50,000-99,999)*
 (based on aggregate number *\$118.00 (20,000-49,999)*
 of enrolled qualified desktops as of *\$125.00 (5,000-19,999)*
 October 1, 2001) *\$140.00 (1000-4,999)*
\$147.00 (500-999)
\$380.00 (250-499)

Office Component:

1st annual payment: *\$137.00*

2nd and third annual payment *\$153.00 (50,000-99,999)*
 (based on aggregate number *\$163.00 (20,000-49,999)*
 of enrolled qualified desktops as of *\$172.00 (5,000-19,999)*
 October 1, 2001) *\$191.00 (1000-4,999)*
\$200.00 (500-999)
\$380.00 (250-499)

ERP for qualified desktops enrolled after October 1, 2001, will be determined on a case-by-case basis. Actual pricing and payment terms will be determined by agreement with the enrolled affiliate's chosen reseller.

2. Paragraph ~~13k~~ ^{14k RJB} of the Agreement is amended in its entirety as follows:

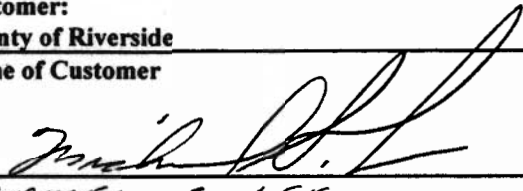
k. **Applicable law.** This agreement shall be interpreted in accordance with and governed by the laws of your State, without giving effect to its conflicts of law provisions. Disputes relating to this agreement will be subject to applicable dispute resolution statutes and regulations of your State, if any.

II. Effect of Amendment.

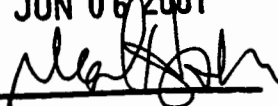
Except as specifically amended by this amendment, all provisions of the agreement identified above shall remain unchanged and in full force and effect. This amendment is not legally binding until executed by both parties and shall become effective on the date of signature of the contracting Microsoft affiliate. When this amendment is fully executed, you will receive a confirming copy.

You must execute and return two (2) copies of this amendment to the below address on or before June 15, 2001, in order for the terms and conditions of this amendment to apply.

MSLI, GP
 Attn: Dept. 551, Volume Licensing
 6100 Neil Road, Suite 210
 Reno, NV 89511-1137

Customer: County of Riverside	Contracting Microsoft Affiliate: MSLI, GP
Name of Customer	Name of contracting Microsoft affiliate
By  MICHAEL S. LEE	By _____
Name, Title PROCUREMENT CONTRACT SPECIALIST	Name, Title
Date 6/7/01	Date

FORM APPROVED
 COUNTY COUNSEL

JUN 06 2001
 BY 



Prepared by: _____
Forrest Silverman, Licensing Executive,
Microsoft Corporation
Agent for MSLI, GP

FINAL

**ENTERPRISE AGREEMENT
FOR PURCHASE OF MICROSOFT SOFTWARE
(ASAP SOFTWARE EXPRESS, INC.)**

1. The County of Riverside and ASAP Software Express, Inc. ("ASAP"), as the large account reseller for Microsoft Corporation, enter into this agreement for the purchase of Microsoft software during the period of July 1, 2001 through June 30, 2004. ASAP shall provide Microsoft software to any California State or local government on the same terms as stated in this agreement.

2. This agreement shall include and incorporate the terms from the following documents:

- (a) County of Riverside Request for Proposal 97604;
- (b) ASAP Response to the CCISDA Request for Quotation 97604 dated May 25, 2001;
- (c) ASAP letter dated June 5, 2001 signed by Randy Lee;
- (d) Microsoft State and Local Government Enterprise Enrollment form;
- (e) Microsoft State and Local Government Enterprise Agreement between the County of Riverside and Microsoft Corporation;
- (f) Amendment One to the Microsoft State and Local Government Enterprise Agreement between the County of Riverside and Microsoft Corporation;

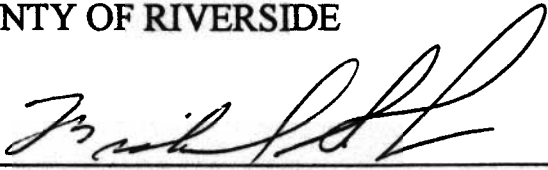
3. Any California State or local government shall be entitled to enroll with ASAP under the same terms of this agreement. Such enrollments shall be considered to be separate and distinct enrollments and shall have no bearing or effect upon any other entity. Any payments due to ASAP shall be the sole and separate obligation of the enrolled California State or local government; and no other entity shall be responsible for such payments or any obligations of the enrolled California State or local government related in any way to this agreement or the enrollment with ASAP.

4. California State or local governments must contact ASAP directly to enroll and must complete separate enrollment forms with ASAP.

5. The County of Riverside accepts no responsibility to ASAP, any other California State or local government, or any other entity or third party related in any way to software provided to another California State or local government pursuant to this agreement. Any enrollments by other California State or local governments shall be considered to be separate obligations solely between ASAP and the enrolled California State or local government.

6. This agreement is considered a competitively awarded agreement done in accordance with the provisions of the County of Riverside.

COUNTY OF RIVERSIDE

By:  Dated: June 07, 2001
Michael S. Lee, Procurement Contract Specialist
Riverside County Purchasing Department

FORM APPROVED
COUNTY COUNSEL

JUN 07 2001

BY

ASAP SOFTWARE EXPRESS, INC.

By:  Dated: June 07, 2001
Alison Turner, National Manager, State and Local Government
ASAP Software