

705.016

SOFTWARE LICENSE AGREEMENT

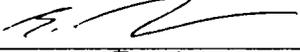
This Agreement effectively made this 28th day of July, 2004, between:

Name and Address of Licensor: Trapeze Software Group, Inc, an Arizona corporation ("Trapeze"), with its principal place of business at: 14400 N. 87 th Street, Suite 120 Scottsdale, Arizona 85260 United States of America	Name and Address of Licensee: City of Peoria ("Licensee"), with its principal place of business at: 8401 West Monroe Street Peoria, Arizona 85345 United States of America
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This Agreement represents the complete and exclusive agreement between Trapeze and Licensee concerning Licensee's use of the Software and all related matters and supersedes all prior agreements, negotiations, or understandings between Trapeze and Licensee in any way relating to these matters. No other terms, conditions, representations, warranties or guarantees, whether written or oral, express or implied, will form a part of this Agreement or have any legal effect whatsoever. In the event of any conflict or inconsistency between the provisions of this Agreement and the documents listed in Exhibit B, the terms and conditions of this Agreement will govern to the extent of such inconsistency. This Agreement may not be modified except by a later written agreement signed by both parties.

Trapeze and Licensee acknowledge having read and understood this Agreement and hereby agree to be bound by its terms and conditions.

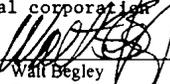
TRAPEZE SOFTWARE GROUP, INC.

Signature: 
Name: ~~Simon Permar~~ Jason Redman
Title: Chief Financial Officer Controller.

APPROVED AS TO FORM


Trapeze Counsel

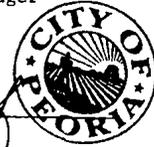
LICENSEE - CITY OF PEORIA, ARIZONA
A municipal corporation

Signature: 
Name: Walt Begley
Title: Transit Superintendent

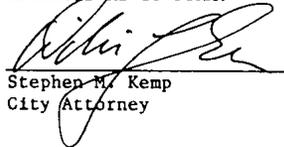
Signature: 
Name: Herman Kobergen
Title: Materials Manager

ATTESTED BY:

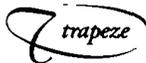

Mary Jo Kien
City Clerk



APPROVED AS TO FORM:


Stephen M. Kemp
City Attorney

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TERMS AND CONDITIONS

NOW THEREFORE, the parties agree as follows:

1. **Definitions** In this Agreement the capitalized words set out below will have the following meanings:

- "Agreement" this software license agreement effectively made as of the 28th day of July, 2004, between Trapeze and Licensee, and the attached exhibits, all of which form an integral part of this Agreement;
- "Documentation" the user documentation pertaining to the Software as supplied by Trapeze;
- "Maintenance Agreement" the agreement effectively made as of the 28th day of July, 2004, between Trapeze and Licensee setting out the terms and conditions by which Trapeze agrees to supply long-term maintenance and support services related to the use of the Software by Licensee, and the attached exhibits;
- "Software" the certain software as identified in Exhibit A of this Agreement;
- "Summary of Proposed Pricing" the summary of pricing information related to the Software, as annexed to Exhibit B and effectively dated May 1st, 2004;
- "Trade Secrets" the Software, Documentation, and other related information (including all modifications of the Software developed for Licensee) disclosed to Licensee under this Agreement, including trade secrets and other confidential and proprietary information of Trapeze.

2. **License** Trapeze grants to Licensee a personal, non-transferable and non-exclusive license restricted for use by Licensee at their place of business:

- (a) to use one production copy of the executable code version of the Software in the form supplied by Trapeze, on hardware approved by Trapeze, and in accordance with the further specifications set out in Exhibit A hereto; and
- (b) to use the Documentation, but only as required to exercise this license.

Licensee may make two back-up copies of the Software. Licensee may use the production copy of the Software solely to process Licensee's proprietary data. The Software may not be used on a service bureau or similar basis to process data of any third parties.

The license to use the Trapeze™ Malteze Transit Database is granted to Licensee solely for the development of internal reports by Licensee and for the integrated operation of Trapeze software components. Unless expressly included herein, all other access rights to the Trapeze™ Malteze Transit Database are excluded from this Agreement, and the Licensee shall not develop or use, or authorize the development or use of, any other application interfaces to or from the Trapeze™ Malteze Transit Database.

Licensee will not attempt to reverse compile, disassemble, or otherwise reverse engineer all or any part of the Software. Other than the rights of use expressly conferred upon Licensee by this paragraph, Licensee will have no further rights to use the Software or Documentation. Licensee will not copy, reproduce, modify, adapt, translate or add new features to the Software or the Documentation without the express written consent of Trapeze. Licensee will not permit disclosure of, access to, or use of the Software or the Documentation by any third party unless authorized in writing by Trapeze.

3. **Services** As itemized in the Summary of Proposed Pricing, Trapeze will perform for the benefit of Licensee services related to Licensee's use of the Software. Such services may include installation, modification, testing, training and additional services (the "Services").



4. **Acceptance Procedure** Upon completing the delivery, installation, and testing of the Software, Trapeze will notify Licensee in writing. Licensee will then have ten (10) business days in which to conduct acceptance tests in order to ensure that the Software operates in all material respects as specified in the Documentation. At the end of this period, Licensee will be deemed to accept the Software unless Trapeze receives prior written notice outlining the nature of the perceived defects in the Software.

Notwithstanding the above, Licensee will be deemed to accept the Software when the Licensee puts the Software into operational and functional use. Without limiting the foregoing, the Software will be deemed to be in operational and functional use when the Licensee first uses the Software to support its then current operations in any capacity. Upon the deemed acceptance of the Software in accordance with this paragraph, Licensee will provide Trapeze with a written acknowledgement to confirm such acceptance.

5. **Payment** Trapeze will invoice Licensee for the Software license fee(s) as set out in and according to the Summary of Proposed Pricing. The full amount of the license fee is set out in Exhibit A. Trapeze will invoice Licensee monthly for the Services provided, in accordance with the Summary of Proposed Pricing. The totals amounts due for all service fees and modifications fees, as those fees are set out in the Summary of Proposed Pricing, are firm fixed amounts and will be invoiced on that basis. Trapeze will also invoice Licensee monthly for related expenses, and such expenses will be calculated on a fixed rate per diem basis, as those rates are set out in the Summary of Proposed Pricing. Subject to receipt of an accurate invoice, Licensee will pay invoices within thirty (30) days of receipt. Overdue payments will bear interest at the annual rate of fifteen percent (15%) on the amount outstanding from the date when payment is due until the date payment in full is received by Trapeze. Licensee will also be responsible for payment of all applicable taxes and other levies, including sales and use taxes, and this obligation will survive termination of this Agreement. If Licensee has a tax exemption certificate, a copy of the certificate must be provided to Trapeze upon signing of this Agreement to avoid payment of the applicable tax to Trapeze.

6. **Trade Secrets** Licensee acknowledges that the Trade Secrets are owned by Trapeze or Trapeze has the applicable rights of use and Licensee will maintain the Trade Secrets in strict confidence and not disclose the Trade Secrets to any third party without Trapeze's prior written consent. These obligations of confidentiality will survive termination of this Agreement.

7. **Media and Publication** Upon reasonable notice and consultation with the Licensee, Trapeze shall be entitled to publish press releases and other general marketing information related to this Agreement and the work done hereunder. Except for the foregoing, and subject to the strict requirements of the law, neither party will communicate with representatives of the general or technical press, radio, television, or other communication media regarding the work performed under this Agreement without the prior written consent of the other party.

8. **Warranty** Trapeze warrants the Software to operate in all material respects as specified in the Documentation up until the date upon which the Software is first put into operational and functional use, as defined in the "Acceptance Procedure" paragraph herein. The sole remedy of Licensee for any breach of this warranty will be to require Trapeze to use reasonable efforts to correct, at its own expense, any defects in the Software that are brought to Trapeze's attention by Licensee.

This warranty is in lieu of all other warranties, conditions or other terms, express or implied, concerning the Software. It explicitly excludes any other warranty, condition or other term which might be implied or incorporated into this Agreement, whether by statute, regulation, common law, equity or otherwise, including without limitation any implied warranties or conditions of quiet usage, merchantability, merchantable quality, fitness for a particular purpose, or from the course of dealing or usage of trade as allowed by law. In particular, Trapeze does not warrant that: (i) the Software will meet any or all of Licensee's particular requirements; (ii) that the operation of the Software will operate error free or uninterrupted; or (iii) all programming errors in the Software can be found in order to be corrected.

9. **Indemnity** Trapeze will defend Licensee in respect of any claims brought against Licensee by a third party based on the claim that the Software infringes the intellectual property rights of that third party. Trapeze will pay any award rendered against Licensee by a court of competent jurisdiction in such action, provided that Licensee



gives Trapeze prompt notice of the claim and Trapeze is permitted to have full control of any defense. If all or any part of the Software becomes, or in Trapeze's opinion is likely to become, the subject of such a claim, Trapeze may either modify the Software to make it non-infringing or terminate this Agreement as it relates to the infringing portion of the Software. This is Trapeze's entire liability concerning intellectual property infringement. Trapeze will not be liable for any infringement or claim based upon any modification of the Software developed by Licensee, or use of the Software in combination with software or other technology not supplied or approved in advance by Trapeze, or use of the Software contrary to this Agreement or the Documentation.

10. Exclusion of Liability

a) Trapeze and Licensee do not rely on and will have no remedy arising from any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement. The only remedy available to Licensee for breach of warranty is for breach of contract under the terms of this Agreement. This does not preclude a claim for fraud.

b) Trapeze does not guarantee the privacy, security, authenticity or non-corruption of any information transmitted through the internet or any information stored in any system connected to the internet. Trapeze shall not be responsible for any claims, damages, costs or losses whatsoever arising out of or in any way related to Licensee's connection to or use of the internet.

c) Trapeze will not be liable to Licensee or any third party for any claims, expenses, damages, costs or losses whatsoever arising out of or in any way related to:

(i) Licensee's use of map or geographical data, owned by Licensee or any third party, in conjunction with the Software or otherwise; or

(ii) Licensee's use of the Software insofar as such Software may be used to store, transmit, display, disclose or otherwise use data or information which is considered private, confidential, proprietary or otherwise exempt from public disclosure under applicable law.

(d) Trapeze's entire liability and responsibility for any claims, damages, costs or losses whatsoever arising either jointly or solely from or in connection with this Agreement or the Software Maintenance Agreement, or the use of the Software (whether or not in the manner permitted by this Agreement), including claims for breach of contract, tort, misrepresentation, or otherwise, or the development, modification or maintenance of the Software will be absolutely limited to the amount of the license fees paid by Licensee.

(e) Trapeze will not be liable to the Licensee or any third party for losses or damages suffered by Licensee or any third party which fall within the following categories:

- i) incidental or consequential damages, whether foreseeable or not;
- ii) special damages even if Trapeze was aware of circumstances in which special damages could arise;

iii) loss of profits, anticipated savings, business opportunity, goodwill, or loss of information of any kind.

(f) Paragraphs (d) and (e) do not apply to claims arising out of death or personal injury caused by either party's gross negligence or fraudulent misrepresentation.

11. Termination

(a) The license granted by this Agreement is effective until terminated.

(b) Trapeze has the right to terminate the license granted under this Agreement if Licensee is in default of any term or condition of this Agreement, and fails to cure such default within seven (7) days after receipt of written notice of such default. Without limitation, the following are deemed Licensee defaults under this Agreement: (i)

City of Peona/PASS Migration/License

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Trapeze Proprietary and Confidential



Licensee fails to pay any amount when due hereunder; (ii) Licensee becomes insolvent or any proceedings will be commenced by or against Licensee under any bankruptcy, insolvency or similar laws.

(c) If Licensee develops software that is competitive with the Software, or Licensee is acquired by or acquires an interest in a competitor of Trapeze, Trapeze shall have the right to terminate this Agreement immediately.

(d) If the license granted under this Agreement is terminated, Licensee will immediately return to Trapeze all copies of the Software, the Documentation and other materials provided to Licensee pursuant to this Agreement and will certify in writing to Trapeze that all copies or partial copies of the Software, the Documentation and such other materials have been returned to Trapeze or destroyed.

12. Force Majeure Trapeze will not be responsible for, and its performance of obligations will automatically be postponed as a result of, delays beyond Trapeze's reasonable control, provided that Trapeze notifies the Licensee of its inability to perform with reasonable promptness and performs its obligations hereunder as soon as circumstances permit.

13. Assignment This Agreement is for the sole benefit of Licensee and may not be assigned by Licensee without the prior written consent of Trapeze.

14. Applicable Law This Agreement will be governed by and construed in accordance with the laws of the State of Arizona.

15. Third Parties No party other than Licensee shall be licensed to use the Software by this Agreement, unless such use is expressly permitted by the terms of this Agreement. In the event that this Agreement does allow for the use of the Software by certain designated third party service providers, the Licensee shall be responsible for taking all reasonable steps to ensure that the service provider is fully compliant with the terms of this Agreement including without limitation any restrictions on use of the Software and obligations of confidentiality. Trapeze does not assume, and hereby expressly excludes, any obligations or duties to any third parties, whether expressly named in this Agreement or not, which may be inferred or implied by statute, regulation, common law, equity or otherwise.

16. Notices All notices must be in writing and will be duly given if delivered personally or sent by registered or certified mail to the respective addresses of the parties appearing on page one of this Agreement. Any notice given will be deemed to have been received on the date it is delivered if delivered personally, or, if mailed, on the fifth business day next following its mailing. Either party may change its address for notices by giving notice of such change, as required in this section.

17. Purchase Order Upon execution of this Agreement, Licensee will issue a Purchase Order specifying the amount of **\$26,960 U.S.** (this amount excludes any sales taxes, first year maintenance fees or escrow fees which may apply) for the provision of Software licenses and Services, as set out in the Summary of Proposed Pricing. The Purchase Order will be governed exclusively by the terms and conditions of this Agreement.

18. Audits Trapeze may perform audit(s) on the use of the Software and Documentation upon giving Licensee written notice of at least five (5) business days. Licensee agrees to make the necessary operational records, databases, equipment, employees and facilities available to Trapeze for the audit(s). The purpose of the audit will be to verify compliance with the terms and conditions of this Agreement.



EXHIBIT A

Item	Licensed Product	Product Description	Configuration	Gross License Fee	License Date
1.	Trapeze-PASS	Registration, booking, scheduling, dispatching	Base Station and 3 Concurrent Workstations	\$40,500 [Please note that these fees were fully discounted because this is a migration. The price for this migration is found in Section 17 of this License Agreement]	Effective date of this Agreement
2.	Trapeze-Malteze Database	For the purposes of Report Writing only	Network	Included	Included
	TOTAL			\$40,500	

1. Licenses are provided for operations up to 399 booked paratransit trips a day.
2. Third Party Runtime licenses, if required to operate the Software, are not included.
3. Proposed software solution is designed for the Windows 2000/XP operating environments, with an ODBC database infrastructure (the Malteze Transit Database) designed by and proprietary to Trapeze, configured for the Oracle 8/MS SQL database engine.
4. Third Party data, hardware and system/operating software are not included within the license granted under this Agreement and are not included in the License fees.
5. Upon request, Trapeze will assist in reviewing hardware specifications, however the Licensee is responsible for purchasing hardware and any other pre-requisite products. Any hardware that must be tested by Trapeze may require additional service days not included in this Agreement.
6. Any components may be operated on any of the licensed workstations within a configuration approved by Trapeze. Licenses for additional local or remote workstations may be purchased at the then current rates.

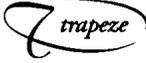
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EXHIBIT B

- Item:
1. Summary of Proposed Pricing, attached.
 2. Software Maintenance Agreement.

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SUMMARY OF PROPOSED PRICING

1.0 Total Application Software

Item	Description	Trapeze -PASS
1	License Fees	\$ 40,500
2	Implementation Services	26,400
3	Client Specific Modifications	-
4	Expenses	560
5	Purchase Incentives	(40,500)
Total Cost (US\$)		\$ 26,960

1.0 Total Application Software

Item	Description	Trapeze -PASS
1	Warranty	<i>excluded</i>
2	Maintenance	\$ 8,100
Total Cost (US\$)		\$ 8,100

*License fees reflect a temporary reduction to three licenses subject to increase to four within a twenty-four month period
 Fourth license will be redeemed at no additional cost with the exception of the increased price in annual Maintenance
 Prices in effect for 90 days.
 Taxes which may be applicable are not included.
 Hardware pricing has not been included and is the responsibility of the client.*

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PROPOSAL.

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Payment Schedule

Item	Description
1	Implementation Services are invoiced as performed by milestone
2	Expenses as incurred

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PROPOSAL

Page 1

Confidential to Trapeze - Not to be Disclosed

City of Peoria (Peoria, AZ)

REVISED 05-01-04



SOFTWARE MAINTENANCE AGREEMENT

This Agreement effectively made this 28th day of July, 2004, between:

<p>Name and Address of Licensor: Trapeze Software Group, Inc., an Arizona corporation ("Trapeze"), with its principal place of business at: 14400 N. 87th Street, Suite 120 Scottsdale, Arizona 85260 United States of America</p>	<p>Name and Address of Licensee City of Peoria ("Licensee") with its principal place of business at: 8401 West Monroe Street Peoria, Arizona 85345 United States of America</p>
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This Agreement represents the complete and exclusive agreement between Trapeze and Licensee concerning long term support and maintenance services and all related matters and supersedes all prior agreements, negotiations, discussions or understandings between Trapeze and Licensee in any way relating to these matters. No other terms, conditions, representations, warranties or guaranties, whether written or oral, express or implied shall form a part of this Agreement or have any legal effect whatsoever. This Agreement may not be modified except by a later written agreement signed by both parties.

Trapeze and Licensee acknowledge having read and understood this Agreement and agree to be bound by its terms and conditions.

TRAPEZE SOFTWARE GROUP, INC.

Signature: [Signature]
Name: ~~Simon Parmer~~ Jason Redman
Title: ~~Chief Financial Officer~~ Controller

LICENSEE - CITY OF PEORIA, ARIZONA

A municipal corporation
Signature: [Signature]
Name: Walt Begley
Title: Transit Superintendent

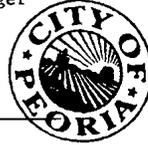
APPROVED AS TO FORM

[Signature]
Trapeze Counsel

Signature: [Signature]
Name: Herbert Koebergen
Title: Materials Manager

ATTESTED BY:

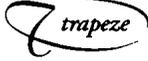
[Signature]
Mary Jo Kie
City Clerk



APPROVED AS TO FORM:

[Signature]
Stephen M. Kemp
City Attorney

A CON 35904



TERMS AND CONDITIONS

NOW THEREFORE the parties agree as follows:

1. **Definitions** In this Agreement, unless the context requires otherwise, the capitalized words set out below shall have the following meanings:

"Agreement"	this software maintenance agreement effectively made as of the 28 th day of July, 2004, between Trapeze and Licensee, setting out the terms and conditions by which Trapeze agrees to supply maintenance and support services to Licensee related to the use of the Software by Licensee, and the attached exhibits;
"Confidential Information"	all information obtained by the parties from each other under this Agreement, but does not include any information, which at the time of disclosure is generally known by the public.
"License Agreement"	the software license agreement effectively made as of the 28 th day of July, 2004, between Trapeze and Licensee, and the attached exhibits;
"New Product"	any update, new feature or major enhancement to the Software that Trapeze markets and licenses for additional fees separately from Upgrades;
"Upgrades"	generic enhancements to the Software that Trapeze generally makes available as part of its long term software support program.

All other capitalized words or phrases in quotations marks as used in this Agreement shall have the same meaning as in the License Agreement.

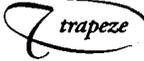
2. **Maintenance and Support Services** Trapeze agrees to provide the following software maintenance and support services during the term of this Agreement:
- (a) Trapeze will maintain the Software so that it operates in conformity, in all material respects, with the descriptions and specifications for the Software set out in the Documentation.
 - (b) If Licensee detects any errors or defects in the Software, Trapeze will provide reasonable support services through a telephone software support line from Monday to Friday, 8 a.m. to 8 p.m. EST. Upon registration by Licensee, Trapeze will also provide Licensee with access to its software support website.
 - (c) Trapeze will provide written updates to Licensee detailing the Upgrades of the Software and New Products.
 - (d) At Licensee's request, Trapeze shall provide Licensee with Upgrades of the Software at no additional charge.
 - (e) Licensee shall be entitled to acquire a license to New Products for Trapeze's then current license fees. Software Upgrades and New Products will be provided with updated Documentation where available and appropriate.
3. **Extras** The support services shall not include, and Licensee shall pay additional fees for, any and all consulting, implementation, customisation, education and training related services.
4. **Fee** Licensee shall pay an annual maintenance fee to Trapeze as provided in Exhibit A. This fee shall be subject to change as set out in Exhibit A. Licensee shall issue a Purchase Order annually specifying the amount set forth in the Trapeze invoice for maintenance services in accordance with Exhibit A. The Purchase Order shall be governed by the terms and conditions of this Agreement.

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5. **Restricted Use** All Documentation, Upgrades, New Products, and any other materials provided to Licensee under this Agreement will be subject to the same terms and rights of use as apply to the Software and Documentation under the License Agreement.
6. **Remote Access** Licensee shall at its expense and at Trapeze's request provide Trapeze with the right of remote access to Licensee's computers on which the Software is installed, so as to enable Trapeze to monitor the operation of the Software and provide maintenance and support services under this Agreement.
7. **Extra Fees, Interest on Overdue Accounts and Taxes** Trapeze will invoice Licensee for any services outside the scope of this Agreement (including installation, customisation, training and other services) and related expenses on a monthly basis for such services performed and expenses incurred during each month. All such services shall be performed under a written work order to be agreed to by both parties. Overdue payments shall bear interest at the annual rate of fifteen percent (15%) on the amount outstanding from the date when payment is due until the date payment in full is received by Trapeze. Licensee will also be responsible for payment of all taxes and other levies, including sales and use taxes, and this obligation shall survive termination of this Agreement.
8. **Confidentiality** The parties will not disclose Confidential Information to third parties, without the prior written consent of the other party.
9. **Term** The initial term of this Agreement shall be for a period of one (1) year commencing on the expiration date of the warranty period set out in the "Warranty" paragraph of the License Agreement, and it shall be automatically renewed as long as Licensee remains licensed by Trapeze to use the Software, unless earlier canceled in writing by either party at any time upon 90 days written notice. If this Agreement is terminated by Licensee or is not renewed annually, Licensee acknowledges there may be additional costs and fees associated with and the issuance of a new Software Maintenance Agreement.
10. **Termination**
 - (a) This Agreement shall automatically terminate if Trapeze or Licensee terminates the License Agreement.
 - (b) Either party has the right to terminate this Agreement if the other party fails to perform any obligation hereunder, and if such default has not been cured within fifteen (15) days after receipt of notice of such default.
 - (c) Either party may terminate this Agreement by written notice if the other party becomes insolvent or bankrupt.
 - (d) The obligations of each party pertaining to Confidential Information and taxes shall survive the termination of this Agreement.
11. **Force Majeure** Trapeze shall not be responsible for, and its performance of obligations shall automatically be postponed as a result of, delays beyond Trapeze's reasonable control, provided that Trapeze notifies the Licensee of its inability to perform with reasonable promptness and performs its obligations hereunder as soon as circumstances permit.
12. **Limited Warranty** Trapeze warrants that during the term of this Agreement, it will maintain the Software in accordance with the terms and conditions of this Agreement, based on the professional standards that it utilises for all of its customers in the transit industry within North America.

Except as explicitly stated in this Agreement, there are no conditions, warranties or other terms binding on the parties concerning the services contemplated under this Agreement. This Agreement excludes any condition, warranty or other term which might be implied or incorporated into this Agreement, whether by statute, regulation, common law, equity or otherwise, including any implied warranties or conditions of quiet usage, merchantability, merchantable quality and fitness for a particular purpose, or from the course of dealing or usage of trade (as allowed by law). In particular, Trapeze does not warrant that: (1) the Software will meet



any or all of Licensee's particular requirements; (ii) that the operation of the software will operate error free or uninterrupted; or (iii) all programming errors in the software can be found in order to be corrected.

13. Exclusion of Claims and Liability

a) Trapeze and Licensee do not rely on and will have no remedy arising from any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement. The only remedy available to Licensee for breach of warranty is for breach of contract under the terms of this Agreement. This does not preclude a claim for fraud.

b) Trapeze does not guarantee the privacy, security, authenticity or non-corruption of any information transmitted through the internet or any information stored in any system connected to the internet. Trapeze shall not be responsible for any claims, damages, costs or losses whatsoever arising out of or in any way related to Licensee's connection to or use of the internet.

c) Trapeze will not be liable to Licensee or any third party for any claims, expenses, damages, costs or losses whatsoever arising out of or in any way related to:

(i) Licensee's use of map or geographical data, owned by Licensee or any third party, in conjunction with the Software or otherwise; or

(ii) Licensee's use of the Software insofar as such Software may be used to store, transmit, display, disclose or otherwise use data or information which is considered private, confidential, proprietary or otherwise exempt from public disclosure under applicable law.

(d) Trapeze's entire liability and responsibility for any claims, damages, costs or losses whatsoever arising either jointly or solely from or in connection with this Agreement or the Software License Agreement, or the use of the Software (whether or not in the manner permitted by this Agreement), including claims for breach of contract, tort, misrepresentation, or otherwise, or the development, modification or maintenance of the Software will be absolutely limited to the amount of the license fees paid by Licensee.

(e) Trapeze will not be liable to the Licensee or any third party for losses or damages suffered by Licensee or any third party which fall within the following categories:

i) incidental or consequential damages, whether foreseeable or not;

ii) special damages even if Trapeze was aware of circumstances in which special damages could arise;

iii) loss of profits, anticipated savings, business opportunity, goodwill, or loss of information of any kind.

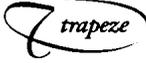
(f) Paragraphs (d) and (e) do not apply to claims arising out of death or personal injury caused by either party's gross negligence or fraudulent misrepresentation.

14. Assignment This Agreement is for the sole benefit of Licensee and may not be assigned by Licensee without the express written consent of Trapeze.

15. Applicable Law This Agreement shall be governed by and construed in accordance with the laws of state of Arizona.

16. Notices All notices must be in writing and will be duly given if delivered personally or sent by registered or certified mail to the respective addresses of the parties appearing on page one of this Agreement. Any notice given will be deemed to have been received on the date it is delivered if delivered personally, or, if mailed, on the fifth business day next following its mailing. Either party may change its address for notices by giving notice of such change, as required in this section

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MAINTENANCE EXHIBIT A

Item	Licensed Product	Initial License Fee	First Year Maintenance Fee*
1.	Trapeze-PASS	\$40,500	\$8,100
2.	Trapeze-Malteze Database	Included	Included
	TOTAL		

* First year fee only. For all subsequent years, the annual maintenance fee will be the result of the license fee, based on the peak number of trips as carried out by Licensee at the maintenance anniversary date, multiplied by the license fee percentage, all according to the standard Trapeze price list at that time.

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CONTRACT AMENDMENT

Materials Management Procurement

8314 W. Cinnabar Ave.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No: A05-016 Page 1 of 1
Description: Transit Pass Software and Maintenance
Amendment No: One (1) Date: 01/31/05

Buyer: Kimberley Benedict

1. Trapeze Software Group shall provide Consulting Services from Mr. Paul Johnson for Transit Pass Software and Maintenance at the City of Peoria facility located at 8850 North 79th Avenue Peoria, Arizona 85345. Fee for this service shall be in the amount of \$150.00 per hour, plus \$35.00 per day for per diem, for approximately one (1) day in February, 2005, and approximately one (1) day in June, 2005. The exact dates that services shall be rendered are negotiable.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.


Feb 14, 05
Jason Redman - Director of Finance
Trapeze Software Group, Inc.

Signature Date Typed Name and Title Company Name

8360 E. Via de Ventura, Suite L-200 Scottsdale AZ 85258
 Address City State Zip Code

Attested by:



Mary Jo Kief, City Clerk



City Seal

CC Number

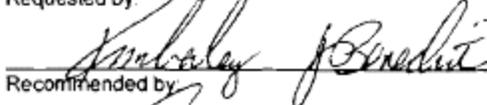
ACON 35904 A

Contract Number:

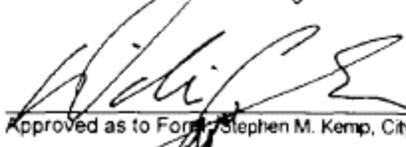
Official File

 Candy Roberts

Requested by:

 Kimberley Benedict

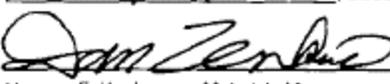
Recommended by:

 Stephen M. Kemp, City Attorney

Approved as to Form:

The above referenced Contract Amendment is hereby Executed

FEBRUARY 24TH, 2005, at Peoria, Arizona

 Herman F. Koebergen, Materials Manager

For