SOFTWARE SUBSCRIPTION AGREEMENT

This SOFTWARE SUBSCRIPTION AGREEMENT is entered into as of June 30, 2012 and contains the subscription agreement between (Suffolk County Community College) ("Subscriber") and T2 SYSTEMS, INC. ("T2"). Subscriber specific details are contained in the Quote, attached hereto as Addendum A. Certain terms are defined in Article 13.

Article 1. SOFTWARE SUBSCRIPTION

Section 1.1 Software Subscription. T2 grants to Subscriber a non-exclusive right to use: (i) one Production Copy of the T2 Flex® Software for its Authorized Concurrent Users and (ii) copies of the handheld ticket-writer software equal to the number of handheld ticket-writer Hardware units purchased by Subscriber, if applicable. T2 grants the Subscription(s) for the Authorized Purposes and no other purposes. At no time may the number of user accounts for the Software exceed the number of Authorized Concurrent Users. T2 has the right to monitor number of Concurrent Users. Subscriber may increase the number of Authorized Concurrent Users in the manner provided for in the Quote.

Section 1.2 Term. The Subscriptions granted in this Article 1 and Article 4 are for the term of June 30, 2012 to June 29, 2015.

Section 1.3 Warranty of Functionality. T2 warrants to Subscriber that:

For a period of ninety (90) days after T2 installs the T2 Flex® Software, including the handheld ticket-writer Software if applicable, at the Subscriber’s premise or installs it on the Hosted System, whichever the case may be, the Software will provide at least the functionality contained in the then-current product literature as posted on T2’s corporate website, and will perform without errors which would significantly affect its ability to provide that functionality. This warranty is contingent upon Subscriber advising T2 of any failure of the T2 Flex® Software to perform within ninety (90) days after the Installation Date. The notice to T2 shall specifically identify the error or errors. T2’s services in connection with the correction of the errors shall be provided without charge to Subscriber. T2 does not warrant that the operation of the T2 Flex® Software will be uninterrupted or error free. Further, T2 does not warrant that the T2 Flex® Software will operate on any particular configuration of software, operating system or computer system.

Section 1.4 No Other Warranties. The warranties made by T2 in Section 1.3 with regard to both the T2 Flex ® Software and the handheld ticket-writer Software are in lieu of all other representations or warranties, express or implied, including without limitation any implied warranties of design, merchantability, or fitness for any specific or general purpose and those arising by statute or by law, or from a course of dealing, or usage of trade, all of which are disclaimed.
Section 1.5 Installation. Except as provided in Section 3.2, T2 shall install the Software and confirm that the Software is working properly. Once the Software is installed, the Subscriber shall verify that the installation is complete and the Software is working properly.

Article 2. HARDWARE

Section 2.1 Applicability. The provisions of this Article 2 apply only if Quote states that T2 or an authorized T2 Systems distributor will sell hardware (the “Hardware”) and related software. In addition, the provisions of Article 2 only apply to Hardware purchased through T2 or an authorized T2 Systems distributor. Any Hardware purchased from sources outside of T2 will be the sole responsibility of the Subscriber. T2 will not be responsible for the failure of the software to perform to the extent that such failure to perform is due to the failure of a third party function, such as Internet availability required for the connection between the Hardware and Flex or the wireless network availability required for the T2 Software to be able to send and receive data. In no event shall T2 be liable for the failure of the software to perform if such failure arises due to the combination of the software with third party hardware or software. T2 shall not cover repair, labor or replacement of parts that are by nature expendable.

Section 2.2 Hardware Warranty. T2 warrants to the Subscriber that the Handheld Hardware will be free from defects in workmanship and materials, under normal use, for one year (365) days from the date the Hardware is delivered.

Section 2.3 Access Revenue Control Hardware Warranty. T2 Systems warrants that all hardware sold will be free from any defects in material and workmanship for the warranty periods described below under normal operating conditions when installed in accordance with the T2 Systems installation instructions, normal wear and tear excepted.

The warranty periods for the following products are:

(i) Vehicle Gates: 2 years or 1 million cycles. (Whichever comes first)

(ii) Revenue equipment (including firmware): 1 year

(iii) Loop Detectors: 1 year

The warranty period shall start from the date of installation of the product by certified installation personnel. If a project requires a delayed warranty start date, the distributor or customer must request a delayed start date in writing five business days before the scheduled installation date. T2 Systems will review and accept on a case by case basis. No distributor shall have the authority to bind T2 Systems to any warranty beyond that extended therein.

Section 2.4 Exclusive Remedy. Should a Hardware Error occur during the warranty period and you notify T2, Subscriber’s sole and exclusive remedy shall be, at T2’s sole option and expense, to repair or replace the Hardware parts which have been found to be defective. At T2’s sole discretion, parts may be repaired as opposed to being replaced. T2 may
replace parts with others of like kind and quality. T2 will provide service at any T2 service center or at such other location as may be designated by T2. Subscriber agrees to follow the Return Materials Authorization Process as set forth in Section 2.8.

Section 2.5 Hardware Repair Limitations. T2’s liability for Hardware repairs under this Agreement shall be limited to the actual cash value of the Hardware in operating condition at the time of the claim. Except as otherwise expressly agreed by T2, nothing herein shall obligate T2 to repair or replace aesthetic or structural items including, but not limited to, damage to the case or screen from dropping, warping of any kind to housing, case or frame of the Hardware. Subscriber agrees that it is responsible for repair costs associated with worn out or damaged touch screens or LCD modules. This Agreement only applies to the operation of the Hardware under the conditions for which it was designed, and does not cover damage resulting from external causes such as, but not limited to, damage resulting from a collision with any object or from fire, flooding, sand, dirt, windstorm, hail, earthquake, act of God, damage from exposure to weather conditions not anticipated or contemplated by the manufacturer’s specifications, battery leakage, theft, misuse, abuse, damage from failure of, or improper use of, any electrical sources or connection to other products not recommended for interconnection by the Hardware manufacturer. Subscriber shall perform all preventative maintenance recommended by the Hardware manufacturer to maintain the Hardware in operating condition and Subscriber agrees that any loss or damage resulting from the failure to provide the Hardware manufacturer’s recommended maintenance is not covered by this Agreement.

Section 2.6 Obsolete Hardware. While it is T2’s intention to support Hardware for as long as is technically and financially feasible, T2 reserves the right to discontinue maintenance and support of obsolete Hardware twelve months after providing written notice to Subscriber. After that time, T2 will offer repair services on the then-current standard rates for time and materials for the obsolete Hardware so long as parts and labor are reasonably available.

Section 2.7 Engineering Modifications. All products of T2 Systems are subject to design and/or appearance modifications which are production standards at the time of shipment. T2 Systems may, but shall not be required, to, modify, or update products shipped prior to a current production standard.

Section 2.8 Return Materials Authorization (RMA) Process. In the event that Subscriber experiences a malfunction with respect to the Hardware, Subscriber shall call T2 technical support in order to determine the cause of the malfunction. If T2 technical support determines that the Hardware does require service, the technician will instruct Subscriber as to the proper return procedure. A Return Material Authorization Number (RMA) must be obtained before product is returned. Subscriber shall return the damaged Hardware, together with a description of the malfunction, to T2 or other service location as directed by the T2 technician. Subscriber shall remove the Flash ROM or RAM cards prior to shipping the Handheld Hardware to the appropriate T2 service center. Subscriber is responsible for all freight and insurance charges inbound to the service center. T2 is responsible for all freight and insurance charges outbound from the service center. T2 Systems is not responsible for removal, installation, or any incidental expenses incurred in replacing the defective item or shipping the product to or from the distributor or customer.

Section 2.9 Restocking Fee for Returned Hardware. The Subscriber may return handheld and T2 Point of Sale hardware within 30 days of delivery if the
goods are in an unsoiled, undamaged, new, and re-saleable condition. The Subscriber may cancel access and revenue control hardware within three (3) weeks of T2 receiving a purchase order. T2 charges a minimum of 25% restocking fee on all equipment that is returned unless the delivered goods were damaged or found malfunctioning upon arrival by purchaser. The credit will be issued only after the equipment is inspected and determined by an Employee of T2 to be in unsoiled, undamaged, new and re-saleable condition. The Subscriber will pay for all freight charges to T2's plant unless the delivered goods were damaged or found malfunctioning upon arrival, in which case the seller shall pay all return freight charges. Subscriber and/or the Distributor agree to inspect all delivered pieces of ARC hardware immediately and report any visible damage within 48 hours to T2. Failure to report damage in this time frame will result in the inability to replace damaged goods. Hidden damage (i.e. electrical issues, board malfunctions, etc.) must be reported within 7 days.

Section 2.10 Limitation of Liability. THE WARRANTIES AND REMEDIES SET FORTH IN THIS ARTICLE 2 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, TERMS OR CONDITIONS, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, CORRESPONDENCE WITH DESCRIPTION, SATISFACTORY QUALITY AND NON-INFRINGEMENT, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY T2. T2 SHALL NOT BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES OF ANY KIND, LOSS OF INFORMATION OR DATA, LOSS OF REVENUE, LOSS OF BUSINESS OR OTHER FINANCIAL LOSS ARISING OUT OF OR IN CONNECTION WITH THE SALE OR USE OF THE HARDWARE, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR ANY OTHER THEORY, EVEN IF T2 HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF ANY LIMITED REMEDY SPECIFIED IN THIS SUBSCRIPTION AGREEMENT IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. Please refer to Addendum B ("Indemnification and Limitation of Liability"), attached hereto and made a part hereof, which shall control.

Article 3. Hosting Services

Section 3.1 Applicability. The provisions of this Article 3 apply only if Quote states that T2 will provide hosting services ("Hosting Services").

Section 3.2 Software Installation. T2 shall install the Software on the Hosting System.

Section 3.3 Access. In consideration of the payment of the Hosting Fee, T2 will provide Subscriber access to the Software via the Hosting Services and Hosting System. Subscriber may access the Hosting System using Subscriber's remote access equipment. T2 shall undertake commercially reasonable efforts to provide Subscriber with consistent service in a shared hardware environment (i) insulated from changes in the Internet, and (ii) sufficient to access the Software on T2 Application Server through the Internet twenty-four (24) hours per day, seven (7) days per week, except for routine maintenance performed pursuant to notice to
Subscriber. T2 shall monitor T2's Application Server and undertake commercially reasonable efforts to restore promptly all failures of service at no additional charge to Subscriber. Subscriber shall be solely responsible for (i) providing Internet devices and supported browsers, and (ii) Internet connections, at Subscriber's sole cost and expense.

Section 3.4 **Hours of Operation.** Generally, connectivity will be available seven (7) days per week, twenty-four (24) hours per day. Subscriber's access is subject to outages for scheduled maintenance activities and outages attributable to failure of the Subscriber's telecommunications provider to provide an Internet connection. Whenever practical, scheduled maintenance activities will be performed [outside] the hours of 8:00 a.m. and 8:00 p.m ET. Notice of scheduled maintenance shall be provided to Subscriber via email.

Section 3.5 **Maintenance and Updates.** T2 shall provide maintenance for the Hosting System, including updates and patches and shall install any updates or enhancements for the Software that are released by T2 to its Subscribers. T2 will notify Subscriber when the updated version is available.

Section 3.6 **Improvements.** In order to maintain the quality of the Hosting Services provided by T2 hereunder, T2 reserves the right to change the hours of operation and other facilities and procedures relating to access and use of its Hosting Services. T2 will provide Subscriber with ten (10) days notice prior to any planned improvements that may materially affect the Hosting Services.

Section 3.7 **Passwords and Security.** Subscriber will control the issuance of passwords and user IDs for the use of the Software by Subscriber's Authorized Concurrent Users. Subscriber shall be responsible for the confidentiality of all those passwords. Subscriber acknowledges that it will be responsible for all liabilities incurred through use of any password assigned to Subscriber, and that any transactions under Subscriber's password will be deemed to have been performed by Subscriber.

Section 3.8 **Ownership of Data.** Subscriber shall maintain ownership of any Subscriber Data provided to T2 or input to the Software pursuant to this Agreement. T2 shall not supplement, modify or alter any Subscriber Data except as directed or requested by Subscriber (other than technical modifications necessary to upload/format the Subscriber Data to the Web Site).

Section 3.9 **Limitation of Liability.** Please refer to Addendum B ("Indemnification and Limitation of Liability") attached hereto and made a part hereof.

Section 3.10 **Warranties.** EXCEPT AS MAY BE OTHERWISE SPECIFICALLY SET FORTH IN THE QUOTE, T2 MAKES NO REPRESENTATIONS OR WARRANTIES CONCERNING THE HOSTING SERVICES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Section 3.11 **Performance.** ALTHOUGH T2 WILL TAKE REASONABLE STEPS TO PROVIDE ERROR-FREE AND CONTINUOUS HOSTING SERVICES, T2 DOES NOT REPRESENT, WARRANT OR GUARANTEE THAT THE HOSTING SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. AS A RESULT,
THE HOSTING SERVICES ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND.

Article 4. PROFESSIONAL SERVICES.

Section 4.1 Applicability. The provisions of this Article 4 apply only if the Quote states that T2 will provide web site development services or other custom development services (collectively, the "Professional Services").

Section 4.2 Web Site. T2 shall provide a Web Site for Subscriber. T2 and Subscriber contemplate that the Web Site will be enhanced over time and unless T2 is providing Hosting Services, the Web Site will be hosted by Subscriber.

Section 4.3 License. Subject to payment by Subscriber of any Web Site Fee which is due, T2 grants to Subscriber a non-exclusive right to use the Web Site prototype and any additional enhancements or customization in connection with the use of the Software under the same Terms and Conditions.

Section 4.4 Web Site Development. If the Subscriber determines that the Web Site requires additional enhancements or customization, T2 shall provide development services relating to the Web Site. T2’s services in assisting Subscriber in this regard shall be provided on a Time and Materials Basis.

Article 5. TECHNICAL SUPPORT

Section 5.1 Technical Support Services. T2 offers the Subscriber technical support as described in Section 13.9.

Section 5.2 Technical Support Hours. T2 offers Technical Support from 8:00 a.m. EST to 8:00 p.m. EST Monday through Friday excluding holidays. The Target Response Time is two (2) hours.

Section 5.3 Updates and Enhancements. To the extent that T2 releases an updated or enhanced version of the Software during the Subscription Term, T2 will make the updated version available for download by Subscriber at no additional charge. Subscriber shall be permitted to use the updates and enhancements to the extent provided in Article 1.

Section 5.4 Technical Support Exclusions. T2 will not be responsible for failure to correct a problem to the extent that T2 is unable to replicate the problem, or if the problem is caused by: (i) misuse of the Software, (ii) failure by Subscriber to utilize compatible computer and networking hardware and software, (iii) interaction with software or firmware not provided by T2, (iv) any change in applicable operating system software, or(v) the failure of Subscriber to install updates to the Software provided by T2. A Subscriber who is not current with their account will not be eligible for technical support. In any such event, T2 will advise Subscriber and, upon request, will provide such assistance as Subscriber may reasonably request with respect to such problem at T2’s then-current standard rates for time and materials.
Section 5.5 Cooperation. Subscriber acknowledges (i) that certain services or obligations of T2 hereunder may be dependent on Subscriber providing certain data, information, assistance, or access to Subscriber's systems, (collectively, "Cooperation"), and (ii) that Cooperation may be essential to the performance of such services by T2. The parties agree that any delay or failure by T2 to provide services hereunder which is caused by Subscriber's failure to provide timely Cooperation reasonably requested by T2 shall not be deemed to be a breach of T2's performance obligations under this Agreement.

Section 5.6 Supported Versions of Flex. T2 requires all T2 Flex instances hosted by the Subscriber or hosted by T2 on behalf of Subscriber for either production or for testing to be the current or next most recently released T2 Flex application software version. T2 reserves the right to upgrade any T2 hosted T2 Flex instance with 24 hour notice to the Subscriber. Notice may be provided via email or phone.

Article 6. PAYMENT

Section 6.1 Fees. The Subscription Fee, Web Development/eBusiness, Hosting Services Fee, Professional Services Fee, Hardware Fee and any additional agreed upon fees (collectively, the "Fees") shall be payable according to the terms set forth in the Quote. Partial periods shall be prorated. Notwithstanding anything to the contrary contained herein, if this Agreement is terminated by T2 for cause or by Subscriber for convenience prior to the expiration of the Guaranteed Minimum Commitment (as set forth in the Quote), the unpaid balance for the Guaranteed Minimum Commitment shall accelerate and be due and payable in full immediately upon acceleration.

Section 6.2 Change in Fees. T2 will increase the Fees by five (5) percent per year, provided T2 notifies Subscriber in writing at least sixty (60) days prior to a renewal period. If T2 fails to provide a sixty (60) day notice, then the increase in fees will not become effective until the beginning of the first month following the sixty (60) day period after T2 notified Subscriber of the increase.

Section 6.3 Certain Taxes. If applicable, in addition to the consideration provided herein, Subscriber agrees to pay amounts equal to any sales, use, excise or other taxes or any custom duties levied against or imposed: (i) upon the subscription of the Software to Subscriber, or (ii) upon the Authorized Production Copies and the permitted back-up copies used by Subscriber, or (iii) upon the support provided under Article 5, or (iv) resulting from this Agreement, or any activities hereunder; but Subscriber shall not be obligated to pay any taxes based on T2's net income. If Subscriber claims an exemption from any such taxes, Subscriber shall provide to T2 an appropriate exemption certificate. Please refer to Addendum B ("Indemnification and Limitation of Liability"), attached hereto and made a part hereof.

Section 6.4 Invoices. Invoices for payment of amounts due to T2 under this Agreement shall be itemized in reasonable detail. If Subscriber does not dispute any part of an invoice, Subscriber shall pay the amounts due within thirty (30) days of receipt. If Subscriber disputes one or more items of an invoice, Subscriber shall: (i) pay T2 within thirty (30) days of receipt of the invoice the amounts for items not disputed; and (ii) notify the Finance Department of T2 within those thirty (30) days in writing of its dispute of one or more items of the invoice, identifying the item or items in dispute and setting forth in reasonable detail the basis for each dispute. Failure to so notify the Finance Department of T2 of each item in dispute and the basis
therefore shall be deemed acceptance of those items, and Subscriber shall forthwith pay T2 therefore.

Section 6.5 Failure to Make Payment. If Subscriber fails to make any payments within thirty (30) days after the amount is due pursuant to this Agreement, then the amount, without the necessity of any notice or action by T2 shall become due and payable together with interest thereon from the date of nonpayment at twelve percent (12%) per annum [or the highest rate permitted by law if less than twelve percent (12%)] and with reasonable attorneys’ fees and other costs of collection. The non-exclusive subscription granted pursuant to Article 1 of this Agreement may be terminated by T2 with thirty (30) days prior written notice in the event Subscriber fails to make any payments when due under this Agreement.

Section 6.6 Payment by Automated Clearing House. If applicable, Subscriber agrees that the Subscription Fee and Web Site Fee (if applicable) shall be paid by Automated Clearing House debit. Subscriber agrees to complete the ACH Authorization Agreement accompanying this Software Subscription Agreement. If Subscriber is unable to execute an ACH Authorization Agreement, Subscriber shall make payment to T2 by check, credit card or debit card in the amount payable hereunder. Furthermore, Subscriber agrees to submit such payment to T2 so that payment is received by T2 on or before the Subscription Fee due date.

Payment Options

1. Annual Subscription paid in advance

2. Monthly Subscription paid in advance. Monthly payments are subject to a 3% processing fee.

3. ACH (see above)

Section 6.7 Late Charges. If Subscriber does not make timely payment of the Subscription Fee to T2 of any amount payable hereunder, in addition to the remedies available to T2 at law or equity, T2 may collect interest on the sum then owing at the rate of 12% per month from the due date until payment by Subscriber; provided, however, that in no event shall the aggregate interest charges exceed the maximum rate of interest which could be charged under applicable law and T2 may suspend services until all amounts due are collected. If payment is not received within thirty (30) consecutive days, T2 has the right to suspend services provided hereunder.

Article 7. TERM AND TERMINATION

Section 7.1 Term. The term of the Subscriptions granted in Article 1 and the provision of support under Article 5 shall commence on June 30, 2012 and shall continue to June 29, 2015. Except as may be otherwise provided in the Quote, the term of the Subscriptions and support shall be automatically renewed for an additional term of one (1) year effective immediately after the expiration of any then-current term, unless either T2 or Subscriber gives notice of non-renewal to the other at least sixty (60) days in advance of the expiration of the then-current term.

Section 7.2 Reengagement When a project does not stay on the agreed upon schedule as defined in a mutually agreed upon Project Plan because the Subscriber did not
meet their deliverables, or if the Subscriber requests a new date after a committed date has been scheduled, the Subscriber will be responsible for:

a) Acceleration of payment for all Professional Services completed to date (i.e., I&T, project management costs, eBiz, interfaces, etc.).

b) All hard costs, including travel.

c) Rebooking fees.

d) Any necessary rework (repeat of training, additional data sample, additional PM hours) would be billed at restart.

e) A reengagement fee of 20% of the total professional services plus travel expenses associated with the reengagement.

Section 7.3 Termination. Subscriber may terminate the Subscriptions granted in this Agreement, any support under Article 5, any Professional Services, and any Hosting Services by notice of non-renewal given in accordance with Section 7.1 or by notice given in accordance with the provisions of Article 11. T2 may terminate the Subscriptions granted in the Agreement and any support under Article 5 by notice of non-renewal given in accordance with Section 7.1, by termination as provided in Section 6.5 or upon fifteen (15) days prior written notice in the event Subscriber uses the Software in a manner not permitted under the Agreement. Nothing in this agreement or any other agreement between the parties shall prohibit T2 from contracting with, or providing goods (including software) or services to, any other party to service the same end users contemplated by this agreement.

Section 7.4 Return of Materials. Upon termination of the Subscription of the Software or Handheld Software for any reason, Subscriber shall destroy all copies of the Software or Handheld Software and any other materials received from T2 and furnish T2 a written statement certifying that through Subscriber’s best efforts, and to the best of Subscriber’s knowledge, all copies of the Software or the Handheld Software, including all copies of Client Components, and any other materials received from T2, have been destroyed.

Section 7.5 Return of Subscriber Data.
Upon termination of the Subscription of the Software, T2 shall, at Subscriber’s request, return Subscriber’s data in an Oracle standard database export format. To accommodate special requests to receive data in any other format, Subscriber will be responsible for additional time and materials required to accommodate this request. All special requests will be scoped by T2 and then an initial estimate provided to the Subscriber.

Section 7.6 Outstanding and Future Payment Obligations. All payment obligations between the parties that are outstanding as of the effective date of termination, or which accrue hereunder prior to the effective date of termination or which accrue for services that are completed after the effective date of termination shall survive the termination of this Agreement.
Article 8. **SUBSCRIBER DATA**

Section 8.1 **Confidential Treatment.** All Subscriber Data which is submitted by Subscriber to T2 pursuant to this Agreement will be safeguarded by T2 to the same extent that T2 safeguards data relating to its own business; *provided, however, if Subscriber Data is publicly available, is already in T2’s possession from a source other than Subscriber or otherwise known to it, or was rightfully obtained by T2 from third parties, T2 shall bear no responsibility for its disclosure, inadvertent or otherwise.* Upon reasonable notice, Subscriber may inspect T2’s facilities during regular T2 business hours to assure Subscriber of T2’s compliance with this obligation.

Section 8.2 **Obligation of Subscriber to Protect.** The Software creates and stores databases of personal information of end-users and data relating to Subscriber on the computer system on which the Software is installed. Subscriber agrees to take all steps which it deems are appropriate to provide adequate security for that information.

Article 9. **RESTRICTIONS ON USE OF THE SOFTWARE**

Section 9.1 **No Distribution.** Subscriber may not distribute or sublicense the Software to any person.

Section 9.2 **No Sublicense; Persons Authorized to Use.** Subscriber may not resell accounts or sublicense persons to use the Software other than Authorized Concurrent Users.

Section 9.3 **No Reverse Engineering.** Subscriber agrees that it will not create or attempt to create or permit others to create or attempt to create, by reverse engineering or otherwise, the source programs for the Software or any part thereof from the object program or from other information made available under the Agreement (whether oral, written, tangible or intangible).

Section 9.4 **Limited Copies.** Subscriber is authorized to make copies of the Software, to the extent copies are reasonably required for back-up and archival purposes or for internal business operations. Subscriber agrees that while the Agreement is in effect, or while it has custody or possession of any property of T2, Subscriber will not copy or duplicate, or permit anyone else to copy or duplicate, any physical, magnetic, electronic or other version of the Software, beyond the number of authorized Production Copies subscribed pursuant to this Agreement, and Client Components which are installed on Authorized Concurrent Users’ devices. Subscriber may modify the documentation as necessary for its internal purposes, but shall not alter or remove any proprietary notice in the documentation, including but not limited to T2’s name, logo and copyright notice.

Section 9.5 **Export.** Subscriber shall not permit any copy (in any medium) of all or any portion of the Software to be transmitted to or located outside of the United States except with T2’s prior written consent and compliance by Subscriber with any applicable export or import requirements.
Section 9.6 Passwords. Subscriber shall not: (i) transmit or share identification and/or password codes to persons other than the Authorized Concurrent Users for whom such codes were generated; (ii) permit Authorized Concurrent Users to share identification and/or password codes with others; or (iii) permit the identification and/or password codes to be cached in proxy servers and accessed by individuals who are not Authorized Concurrent Users.

Article 10. PROPRIETARY PROTECTION

Section 10.1 T2 Confidential Information. Subscriber and Subscriber’s subsidiaries recognize that the source code for the Software, and all specifications, techniques, manuals (other than end-user materials), system documentation and other materials relating to the operation of the Software which are disclosed or made available to Subscriber by T2 pursuant to this Agreement (collectively, “T2 Proprietary Material”) are confidential, proprietary and trade secret and are protected by law. The Agreement does not give Subscriber the right to have access to any source code for the Software.

Section 10.2 Other Proprietary Information. T2 and Subscriber each may provide the other information which it treats as confidential or proprietary and which either (a) it has marked “Confidential” or “Proprietary,” or (b) a reasonable person in the circumstances would understand to be confidential or proprietary (“Proprietary Material”). The receiving party agrees: (a) not to use Proprietary Material it receives from the disclosing party for any purpose other than performing its obligations and exercising its rights under this Agreement; (b) to exercise at least the same care to maintain the confidentiality of the Proprietary Material as it does its own confidential information of the same type; and (c) not to disclose the Proprietary Material to any third party, except that it may disclose Proprietary Material (i) on a confidential basis to its affiliates and its and its affiliates’ attorneys, accountants, consultants, lenders, potential lenders and financial, tax, technical and other advisors who agree to keep it confidential, (ii) when required to comply with applicable laws or governmental regulations, (iii) in response to a subpoena or other legal process provided that, if permitted by law, it first notifies the disclosing party and, to the extent possible, gives the disclosing party a reasonable opportunity to challenge the disclosure and (iv) on tax returns or in connection with any examination or audit thereof. “Proprietary Material” shall not include information received from a party which: (i) is in the other party’s possession without actual or constructive knowledge of an obligation of confidentiality with respect thereto, prior to disclosure by the party; (ii) is or subsequently becomes part of a public domain through no fault of the other party; (iii) is disclosed to the other party by a third party having no obligation of confidentiality with respect thereto, and provided the other party did not have actual or constructive knowledge that such information was wrongfully disclosed by such third parties; or (iv) is independently developed by the other party.

Section 10.3 Reproduction of Marks. Subscriber agrees that any copies made of the Software, Handheld Software, any other T2 Proprietary Material and any other material obtained from T2 shall preserve unaltered patent, trademark, copyright, proprietary or confidentiality notices contained therein.

Section 10.4 Patent and Copyright Indemnity. T2 warrants that the Software and any materials developed by T2 and provided by T2 to Subscriber will not infringe on any United States copyright or patent. Should any legal action be made against Subscriber based on infringement of a United States copyright or patent as a result of the Software or the Professional Services, Subscriber shall promptly notify T2 and T2 shall defend the action at its expense. T2’s liability in that event will be limited to defending the action and payment of any
resulting court costs and damages finally awarded against Subscriber in the action. T2’s obligations pursuant to this Section 10.4 shall not apply to any infringement caused by or resulting from Subscriber modifications or attempted modifications to any relevant system, or from Subscriber’s failure to implement changes or updates furnished by T2 to Subscriber during the term of this Agreement. Addendum B (“Indemnification and Limitation of Liability”), shall control.

Article 11. CORRECTION OF ERRORS

Section 11.1 Correction of Functionality of the Software. The liability of T2 for the functionality of the Software is limited, except as provided below in this Section, to the warranty provided in Section 1.3. If, thirty (30) days after the giving of the required notice described in Section 1.3, the Software fails to so conform, and the failure to conform is occasioned by T2’s error and not operator error, faulty data or hardware failures, then, Subscriber may, at its election at any time thereafter while the failure remains uncured, send T2 a written notice that: (i) T2 has continued to fail to correct the failure; and (ii) Subscriber has elected to terminate the subscription of the Software. Upon the continuance of that failure for a period of thirty (30) days after such written notice of the continuance of such failure to correct and Subscriber’s election to terminate has been given to T2 by the Subscriber (“cure period”), Subscriber may, and its exclusive remedy shall be to, terminate the subscription granted pursuant to the Agreement within sixty (60) days after the expiration of the cure period by the destruction of the materials described in Section 7.4, and have returned to it, (to the extent the amounts have not been previously refunded) the Subscription Fee, under Section 6.1 of this Agreement theretofore paid to T2 for the initial Subscription Term. If Subscriber fails to return the materials within thirty (30) days after the expiration of the cure period, Subscriber shall have waived its right to terminate the subscription and to receive a refund of the Subscription Fee.

Section 11.2 Correction of Support Errors. T2’s liability under Article 5 is limited as provided in this Section 11.2. T2 commits to use commercially reasonable efforts repair “minor” bugs, which are errors that support a “work around” solution (a “Minor Error”), in the next production release of the Software, which would typically occur in ninety (90) days or less. New production releases (beta releases) are heavily tested by T2’s technical staff and, typically, by beta site Subscribers, meaning that “critical” bugs, which are errors that would stop a Subscriber from processing (a “Critical Error” and together with a Minor Error, an “Error”) rarely make it into a production release. Nevertheless, if a Critical Error makes it into a production release, T2 commits to use commercially reasonable efforts to distribute a software patch within forty-eight (48) hours of T2’s receipt of notice of the Critical Error. If an Error continues for a period of sixty (60) days after that detailed written notice has been given to T2 by Subscriber (“cure period”), Subscriber may, and its exclusive remedy shall be to terminate the subscription of the Software by certifying destruction of the Software and other materials in the manner provided in Section 7.4 within thirty (30) days after the expiration of the cure period and, upon such certification, have returned to it the prorated consideration representing Subscriber’s payment of the Subscription Fee for the days remaining in the then current Subscription Term computed from the date of T2’s receipt of the termination notice.

Section 11.3 Correction of Hardware Errors. T2’s liability under Article 2 is limited as provided in this Section 11.3. If after giving T2 notice of the Hardware Error, T2 fails to repair or replace the faulty Hardware, then, Subscriber may, at its election at any time thereafter while the Hardware Error remains uncured, send T2 written notice that (i) T2 has continued to fail to correct the Hardware Error and (ii) Subscriber has elected to terminate the
Hardware Support services. If the Hardware Error continues for a period sixty days (60) after that detailed written notice has been given to T2 by Subscriber ("cure period"), Subscriber may, and its exclusive remedy shall be to request that T2 return the Hardware and have returned to it the prorated consideration representing Subscriber’s payment for the Hardware repair and support.

Section 11.4 Correction of Professional Services Errors. Subscriber shall notify T2 within thirty (30) days’ time after T2 advises Subscriber of its completion of the work in question when the Professional Services do not execute in accordance with the Subscriber’s specifications. The notification shall include the detailed variances and the information necessary for T2 to verify the variances. T2, upon actual receipt of the notification and verification of the detailed variances, shall modify the work so that it shall conform to the Subscriber specifications. The passage of the thirty (30) day period after T2 advises the Subscriber that the work is completed without the notification described herein shall constitute final satisfaction of the express warranty and the warranty period described above.

Article 12. REMEDIES

Section 12.1 Waiver of Jury Trial. Each party hereto hereby waives to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any claim, litigation or proceeding directly or indirectly arising out of, under or in connection with this Agreement.

Section 12.2 Time to Sue. No action, regardless of form, arising out of any of the transactions pursuant to this Agreement may be brought by Subscriber more than one year after the cause of action accrued.

Section 12.3 No Other Liability. Except to the extent provided in Section 2.2, Section 3.9 and Article 11, T2 and its third party licensors shall not be responsible for any claims against Subscriber by any other party nor shall T2 or its third party licensors be liable for any property damage, personal injury, loss or inaccuracy of data, loss of profits or revenues, interruption of business, out-of-pocket expenses or any other direct, indirect, special, consequential or incidental damages, however caused, whether based on contract, tort (including negligence), strict liability, warranty, statutory rights or any other basis arising out of Subscriber’s use of the Software, the provision of support, consulting or the marketing, delivery or supporting thereof, or otherwise arising pursuant to this Agreement. In the event any of the foregoing limitations of liability are void or are not effective, Subscriber agrees that the liability of T2 and its third party licensors for damages, if any, shall not exceed the Subscription fees paid by Subscriber to T2 for the three (3) months preceding the earliest event giving rise to the liability. With respect to Professional Services, in the event any of the foregoing limitations of liability are void or not effective, Subscriber agrees that T2’s liability shall in no case exceed the amounts paid to T2 by Subscriber under this Agreement for Professional Services, or parts thereof, involved in the claim and not otherwise reimbursed. If only a part of the Professional Services is the subject of a claim, then T2’s liability shall be limited to the amount which T2 may have theretofore allocated to that part of the Professional Services of this Agreement, in the Quote, in any invoice of statement rendered, or to the amount as may be allocated by T2 in its good faith discretion to the part of the Professional Services. T2 shall not be liable for any lost profits or for any claim or demand against Subscriber by any other party.

Article 13. DEFINED TERMS
Section 13.1 Agreement. The “Agreement” between T2 and Subscriber consists of this Software Subscription Agreement and the Quote.

Section 13.2 Authorized Hosting Provider. An “Authorized Hosting Provider” means T2 or its subcontractors.

Section 13.3 Authorized Purposes. Subscriber’s “Authorized Purposes” are the use of the Software for the Subscriber’s internal parking business operations.

Section 13.4 Authorized Concurrent Users. The number of “Authorized Concurrent Users” is set forth in the Quote. Subscriber may increase the number of Authorized Concurrent Users in the manner provided for in the Quote.

Section 13.5 Client Components. The “Client Components” are components of the Software, which T2 makes available for downloading by Authorized Concurrent Users onto a personal computer or other personal electronic storage device solely for Authorized Purposes.

Section 13.6 Cooperation. “Cooperation” is defined in Section 5.5.

Section 13.7 Critical Error. A “Critical Error” is defined in Section 11.2.

Section 13.8 Technical Support. “Technical Support” includes:

<table>
<thead>
<tr>
<th>Service</th>
<th>T2 Hosted Customers</th>
<th>Self Hosted Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance with upgrading T2 Flex Software</td>
<td>Included</td>
<td>Excluded</td>
</tr>
<tr>
<td>Assistance with upgrades to Oracle database releases</td>
<td>Included</td>
<td>Excluded</td>
</tr>
<tr>
<td>Assistance with installation of Oracle patches</td>
<td>Included</td>
<td>Excluded</td>
</tr>
<tr>
<td>Access to Crystal Reports library of 400+/- reports</td>
<td>Included</td>
<td>Included</td>
</tr>
<tr>
<td>Authorized Concurrent Users may participate in on-line T2 Systems training on Software upgrades</td>
<td>Included</td>
<td>Included</td>
</tr>
<tr>
<td>Database rebuilds or repairs</td>
<td>Included</td>
<td>Excluded</td>
</tr>
</tbody>
</table>

Section 13.9 Professional Services. “Professional Services” shall have the meaning set forth in Section 4.1.

Section 13.10 Guaranteed Minimum Commitment. Subscriber shall be liable for the remainder of the current annual subscription fee once each annual term commences. Notwithstanding anything to the contrary contained herein, if the Software Subscription Agreement is terminated by T2 Systems for cause or by Subscriber for convenience
prior to the expiration of the Guaranteed Minimum Commitment, the unpaid balance for the Guaranteed Minimum Commitment shall accelerate and be due and payable in full immediately upon acceleration.

Section 13.11 **Hardware Error.** “Hardware Error” shall mean a defect in the Hardware that prevents Subscriber and its Authorized Concurrent Users from accessing the Software through the Hardware.

Section 13.12 **Hardware Fee.** “Hardware Fee” shall mean the fee set forth in the *Quote* for the initial term of. The Hardware Fee is subject to change as provided in Section 6.2.

Section 13.13 **Hosting Error.** “Hosting Error” shall mean a defect in the Hosting System that prevents Subscriber and its Authorized Concurrent Users from accessing the Software through the Hosting Services.

Section 13.14 **Hosting Services Fee.** “Hosting Services Fee” shall mean the fee set forth in the *Quote* for the initial term of the Hosting Services. The Hosting Fee is subject to change as provided in Section 6.2.

Section 13.15 **Hosting Services.** “Hosting Services” shall mean that T2 will install, operate, and maintain the Software on T2’s Application Server, and provide to Subscriber access to T2’s Application Server sufficient for Subscriber to exercise its subscription rights granted herein and for the Authorized Concurrent Users to communicate with, access and use the Software by way of the Internet.

Section 13.16 **Hosting System.** “Hosting System” shall mean the computer and network equipment owned and maintained by T2 or its designated third party and the operating software licensed by T2 or its designated third party.

Section 13.17 **Installation Date.** “Installation Date” shall mean the date the Flex application goes into production mode.

Section 13.18 **Minor Error.** A “Minor Error” is defined in Section 11.2.

Section 13.19 **Production Copy.** A “Production Copy” is an executable code copy of the Software which is used on a computer system to process live data. Copies of all or a portion of the Software whether on multiple computers or on a computer system will constitute a single Production Copy so long as a single database is used by all of the copies of the Software. The number of Production Copies authorized under this Agreement is one, unless otherwise set forth in the *Quote*.

Section 13.20 **Professional Services Fee.** “Professional Services Fee” shall mean the fee set forth in the *Quote* for the initial term of the Professional Services. The Professional Fee is subject to change as provided in Section 6.2.

Section 13.21 **Proprietary Material.** “Proprietary Material” shall have the meaning set forth in Section 10.1.
Section 13.22 **Remote Access Equipment.** “Remote Access Equipment” shall mean the equipment necessary for Subscriber to access the services on the Internet. The Remote Access Equipment is to be provided by Subscriber.

Section 13.23 **Subscriber.** The “Subscriber” is identified in this agreement.

Section 13.24 **Subscriber Data.** “Subscriber Data” shall mean the data provided to T2 by Subscriber and the Authorized Concurrent Users, including data regarding Authorized Concurrent Users.

Section 13.25 **Subscription Fee.** The “Subscription Fee” for the initial Subscription Term is set forth in the *Quote.* The Subscription Fee for the terms after the initial Subscription Term may be changed as provided in Section 6.2.

Section 13.26 **Subscription Term.** The initial “Subscription Term” commences on the earlier of the Install Date or three (3) months from the Effective Date and extends for the period specified in the *Quote.* Each subsequent Subscription Term is for a period of one (1) year.

Section 13.27 **Software.** The “Software” is specified in the *Quote* and consists of T2 Flex® and all related software components including but not limited to, handheld ticket-writer software as specified in the *Quote.*

Section 13.28 **Target Response Time.** The “Target Response Time” is the time period during support hours in which T2 will strive to communicate with the Subscriber acknowledging a support request by the Subscriber.

Section 13.29 **Quote.** The Software Subscription Agreement is the document executed by T2 and Subscriber which incorporates the “*Quote*” by reference.

Section 13.30 **Standard Technical Support.** “Standard Technical Support” includes responses to questions of error by email or telephone.

Section 13.31 **T2 Proprietary Material.** “T2 Proprietary Material” is defined in Section 10.1.

Section 13.32 **Time and Materials Basis.** “Time and Materials Basis” means an hourly basis at the rate specified in the *Quote,* together with reimbursement of expenses.

Section 13.33 **Web Site.** “Web Site” means the Web Site prototype provided by T2, and subsequently customized at Subscriber’s request.

Section 13.34 **Web Site Fee.** The “Web Site Fee” for the Web Site is identified in the *Quote.*

Section 13.35 **Wrap-Up Period.** “Wrap-Up Period” shall have the meaning set forth in *Quote*
Article 14. MISCELLANEOUS

Section 14.1 Escrow of Source Code. T2 entered into a source code escrow agreement with Lincoln Parry Software, Inc. (the "Escrow Agreement") providing for the deposit of the source code programs for the executable version of the Software into an escrow account. The Escrow Agreement further provides, subject to the terms and conditions for which Subscriber agrees to be bound, that the escrow agent may release the source code to Subscriber upon the occurrence of one of the release event(s) specified therein. T2 will provide a copy of the Escrow Agreement to the Subscriber upon request. The Escrow Agreement provides that the Trustee shall deliver a copy of the source code to the Subscriber only if the Subscriber has satisfied the procedures and conditions set forth in the Escrow Agreement, including, the execution of the Non-Disclosure Covenant attached thereto. Upon release of the source code, the Subscriber is authorized to copy, modify, and create derivative works based on the source code for the sole purpose of debugging and maintaining the Software. The Subscriber shall remain entitled to keep a copy of the source code so long as the Subscriber continues to pay the Subscription Fee under this Agreement. Also, Subscriber shall pay to T2, within thirty (30) days of receipt of invoice, the annual administrative fee of Lincoln Parry Software, Inc. Subscriber shall remain obligated to pay T2 the Subscription Fee notwithstanding the release of the source code for the Software from the escrow.

Section 14.2 Notices. Any notices or other communications required or permitted to be given or delivered under the Agreement shall be in writing and shall be delivered to T2 at its address specified on its web site or to Subscriber at its address specified in the Quote or to such other address as either party may, from time to time, designate to the other in writing. All notices to T2 shall be to the attention of the CEO of T2. Any notice given shall be deemed to have been received on the date on which it is delivered personally, by courier service or by facsimile or, if mailed, on the third business day next following the mailing thereof.

Section 14.3 No Partnership. Nothing in this Agreement shall be deemed to create a partnership, joint venture or agency relationship.

Section 14.4 Survival. The provisions of Section 1.4, Section 3.9, Section 3.10, Section 6.3, Section 6.5, Section 7.4, Section 7.6, Article 8, Article 10, Article 11, Article 12, Section 14.4 and Section 14.6, and all obligations of Subscriber to pay or reimburse T2 for any amounts arising under this Agreement, shall survive any termination of either this Agreement or the non-exclusive subscription granted hereunder.

Section 14.5 Publicity. Subscriber agrees that T2 may identify Subscriber as a customer in the customer lists or other similar communications. T2 agrees not to use Subscriber's name in any other public releases or in any case histories except with Subscriber's prior consent which Subscriber agrees not to unreasonably withhold or delay.

Section 14.6 Governing Law. Regardless of the place of execution, delivery, performance or any other aspect of this Agreement, this Agreement and all of the rights of the parties under this Agreement shall be governed by, construed under and enforced in accordance with the substantive law of the United States of America and of the State of New York without regard to conflict of laws principles.

Section 14.7 Severability. If any provision in the Agreement shall be held to be in contravention of applicable law, the Agreement shall be construed as if that
provision were not a part thereof and in all other respects the terms of the Agreement shall remain in full force and effect.

Section 14.8 No Waiver. No waiver of any covenant or condition or the breach of any covenant or condition of the Agreement shall be deemed to constitute a waiver of any subsequent breach of the covenant or condition nor justify or authorize a non-observance upon any occasion of that covenant or condition or any other covenant or condition of the Agreement.

Section 14.9 Entire Agreement. The Agreement (consisting of this Software Subscription Agreement and the Quote) constitutes the entire agreement between the parties hereto with regard to the Software, any Hosting Services, any Development Services, and any support of the Software.

Section 14.10 Additional Work. If Subscriber requires additional work and/or integrations not included in this Agreement and attached Quote, T2 and Subscriber shall negotiate the additional work, mutually agree on the scope and compensation, and document the terms in either a separate Agreement or an amendment to this Agreement per the purchasing requirements of the Subscriber.

Section 14.11 Piggyback Cooperative Purchasing. Subscriber agrees to allow this contract to be used for purposes of piggyback purchasing. Under piggyback purchasing, Subscriber and T2 agree to open the contract for the use of other public or state agencies with the stipulation the other state agencies will be offered the same prices, terms, and conditions as that of Subscriber. The contract is mandatory for Subscriber and optional for all other state agencies.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the dates written below.

T2 Systems, Inc.

By: ____________________________
Name: Tim McGarr
Title: COO
Date: 05/13/13

Subscriber:

Suffolk County Community College

By: ____________________________
Name: Dr. Shawn L. McKay
Title: President
Date: 5/1/13
EXHIBIT: PCI AND PA DSS COMPLIANCE

I. DEFINITIONS

A **Self Hosted Subscriber**'s instance of T2 Flex and the T2 Credit Card Solution is installed entirely on the Subscriber's site(s). A **T2 Hosted Subscriber**'s instance of T2 Flex and the hosted components of the T2 Systems Credit Card Solution are installed and run in the T2 Hosting Environment. A T2 Hosted Subscriber has both hosted and Non-Hosted Components.

The **Standard Network** is part of the T2 Hosting Environment and contains T2 Flex servers, T2 e-Business Solutions Servers, and other equipment. T2 Hosted Subscribers who do not process payments through the Hosting Environment use only the Standard Network. The Standard Network uses standard, commercially reasonable security practices to control and protect the transmission of data to and from the Hosting Environment.

The **Payment Network** is part of the T2 Hosting Environment and is used solely for payment processing. T2 Hosted Subscribers who process payments through the Hosting Environment use the Standard Network for routine Flex T2 e-Business Solutions operational processes and the Payment Network for payment processing. The Payment Network is secured to the Payment Card Industry Data Security Standard (PCI DSS). T2 Systems is responsible for maintaining PCI DSS compliance of the T2 Hosting Environment Payment Network.

**Non-Hosted Components** are considered to be any software components of T2 Flex, T2 e-Business Solutions, and/or the T2 Systems Credit Card Solution installed on hardware located at the Subscriber site(s) and any hardware located at the Subscriber site(s). Non-Hosted Components are not part of the T2 Hosting Environment, the Standard Network, or the Payment Network, and are not the responsibility of T2 Systems.

The **T2 Hosting Environment** includes the T2 servers, networking equipment, and related devices located at T2's data center, and the software and data that reside on that equipment. There are two networks within the T2 Hosting Environment: Standard and Payment.

II. T2 SYSTEMS RESPONSIBILITIES

T2 Systems shall provide Payment Card Industry Payment Application Data Security Standard (PCI PA-DSS) validated software for processing credit card payments (T2 Systems Credit Card Solution), including a PA-DSS Implementation Guide containing guidelines for installing and configuring the T2 Systems Credit Card Solution to support Payment Card Industry Data Security Standard (PCI DSS) compliance. T2 Systems shall maintain the PCI PA-DSS validation of the T2 Systems Credit Card Solution its PA-DSS Implementation Guide.

- **Note:** Use of PCI PA-DSS validated software and its PA-DSS Implementation Guide does not guarantee merchant's PCI DSS compliance. For complete and current PCI DSS requirements, Subscribers should reference the Payment Card Industry Security Standards Council™ (PCI SSC) website at [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org).
For both the Standard and Payment Networks, T2 is responsible for the security of the data once it is inside the Hosting Environment and for using commercially reasonable data security practices to control and protect the transmission of data to and from the Hosting Environment.

T2 Systems shall maintain the Payment Network in a validated PCI DSS compliant environment, including use of PCI PA-DSS validated software for processing credit card payments, the T2 Systems Credit Card Solution, configured as directed by its PA-DSS Implementation Guide.

III. SUBSCRIBER RESPONSIBILITIES

Subscribers are responsible for providing and maintaining a Payment Card Industry Data Security Standard (PCI DSS) compliant environment at their site(s) in which components of the T2 Systems Credit Card Solution may be installed, and for validation of that environment as required by their payment gateway, merchant bank, payment brand, or other entity with which the Subscriber is contracted to process payments.

The Subscriber is responsible for configuring T2 Systems Credit Card Solution according to the PA-DSS Implementation Guide.

Once the T2 Systems Credit Card Solution has been implemented at the Subscriber site(s), Subscribers are responsible for maintaining Non-Hosted Components of the T2 Systems Credit Card Solution, including implementation in a timely manner of any updates to the T2 Systems Credit Card Solution software and/or PA-DSS Implementation Guide provided by T2 Systems.

Please note: Acceptance of a given payment application by the PCI Security Standards Council, LLC (PCI SSC) only applies to the specific version of that payment application that was reviewed by a PA-QSA and subsequently accepted by PCI SSC (the “Accepted Version”). If any aspect of a payment application or version thereof is different from that which was reviewed by the PA-QSA and accepted by PCI SSC – even if the different payment application or version (the “Alternate Version”) conforms to the basic product description of the Accepted Version – then the Alternate Version should not be considered accepted by PCI SSC, nor promoted as accepted by PCI SSC.

No vendor or other third party may refer to a payment application as “PCI Approved” or “PCI SSC Approved”, and no vendor or other third party may otherwise state or imply that PCI SSC has, in whole or part, accepted or approved any aspect of a vendor or its services or payment applications, except to the extent and subject to the terms and restrictions expressly set forth in a written agreement with PCI SSC, or in a PA-DSS letter of acceptance provided by PCI SSC. All other references to PCI SSC’s approval or acceptance of a payment application or version thereof are strictly and actively prohibited by PCI SSC.

When granted, PCI SSC acceptance is provided to ensure certain security and operational characteristics important to the achievement of PCI SSC’s goals, but such acceptance does not under any circumstances include or imply any endorsement or warranty regarding the payment application vendor or the functionality, quality, or performance of the payment application or any other product or service. PCI SSC does not warrant any products or services provided by third parties. PCI SSC acceptance does not, under any circumstances, include or imply any product warranties from PCI SSC, including, without limitation, any implied
warranties of merchantability, fitness for purpose or noninfringement, all of which are expressly disclaimed by PCI SSC. All rights and remedies regarding products and services that have received acceptance from PCI SSC, shall be provided by the party providing such products or services, and not by PCI SSC or any payment brands.

IV. **NEWLY DISCOVERED SECURITY VULNERABILITIES**

T2 Systems shall provide notice to the Subscriber of any newly discovered security vulnerabilities in the T2 Systems Credit Card Solution and, for T2 Hosted Subscribers, in the T2 Hosting Environment Payment Network, and provide network security updates, software updates, and/or updates to the PA-DSS Implementation Guide to remedy those vulnerabilities as soon as is reasonable and practical following discovery of the vulnerability.

T2 Systems is not responsible for providing notice to T2 Subscribers regarding security vulnerabilities in non-T2 software or hardware that do not require changes to the T2 Systems Credit Card Solution, the T2 Systems Credit Card Solution PA-DSS Implementation Guide, and/or the T2 Hosting Environment Payment Network that do not affect configuration of hosted or Non-Hosted Components.

For Non-Hosted Components, Subscribers are responsible for installing software updates provided by T2 Systems to remedy any newly discovered security vulnerabilities in the T2 Systems Credit Card Solution and for making any changes identified in updates to the PA-DSS Implementation Guide as soon as is reasonable and practical.

Subscribers are responsible for notifying T2 Systems as soon as is reasonable and practical should the Subscriber discover a security vulnerability in or related to the T2 Hosting Environment Payment Network (T2 Hosted Subscribers only), the T2 Systems Credit Card Solution, and/or the T2 Systems Credit Card Solution PA-DSS Implementation Guide.

V. **INFORMATION SECURITY BREACH**

Subscribers are responsible for notifying T2 Systems should an information security breach of or relating to the T2 Systems Credit Card Solution and/or T2 Systems Hosting Environment Payment Network (T2 Hosted Subscribers only) occur as soon as law enforcement and contractual obligations to other payment entities require and/or allow. T2 Hosted Subscribers shall follow the instructions in the most recent version of the T2 Hosting Environment Hosted Subscriber Security Incident Response Plan. The Plan will be e-mailed to T2 Hosted Subscribers annually or as it is updated.

T2 Systems shall notify Subscribers of any security breach of or relating to the T2 Systems Credit Card Solution and/or T2 Systems Hosting Environment Payment Network as soon as law enforcement and contractual obligations to other Subscribers and payment entities require and/or allow. Notification of T2 Hosting Environment breaches not related to a security vulnerability in the T2 Systems Credit Card Solution may be made to T2 Hosted Subscribers only.

T2 Systems shall cooperate with law enforcement and assist with the investigation of any security breach of or relating to the T2 Systems Credit Card Solution and/or T2 Systems Hosting Environment Payment Network.
VI. TERMINATION OF SERVICES (T2 HOSTED SUBSCRIBERS ONLY)

T2 Hosted Subscribers

- who persist in material deviations from the PA-DSS Implementation Guide
  not approved by the T2 Systems Chief Information Officer, or
- who persist in material non-PCI DSS compliant security practices, or
- who fail to implement updates to the T2 Systems Credit Card Solution
  software and/or PA-DSS Implementation Guide in a timely manner, or
- who fail to report a security breach as required by the T2 Hosting
  Environment Hosted Subscriber Security Incident Response Plan, or
- whose operation is deemed by T2 Systems to be a material risk to the
  security of the T2 Hosting Environment,

may be disconnected from the T2 Hosting Environment Payment Network or the T2
Hosting Environment in its entirety at the discretion of the T2 Systems Chief Information Officer.
**T2 Systems, Inc**  
*Think Technology. Think Solutions. Think T2.*  
8900 Keystone Crossing, Suite 700  
Indianapolis, IN 46240  
Quote No.: 000786-R0  
Date: August 27, 2012

**Sales Representative:** JODY BACKES  
**Valid For:** 15 day(s)  
**Payment Terms:** Net 30

**Bill to:**  
Suffolk County Community College  
Fideli, Baycan  
Fideli@sunysuffolk.edu  
(631) 461-4212  
533 College Road  
Selden, NY 11784-2899

**Ship to:**  
Suffolk County Community College

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**SOFTWARE SUBSCRIPTION**

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<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Unit Price</th>
<th>Total Extended</th>
</tr>
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<tbody>
<tr>
<td>T2 Flex Permit and Enforcement Plus Pack - 3 users</td>
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<td>10,755.00</td>
<td>$10,755.00</td>
</tr>
</tbody>
</table>

**SUBTOTAL**  
$10,755.00

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**ADDITIONAL SERVICES**

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<th>Qty</th>
<th>Unit Price</th>
<th>Total Extended</th>
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</thead>
<tbody>
<tr>
<td>T2 Flex Hosting Fee for Organizations with 5 or less users</td>
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**SUBTOTAL**  
$2,000.00

**First Year Total:**  
$12,755.00

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**ANNUAL FEE BREAKDOWN**

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<tr>
<td>Third Year Fees</td>
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</table>
Terms & Conditions

T2 Systems has made every effort to ensure that all relevant information received by client pertaining to requested software, hardware and implementation services has been included in this quotation. Please check this quotation carefully. Our goal is to provide the most accurate information possible.

T2 Flex is a subscription based service. T2 Flex can be hosted by T2 Systems at nFrame (co-location facility) in Indianapolis or hosted by this organization. If the organization hosts the application and database, an Oracle license is required. T2 can provide the Oracle license for an additional charge.

Subscriber shall pay to T2 Systems Subscription Fee for the use of the Software, fixes, patches and updates to the Software applicable to the Subscriber's Purchase Order, and technical support services provided hereunder in accordance with the applicable Purchase Order. T2 Systems reserves the right to increase the Subscription Fee by the five percent (5%) annually.

PAYMENT TERMS

T2 Flex payments can be made on a monthly or annual basis. Annual payments are due at the beginning of each year.

T2 Systems will begin billing for T2 Flex at the date the software is accessible by the organization or three (3) months from the effective date of the F2 Flex subscription agreement, whichever is earlier.

T2 performs monthly billing via direct ACH debit of customer accounts for services and products offered under this proposal. For invoices paid via alternative methods T2, applies a 3% billing service charge.

T2 Systems’ standard payment terms are net 30 on a progress-billing basis.

Upon receipt of a Purchase Order, T2 Systems will invoice the organization 50% for all items listed under Professional Services. T2 will bill the organization 25% when first sample is delivered and the remaining 25% at go live. eBusiness development will be billed 50% upon receipt of purchase order and 50% upon delivery. Data conversion and interfacing will be billed 50% upon purchase order. T2 will bill the organization 25% when first sample is delivered and all remaining 25% upon completion. Data conversion and Interface costs are an estimate. Actual conversion and Interface costs will be billed separately. Travel costs are an estimate. Actual travel costs will be billed separately.

Handheld and T2 Flex Point of Sale hardware will be invoiced 100% upon shipment.

Access and Revenue Control hardware totaling over $100,000.00 will be invoiced 30% upon receipt of purchase order, 30% due at delivery to the distributor and 40% upon when installed. Access and Revenue Control hardware purchased under $100,000.00 will be invoiced 100% upon shipment of the hardware.

Shipping charges provided above are an estimate. Actual shipping cost will be billed. If no shipping charges have been provided above, actual shipping cost will still be billed.

eBusiness solution pricing (if appropriate) represents the basic solution. Additional charges may apply if the work requested does not fit within the basic solution. Web development services can be purchased. Credit card processing and payment gateways will be handled by the customer. T2 will provide any requirements and/or information needed to setup the eBusiness site.

Crystal Reports XI is provided as part of the Flex Software. Crystal Reports comes with one (1) named user license to write reports and concurrent licenses to run reports.

PROFESSIONAL SERVICES TERMS

This quote outlines the deliverables to be completed for the successful project implementation. Anything not addressed in this quote is considered to be out of scope, and therefore not included. Change requests to the Quote must be submitted in writing to the T2 Project Manager.

Each party shall designate a Project Manager who shall work together to facilitate an efficient delivery of the project deliverables. The T2 Project Manager will be responsible for project planning, scheduling, and issue/risk resolution. Customer’s Project Manager will be responsible for identifying and coordinating the “customer” resources necessary to meet the project schedule.

T2’s project methodology includes numerous items that are dependent upon the customer meeting certain obligations. Failure to meet those obligations may result in a delay to the project and/or additional fees.

At the conclusion of each deliverable, the “customer’s” Project Manager will be requested to provide an acceptance signature on the T2 Verification and Acceptance form. The customer will have ten (10) business days to either sign off, or provide feedback on outstanding items preventing acceptance. In the event no feedback has been received during the timeframes; there will be an assumed acceptance.
Scheduling and costs are based on keeping T2’s resources continuously engaged on the project, as will be agreed to in the project kick-off meeting. In the event that a project is delayed, for reasons outside of T2’s control, “customer” maybe subject to paying additional fees and/or the delay of the project delivery dates and Go-Live.

Customer may request changes to the planned deliverables. Changes request may result in a change to the price, schedule and other terms and conditions contained herein. Any changes, including, but not limited to, changes in the deliverables and dates of delivery, will be initiated through a T2 change request process and will be in writing.

When a project does not stay on the agreed upon schedule because the customer did not meet their deliverables, or if the customer requests a new date after a committed date has been scheduled, the customer will be responsible for:

Acceleration of payment for all Professional Services completed to date (i.e., I&T, project management costs, eBusiness, interfaces, etc.)

All hard costs, including travel.

PROFESSIONAL SERVICES REBOOKING FEES

Any necessary rework (repeat of training, additional data sample, additional PM hours) would be billed at restart.

A reengagement fee of 20% of the total professional services or a flat fee of $2000 (whichever is less) would be charged at restart.

MAINTENANCE AND SUPPORT

T2 Flex upgrades and technical support are incorporated into the subscription price. T2 releases on average two (2) upgrades per year. Technical support is available Monday-Friday from 8am to 8pm EST. A toll free number and e-mail is provided. Technical support can assist you with your T2 questions. Hardware maintenance and support is provided for the first year at no additional cost. You have the option of renewing maintenance and support on all T2 supported hardware after the first year. Hardware and maintenance support is renewed on an annual basis.

T2 Flex Handheld Enforcement software maintenance can be renewed for a cost of $300.00/handheld annually.

T2 Flex Point of Sales hardware bundle can be renewed for a cost of $255.00/bundle annually.

EBUSINESS SUBSCRIPTION TERMS INCLUDED

• Ability to upgrade eBusiness solutions.
• T2 Flex and eBusiness configuration assistance. For example, changes to prepare for an upcoming permit sale are included.
• Updates to the customer’s specific look and feel. (Two updates per year)
• Changes needed for existing Credit Card interfaces. If a coding change is needed for the existing credit card interface, the changes necessary are included.
• Correction of defects found within eBusiness. This includes defects discovered in standard functionality and custom functionality specific to each customer.
• Guarantee that customer’s version of eBusiness will work in conjunction with future versions of Flex.
• Ability to seamlessly add new eBusiness solutions to existing customer site. (New Solutions must be purchased.)

EXCLUDED

• New functionality specific to customer. This will be priced specific to each customer and their request.
• The items listed under the excluded section will be charged per incident on a time and material basis.

PERMITDIRECT SUBSCRIPTION

On a monthly basis, T2 Systems will bill customers and Customer will pay to T2 Systems a standard transaction fee equal to:

Three dollars and fifty-four cents ($3.54US$) per permit shipped if no minimum commitment is made by Customer;

Two dollars and ninety cents ($2.90US$) per permit shipped if Customer commits to Committed Volume Level of ten Thousand (10,000) permits beginning July of each calendar year through June 20 of the subsequent calendar year Period; and

Two Dollars and thirty cents ($2.30US$) per permit shipped if Customer commits to Committed Volume Level of twenty thousand (20,000) permits beginning July 1 of each calendar year through June 30 subsequent calendar year Period; and

Two dollars and twenty cents ($2.20US$) per permit shipped if Customer commits to Committed Volume Level of thirty thousand (30,000) permits beginning July 1 of each calendar year through June 30 the subsequent calendar year Period.
Addendum B to T2 SYSTEMS, INC., Software Subscription Agreement

Indemnification and Limitation of Liability

T2 Systems, Inc., ("T2"), to the extent permitted by law, agrees that it shall indemnify and hold harmless Suffolk County Community College ("College") and the County of Suffolk ("County") and their officers, officials, employees and consultants from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the negligent acts or omissions of T2 in connection with the services described or referred to in this Agreement. T2 shall defend the College and the County and their officers, officials, employees and consultants, in any suit, including appeals arising out of negligent acts or omissions of T2, or at the College and/or County's option, pay reasonable attorney's fees for defense of any such suit arising out of the negligent acts or omissions of T2, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.

The College and/or County, to the extent permitted by law, agrees to indemnify and hold T2 harmless from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the negligent acts or omissions of the College in connection with the services described or referred to in this Agreement. College shall defend T2 and its officers, officials, employees and consultants, in any suit, including appeals arising out of negligent acts or omissions of the College, or at T2's option, pay reasonable attorney's fees for defense of any such suit arising out of the negligent acts or omissions of the College, its officers, officials, employees, subcontractors or agents, if any, in connection with the services described or referred to in this Agreement.