

MASTER PURCHASE AGREEMENT

This Master Purchase Agreement and its applicable attachments ("Agreement") between Nexus IS, Inc., a Delaware corporation, with offices at 27202 Turnberry Lane, Suite 100, Valencia, CA 91355 and authorized to do business in Arizona ("Nexus IS"), and City of Glendale, with offices at 6210 West Myrtle Ave, Building S, Glendale, AZ 85301 ("City") establishes the terms and conditions governing the purchase and/or lease of Products and Services. This Agreement is effective on the date it is signed by an authorized representative of both parties ("Effective Date").

1. General.

1.1 The Agreement

This Agreement governs the purchase and/or lease of Products and Services from Nexus IS. Services include the services to be performed by Nexus IS or its agents. The term "Order", as specified in this Agreement, includes, but is not limited to a Statement of Work, Bill of Materials Schedule, which are incorporated by this reference, into the Agreement.

1.2 Additional Terms and Conditions.

Except for the attached Addendum, any additional or different terms and conditions contained in any Customer purchase order, Bill of Materials, Scope of Work, or attached thereto, will not apply to any Order notwithstanding any Nexus IS acknowledgment or acceptance of such additional and/or different terms and conditions.

1.3 Conflicts Provision. If a conflict exists between documents referenced in this Agreement, the following documents prevail in priority order,

- a. Mutually agreed upon Attachments to this Master Purchase Agreement;
- b. and, this Master Purchase Agreement.

2. Payment and other Financial Terms.

a. City will pay invoices in full in U.S. currency upon receipt. If Customer fails to pay the undisputed portion of the invoice, Customer will pay interest equal to the lesser of 1.5% per month [eighteen percent (18%) per annum] or the maximum rate allowed by law on such undisputed portion. Nexus IS's provision of Products and/or Services is subject to credit approval of Customer for each Order. Nexus IS may require Customer to submit a deposit or other form of security prior to accepting or shipping any Order. City understands that any information obtained will be held strictly confidential and remains the property of Nexus IS, whether or not credit is extended.

b. City may, upon payment to Nexus IS of appropriate deposit, assign its rights to purchase under Agreement to a Lessor, (i.e. any third party lease financing organization) that City elects to assign its rights to purchase under this Agreement, on terms, and with documentation, acceptable to Nexus IS. Any such lease arrangement shall include the agreement of either City or Lessor to make progress payments to Nexus IS according to the Order(s) prior to the Lessor's purchase of the Products.

c. Payment terms are to be defined on a per order basis and subject to prior and periodic credit approval of Nexus IS.

d. Pricing in this Agreement, including any discounts, is based upon City's commitment to purchase Products and/or Services for the entire Order Term. City acknowledges that a precise calculation of Nexus IS' damages for early termination of this Agreement or any Order would be extremely difficult, and that termination charges in this Agreement represents reasonable liquidated damages, not a penalty. If City terminates the Agreement or an Order in whole or in part before expiration of the Order term for reasons other than the material default of Nexus IS, or if Nexus IS terminates the Agreement under any section of this Agreement due to material default of City, City will pay the termination charges as set forth below:

(1) Any reasonably documented, non-recoverable costs imposed on Nexus IS by third parties, or service providers incurred solely in preparation for

and in furtherance of implementation of the Agreement and Orders, that result from early termination.

(2) City's notice of termination of any Service element, Product and/or Service at a particular location, under this Section 2, must be provided to Nexus IS in writing at least 30 days before the requested termination date.

(3) This Section is not intended to limit or preclude other remedies available at law or in equity to Nexus IS upon Customer's early termination of this Agreement or any Order.

e. Prices are exclusive of any applicable taxes unless otherwise indicated and City shall be responsible to pay when due all applicable taxes associated with the purchase and/or license of Products and/or Services exclusive of taxes based on Nexus IS' net income.

f. City assumes risk of damage or loss to any Product from date such Product is delivered to location specified by City. Until all amounts due including change orders, are paid in full, City will maintain adequate insurance against fire, theft or other loss and name Nexus IS additional insured. Title to the Product will not pass to City and City agrees that the Product is, and shall remain, personal property, not a fixture, whatever its mode of attachment to City's premises until all amounts due under this Agreement, including change orders, are paid in full for such particular Product.

g. If requested by Nexus IS, City hereby grants Nexus IS a purchase money security interest in each Product purchased by City, and all replacements, proceeds, additions and accessions. The security interest will remain in full force and effect until all amounts due including change orders, are paid in full for such particular Product. City agrees to execute documentation reasonably required to perfect the security interest.

3. Term and Renewal

The term of this Agreement shall commence on the Effective Date, as defined above and continue unless terminated as outlined herein. Agreement and any Order may only be renewed, or amended by written consent of both parties.

4. Limited Warranty and Limitations on Liability.

a. To the extent City purchases any Products hereunder, the warranty for such Products shall pass through from the manufacturer.

b. To the extent City purchases any Services hereunder, Nexus IS warrants and represents that competent, qualified Personnel shall perform such Services in a professional manner consistent with industry standards and such Services shall meet all specifications.

c. City's remedy under the Product warranty shall be exclusively limited to repair or replacement of the defective part of such Products or refund of the applicable part of the Purchase Price, at Nexus IS' option. Where remedy requires parts or labor not covered by manufacturer warranty, the required labor and/or parts will be provided at Nexus IS prevails rates.

d. If requested by City, repairs necessitated during the warranty period by any excluded causes outlined in the Product warranty or for labor for



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warranty replacement of Products (if not covered by the Product warranty) shall be made by Nexus IS at Nexus IS' then standard charges for time and materials, together with shipping and handling charges related to performing such repairs.

e. Nexus IS may perform some repairs under the Product warranty from a remote location. Any replacements may be either new or equivalent to new in operation. Parts will be furnished on an exchange basis, and any parts removed shall become the property of Nexus IS.

f. The Products are not warranted to, and Nexus IS will not be responsible for, unauthorized use or charges resulting from such unauthorized use of the Products, improper wiring, installation, repair, or alteration of the Equipment by anyone other than Nexus IS or its agents, software changes or attempted software changes in the System by persons not authorized by Nexus IS, or reprogramming required because of Customer error of any kind. In addition, the Services and/or operation of the Products are not warranted to be error free or uninterrupted.

g. Nexus IS is not responsible for security including virus protection of the Customer network, unless otherwise agreed upon in writing by an authorized representative of Nexus IS and Customer. Nexus IS will take commercially reasonable efforts to secure Nexus IS provided architecture, but cannot guarantee security. Nexus IS is only responsible, with regard to security, unless otherwise agreed upon in writing, for installing manufacturer-issued security-related upgrades/updates/patches on Nexus IS sold and/or maintained equipment/software.

h. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 4 AND THE PRODUCT WARRANTY, NEXUS IS DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED WITH RESPECT TO THE PRODUCT AND/OR SERVICES COVERED HEREUNDER, AND IN PARTICULAR DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, AND WARRANTIES RELATED TO THIRD PARTY EQUIPMENT, MATERIAL, SERVICES OR SOFTWARE NOT PROVIDED HEREUNDER ARE EXPRESSLY EXCLUDED.

5. Limitation of Liability.

NEXUS IS SHALL HAVE NO LIABILITY FOR LOSS, DAMAGES OR EXPENSE, DIRECTLY OR INDIRECTLY, ARISING FROM CITY'S INABILITY TO USE OR USE OF PRODUCTS AND/OR SERVICES, OR THIRD PARTY'S UNAUTHORIZED USE OF PRODUCTS AND/OR SERVICES, OR WITH RESPECT TO NEXUS IS'S OBLIGATIONS HEREUNDER, FOR, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES EVEN IF NEXUS IS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS, DAMAGES, OR EXPENSE, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF GOODWILL, WORK STOPPAGE, COMPUTER AND OTHER EQUIPMENT FAILURE OR MALFUNCTION OR COMMERCIAL LOSS. CITY AGREES NEXUS IS'S LIABILITIES, WHETHER ARISING OUT OF CONTRACT, NEGLIGENCE, STRICT LIABILITY OR WARRANTY, WILL NOT EXCEED ANY AMOUNTS PAID BY CITY FOR THE PRODUCTS AND/OR SERVICES.

6. Default and Remedies

a. An event of default shall occur (i) if City fails to pay any sum when due; or (ii) if either party fails to perform or observe any material covenant or agreement to be performed or observed herein. For purposes of this Agreement, a material covenant or agreement shall be defined as one stated in this Agreement, the breach of which would likely cause the other party to suffer material harm to its business or reputation.

b. Upon the occurrence of any event of default by City described herein and unless such default is cured pursuant to the provisions stated herein, at any time thereafter, Nexus IS may, in its sole discretion and approval pursuant to manufacturer's return policy, do one or more of the following: (i) upon written notice to City, terminate this Agreement; (ii) recover all undisputed sums then due and payable from City; (iii) demand the return of all confidential information and property of Nexus IS held by City, including but not limited to any documentation related to Services and Products and related documentation (for which Nexus IS has not received full payment); (iv) suspend the installation of Products or provision of Services; (v) render the Hardware and/or Services inoperable; (vi) suspend any warranty or service obligations; or (vii) proceed by court order to enforce the terms hereof or recover damages for breach hereof.

c. Change Order credits will be subject to all associated restocking, shipping, and handling fees, of no less than 25%. Custom ordered materials, software, supplier shipments greater than 30 days old, and materials not sealed in their original packaging, are generally not eligible for a full credit, if any. Recovery of all expenses incurred by Nexus IS in conjunction with the afore mentioned Products in the sole discretion of Nexus IS.

d. Except as expressly set forth below, prior to enforcing any remedies stated herein the party claiming default shall provide the other party with a written statement detailing the event of default. The other party shall have thirty (30) days (fifteen (15) days in the event of payment default as stated above) from receipt of such written statement to cure the default. If the default is not resolved within the time stated above then the aggrieved party may seek the remedies set forth above.

e. Nothing herein shall prohibit either party from seeking a temporary restraining order, preliminary injunction or other equitable relief (particularly in the event of a default arising out of the confidentiality provisions) from a court of competent jurisdiction if, in such party's judgment, such action is necessary to avoid irreparable damage or to preserve the status quo.

7. **Intellectual Property.** City acknowledges and agrees that the Products and/or Services contain, embody and are based on, patented or patentable inventions, trade secrets, copyrights and other intellectual property rights (collectively, "Intellectual Property Rights") owned or controlled by Nexus IS or the manufacturer, and that Nexus IS or the manufacturer, respectively shall continue to be the sole owner of all Intellectual Property Rights in respect of the Products.

8. **Non-Solicitation.** Throughout the Term of this Agreement and for a period of one (1) year thereafter, City agrees not to directly solicit or hire any Nexus IS employees with whom it has had contact in the course of the services which are the subject of this Agreement, unless City obtains the prior written consent of Nexus IS. Should City hire an employee or agent of Nexus IS through employment or otherwise within this time period without Nexus IS prior written consent, the City shall immediately pay as liquidated damages to Nexus IS an amount equal to the employee's or agent's then current annual compensation.

9. Other Provisions.

a. **Entire Agreement.** This Agreement, including all documents referenced herein, attachments, or exhibits constitutes the entire agreement and understanding between the parties relating to its subject matter, and supersedes all prior or contemporaneous negotiations or agreements, whether written or oral, relating to its subject matter. THIS AGREEMENT MAY NOT BE MODIFIED, CHANGED OR AMENDED EXCEPT BY A



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WRITTEN AMENDMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH PARTY.

b. Waiver. No action taken by either party shall be deemed to constitute a waiver of compliance with any term or condition contained in this Agreement unless such waiver is in writing and signed by a senior executive of the waiving party.

c. Assignment. City may not assign any rights or obligations under this Agreement without Nexus IS prior written consent.

d. Notice. Notices required under this Agreement shall be sufficient if contained in writing and delivered by hand, express or overnight mail, or by registered or certified mail, postage prepaid, return receipt requested, addressed to the parties as specified below.

e. Severability. If any provision of this Agreement is for any reason held to be unenforceable, all other provisions of this Agreement will remain in full force and effect and the unenforceable provision shall be replaced by a mutually acceptable enforceable provision consistent with the parties' original intent.

f. Applicable Law. THIS AGREEMENT WILL HAVE BEEN MADE, EXECUTED AND DELIVERED IN THE STATE OF ARIZONA AND WILL BE GOVERNED AND CONSTRUED FOR ALL PURPOSES IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PROVISIONS.

g. Waiver of Jury Trial. The parties mutually, expressly, irrevocably and unconditionally waive the right to trial by jury in any and all actions or proceedings for any proceedings arising out of or relating to this Agreement. This clause survives the termination of this Agreement.

h. Survival of Obligations. THE PROVISIONS OF PARAGRAPHS 2, 4, 5, 6, 8, and 9 (a), (f), (g), (l), and (n) SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

j. Relationship of Parties. Each party undertakes performing its obligations pursuant to this Agreement as an independent contractor. Nothing contained herein or done pursuant to this Agreement shall make any party or its agents or employees the legal representative, agent or employee of any other party for any purpose whatsoever.

k. Unforeseen Circumstances. Nexus IS shall not be responsible for any failure to perform or delay in performing any of its obligations hereunder where and to the extent that such failure or delay results from causes outside the reasonable control of Nexus IS, environmental conditions, third party providers or other contractors, labor disputes, perils or other hazards.

l. Hazards. The presence of Hazards, such as asbestos, other hazardous materials or unsafe conditions as may be defined by OSHA, the EPA or other governmental entities, on the CITY'S premises shall be deemed an unsuitable environment and Nexus IS shall be entitled to cease performance under this Agreement until such Hazards have been removed or cured to Nexus IS' satisfaction.

m. Restrictive Covenants. Each party agrees not to actively solicit and hire any employees or contractors of the other party who have directly been involved in the Services under this Agreement without the prior written consent of such party.

n. Both parties agree that any claim arising out of this Agreement or the termination of this Agreement shall be brought within two (2) years of such claim or such claim shall be deemed waived.

BY SIGNING BELOW, BOTH PARTIES ACKNOWLEDGE THEY HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY THIS AGREEMENT.

Customer

By: Terry Johnson for SM
Name: Terry Johnson for
Title: Jamsheed Mehta Director of Transportation
Date: 7/30/12

Nexus IS

By: Tom Lyon
Name: Tom Lyon
Title: VP Managed Services
Date: 07/30/2012

*If Company is a corporation, indicate the position or office held by the person signing this Agreement on the title line. If Company is a partnership, the Agreement must be signed by all partners (or at least a "managing partner") with the word "partnership" on the title line. If the Company is an individual, insert the phrase "sole proprietor" on the title line.

Notices relating to a dispute must be sent to: Craig Tindall and Jamsheed Mehta 5850 West Glendale Avenue, Ste 450 Glendale, Arizona 85301

NEXUS IS INC. 27202 Turnberry Lane Suite 100 Valencia, CA 91355

**ADDENDUM TO NEXUS IS, INC. TERMS AND CONDITIONS
FOR THE NEXUS MASTER PURCHASE AGREEMENT
BETWEEN NEXUS IS, INC.
AND CITY OF GLENDALE, ARIZONA**

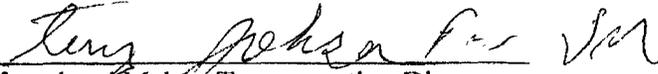
Nexus IS, further agrees as follows as of the Effective Date:

- I. Immigration Law Compliance.**
- A. Nexus IS, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to its employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- B. Any breach of warranty under subsection (A) above is considered a material breach of this Agreement and is subject to penalties up to and including termination.
- C. Customer retains the legal right to inspect the papers of Nexus IS or subcontractor employee who performs work under this Agreement to ensure that Nexus IS or any subcontractor is compliant with the warranty under subsection (A) above.
- D. Customer may conduct random inspections, and upon request of the Customer, Nexus IS shall provide copies of papers and records demonstrating continued compliance with the warranty under subsection (A) above. Nexus IS agrees to keep papers and records available for inspection by the Customer during normal business hours and will cooperate with Customer in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section I.
- E. Nexus IS agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of Customer. Nexus IS also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of Customer.
- F. Nexus IS' warranty and obligations under this Section I to Customer is continuing throughout the term of this Agreement or until such time as Customer determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- G. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.
- II. Prohibitions.** Nexus IS certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this Agreement will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.
- III. Conflicts.** This Agreement is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

By signing on the following page, the Customer and Nexus IS acknowledge the contents of this Addendum, Nexus IS Master Purchase Agreement, as well as the contents of the New Account Credit Application Form, all as attached and incorporated herein.

"Customer":

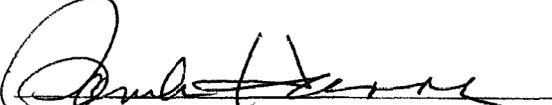
CITY OF GLENDALE, an Arizona
municipal corporation



Jamsheed Mehta, Transportation Director

Date: 7/9/12

ATTEST:



Pamela Hanna, City Clerk (SEAL)

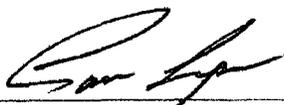
APPROVED AS TO FORM:



Craig Tindall, City Attorney

"Nexus IS, Inc.":

Nexus IS, Inc.,
a Delaware corporation authorized
to do business in Arizona



Printed Name: Tom Lyoff - VP Managed Services
Its: Representative
Date: 07/30/2012