PROPOSED

VOTING SYSTEMS AGREEMENT

BY AND BETWEEN

SHELBY COUNTY, TENNESSEE

AND

DIEBOLD ELECTION SYSTEMS, INC.

JUL 0 9 2008
CAO'S Office

3/16/2006

DIEBOLD ELECTION SYSTEMS

P.O. Box 1019
Allen, TX 75003
469-675-8990
800-433-8683 (VOTE)
Fax (214) 383-1596

Voting System Agreement

CUSTOMER:	SHELBY COUNTY, TENNESSEE	DIEBOLD ELECTION SYSTEMS, INC.
Addresses For Notices and Billing:	(1) 157 Poplar Avenue, Suite 109 Memphis, TN 38103 Attn: Contracts Administrator of Elections with a copy to: (2) 160 N. Main St., Suite 550 Memphis, TN 38103 ATTN: Contracts Administrator	P.O. Box 1019 Allen, TX 75013 Overnight Deliveries: 1253 Allen Station Pkwy Allen, TX 75002 Attn: Contracts Department
Contacts:	(1) Administrator of Elections, James Johnson (2) Contracts Administrator, Pamela Skelton	Yolanda Hawkins, Contracts Department Sales Representative Barry Herron
Phone:	(1) 901/545-4127 (2) 901/545-4362	469/675-8990
Fax:	(1) 901/545-3676 (2) 901/545-5739	214/383-1596
Email:	(1) pamela.skelton@shelbycounty tn.gov (2)Johnso-J@co.shelby.tn.us	yhawkins@dieboldes.com

Diebold Election Systems, Inc. ("DESI") and Shelby County, Tennessee ("Customer" and, together with DESI, the "Parties") hereby enter into this Voting System Agreement ("Agreement") as of the date of the last signature set forth below (the "Effective Date"). This Agreement consists of this "Signature Page," the below Terms and Conditions, and the following exhibits, each attached hereto and incorporated herein by this reference as if set forth herein full:

- Exhibit A – Payment Schedule
- Exhibit B – Software License and Maintenance Services Schedule
- Exhibit C – Hardware Warranty Services Schedule
- Exhibit D – Listing Of Components Being Purchased And Pricing Schedule
- Exhibit E – Delivery Schedule
- Exhibit F – Voter Outreach Deliverables, Budget, Schedule and Plan
- Exhibit G – Diebold Letters of Clarification
- Exhibit H – Diebold Election Systems Response To RFP #06-009-14

- Exhibit I – RFP #06-009-14 Election Commission Direct Recording Electronic and Mail-In Absentee Voting System Project
- Exhibit J – Master Preferred Escrow Agreement and Documents Related Thereto

The parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

	DIEBOLD ELECTION SYSTEMS, INC.
3/16/06 Authorized Signature Date	3/15/06 Authorized Signature Date
AC Wharton, Jr. Mayor Printed Name, Title	Steve Moreland on behalf of Dave Byrd, President Printed Name, Title
Authorized Signature Date Pamela Skelton 3-16-06 Pamela Skelton, Contracts Administrator Printed Name, Title	Authorized Signature Date 3-15-06 Charles R. Owen, Division Counsel Printed Name, Title
Gordon B. Olswing Authorized Signature Date 3/16/06 Assistant County Attorney Printed Name, Title	
Authorized Signature Date Brook Thompson, Tennessee State Election Coordinator Printed Name, Title	

1. **Definitions**

1.1. "DESI Hardware" means hardware manufactured by DESI and delivered by DESI hereunder.

1.2. "DESI Software" means software and firmware owned by DESI and licensed by DESI hereunder, in object code form, including all documentation therefore.

1.3. "Effective Date" has the meaning set forth in the Signature Page.

1.4. "Specifications" means descriptions and data regarding the features, functions and performance of the DESI Hardware and/or DESI Software, as set forth in user manuals or other applicable documentation, and DESI's response to the Customers RFP and any clarification correspondence signed by an authorized representative of DESI and delivered to Customer.

1.5. "System" means, collectively, the DESI Software, DESI Hardware and any Third-Party Products provided hereunder.

1.6. "Third-Party Products" means any software or hardware obtained from third-party manufacturers or distributors and provided by DESI hereunder.

1.7. "Warranty Period" means the period beginning on the Effective Date and ending on November 30, 2008, unless otherwise shortened or extended by these Terms and Conditions.

1.7.1 Should any item or component of DESI Hardware, DESI Software or Third Party Products be delivered later than the delivery dates set forth at Exhibit E hereto, the Warranty Period for said item shall be extended and continue for a number of days past November 30, 2008, equal to the number of days past the scheduled delivery date that the item is both actually delivered and accepted by the Customer.

1.7.2 Subject to Section 1.7.3, if a written notice of non-acceptance, which is supported by documentation identifying in detail the reasons for such non-acceptance, is received by DESI from the Customer within 30 days of the date of delivery, "acceptance" is deemed to occur as of the date the stated and reasonably supported reason for non-acceptance is cured.

1.7.3 Should the System (or any portion thereof) not function in accordance with DESI Specifications, and its representations and warranties expressly set forth in these Terms and Conditions in respect to an election, including absentee voting, early voting, election day and/or post election day activities, the actual date of delivery for the System (or the portion thereof) shall not occur until such date the System functions and operates in accordance with DESI Specifications and its representations and warranties expressly set forth in these Terms and Conditions as same relate to an election. In such circumstance, the Warranty Period for the System (or portion thereof) shall be extended and continue for a number of days past November 30, 2008, equal to the number of days past the scheduled delivery date that the System functions in accordance with DESI Specifications and its representations and warranties expressly set forth in these Terms and Conditions. The parties acknowledge the first election in which the System (or a portion thereof) will be used is the August 2006 county wide election.

1.7.4 The Customer shall send notice to DESI of the System or portion thereof not functioning or operating in accordance with DESI Specifications within five (5) business days of becoming aware of same.

1.7.5 DESI will promptly repair or replace any non-conforming delivery, and Customer will promptly inspect, and notify DESI within five (5) days of such repair or replacement by DESI.

1.7.6 Should any component of the System be delivered and accepted by Customer after November 30, 2006, the Warranty Period for such component shall be for a period of two (2) years to be shortened or extended as contemplated by the terms and conditions of this Agreement.

1.8 "RFP" means RFP #06-009-14, Election Commission Direct Recording Electronic and Mail-In Absentee Voting System Project whereby the Shelby County Election Commission solicited proposals from qualified vendors to develop and implement an integrated, automated voting system for Shelby County, Tennessee, including all necessary hardware, software,, maintenance and support. This voting Systems Agreement by and between DESI and Customer arises from this RFP #06-009-14. The foregoing RFP is attached hereto as Exhibit H and is incorporated herein by reference.

1.9. "Total Initial Investment" means the total purchase price for the DESI products and services including Third Party Products set for in Exhibit D.

2. Term. This Agreement is effective as of the Effective Date and, unless earlier terminated under Section 13, expires on November 30, 2008; provided that:

2.1 The Terms and Conditions specified herein shall survive and continue past the expiration date by the same number of days the Warranty Period continues past November 30, 2008, pursuant to Section 1.7 (and its subsections) of this Agreement.

2.2 Exhibit B (Software Licenses and Maintenance Services Schedule) and the terms and conditions specified therein will survive any expiration or termination of this Agreement for the duration of the Warranty Period and all applicable Software Renewal Terms (as defined in Exhibit B).

2.3 Exhibit C (Hardware Warranty Services Schedule) and the terms and conditions specified therein will survive any expiration or termination of this Agreement for the duration of the Warranty Period and all applicable Hardware Renewal Terms (as defined in Exhibit C).

2.4 Sections 6 (Payment) (to extent of any payments still due) and 11 (Confidential Information) will survive any expiration or termination of this Agreement in accordance with their respective terms.

2.5 In addition to the foregoing, terms of this Agreement that do not survive expiration or termination will nonetheless be effective in determining the Parties' rights and obligations for conduct or events taking place before such expiration or termination.

3. DESI's Responsibilities

3.1. DESI shall timely supply and timely deliver to Customer and Customer shall timely receive the DESI Hardware, DESI Software, Third Party Products, and Services identified at Exhibit D hereto and all other instructions, documentation, materials and license, rights, elements and components described in the other Exhibits hereto, and any other goods, right, element or component required to comply with this Agreement. The DESI Hardware, DESI Software, Third Party Products, and Services should be delivered to Customer at locations designated by Customer no later than the dates of delivery set forth in the Delivery Schedule set forth in Exhibit E. DESI acknowledges that the Delivery Schedule is critical and that any delay in such Delivery Schedule will result in a material breach of this Agreement.

3.1.1. Notwithstanding the above covenant or other Terms and Conditions herein, Customer acknowledges and understands that should this Agreement not be fully and lawfully approved by Customer on or before March 17, 2006, DESI may not timely meet its responsibilities and obligations as they relate to the May 2, 2006 election

("collectively the May 2, 2006 election obligations"). Accordingly, DESI shall be released from said May 2, 2006, election obligations and have no liability to Customer for its failure to comply with such May 2, 2006 election obligations. This release shall relate only to the May 2, 2006 election obligations and not the August, 2006 election obligations as may be set forth.

3.1.2. The System and related services for use by Customer shall comply with the requirements of the federal Help Vote Act (HAVA).

3.1.3 The System provided shall have been certified for use in the State of Tennessee. The parties acknowledge that the Express Poll 4000 – Electronic Poll Book (including ancillary items) and the Voter Verifiable Paper Audit Trail (including carry cases and ancillary items) have not been certified for use in the State of Tennessee. Notwithstanding, any other provision herein, Customer shall have no obligation to purchase or pay for such item, unless Customer issues a purchase order for the Express Poll 4000- Electronic Poll Book or the Voter Verifiable Paper Audit Trail products. Furthermore, Customer shall have no obligation to purchase or pay for any other item which requires certification but has not been certified. In the event that the Express Poll 4000-Electronic Poll Book and/or the Voter Verifiable Paper Audit Trail products reference above are certified by the State and the Customer decides to purchase such products, the price for such products shall remain fixed for a period of four years from the Effective Date of this Agreement; however, installation services for these products shall be the then current fee for such installation services at the time the above products are purchased. DESI will ensure that the foregoing products are compatible, at no additional cost to the Customer, if the products are purchased within the four year term specified above.

3.1.4. The System provided by DESI shall in addition to being HAVA compliant, at a minimum comply with the statements, representations and disclosures set forth in its October 17, 2005 response to the RFP as addressed to Sybille Nobile (the "Response To RFP") as said Response To RFP was revised or amended by these terms and conditions, by any other Exhibits hereto, by the letters dated December 5 and 12, 2005, (copies attached hereto and set forth in Exhibit F, along with the subsequent clarifications to DESI's Proposal submitted on December 5, 2005 set forth in Exhibit F.

3.2. DESI subject to its May 2, 2006 election obligations and other expressed specific obligations set forth in these Terms and Conditions shall deliver the components of the System at such places and times as set forth in the project plan adopted by the parties within 30 days after the Effective Date.

3.3. DESI shall provide the licenses, maintenance and support specified in Exhibit B during the Warranty Period and all Software Renewal Terms (as defined in Exhibit B).

3.4. DESI shall provide the hardware warranty services specified in Exhibit C during the Warranty Period and all Hardware Renewal Terms (as defined in Exhibit C).

3.5. DESI shall appoint a customer support representative, who will serve as a first point of contact with Customer, be authorized to make day-to-day decisions relating to this Agreement and have access to DESI's management for other decisions. DESI acknowledges that the customer support representative is to be appointed by a time and date as is necessary to comply with its May 2, 2006 election obligations.

3.6. DESI shall deliver all System components and perform all services in a professional, workmanlike manner, conforming to the highest professional and technical guidelines and standards of its industry and taking into account the fundamental and important public function for which its components and services are provided.

4. Customer's Responsibilities

4.1. Customer shall provide DESI with physical accommodations reasonably required for DESI to perform its obligations, including premises access, electrical power, data connectivity, heat and air conditioning. In particular, the general requirements include the provision of a 20 amp circuit, 110 volt with no more than 16 units per circuit for charging purposes. Other physical accommodations are those set forth and disclosed in Items 1. and 3. of Section 6.7, page 115 and item 5, page 55 of the Response To RFP attached hereto at Exhibit H.

4.2. Customer shall provide information and access to personnel reasonably required for DESI to perform its obligations. DESI reasonably requires Customer to provide a Project Manager as otherwise set forth in this Agreement; 4 persons per 200 units of the AccuVote®[1] TSX equipment for acceptance testing at time of delivery; and 2 persons for logic and accuracy testing. Such a person when provided shall be available for one continuous week period during normal business hours. Said persons should generally be able to read and understand written instructions to them and be able to lift 50 lbs.

4.3. Customer shall appoint a project manager, who will serve as a first point of contact with DESI, be authorized to make day-to-day decisions relating to this Agreement and have access to Customer's authorized officials for other decisions.

5. Title and Risk of Loss of DESI Hardware. Title and risk of loss for each item of DESI Hardware provided by DESI under this Agreement will pass to Customer on delivery. If Customer cannot take delivery at the agreed time or site, DESI may deliver the DESI Hardware to a

[1] AccuVote is a registered trademark of Diebold Election Systems, Inc. (ALL RIGHTS RESERVED)

Customer's possession for purposes of passage of title and risk of loss. However, delivery will not diminish any rights Customer has pursuant to this Agreement, including rights to repairs and replacements under applicable warranty and maintenance terms. Upon passage of title to the Hardware from DESI to Customer, Customer shall have the unrestricted right to transfer or sell such Hardware to another third party election jurisdiction. However, the sale or transfer of such Hardware as provided herein does not convey any right upon the Customer to transfer the Software License and Maintenance Services Schedule to such third party. Such third party will be required to obtain a Software License and Maintenance Agreement directly from DESI for the use of the DESI Software in conjunction with the Hardware acquired from the Customer. Customer shall be under no obligation to determine or confirm the third party's Software License or Maintenance Services arrangements. Customer shall have the unrestricted right to acquire such Hardware from a third party who has lawfully acquired such Hardware. In the event Customer purchases any additional units of Hardware from such third party, Customer is required to acquire the Software License from DESI (and DESI is required to provide the Software License to Customer) on a prorata basis equal to the number of additional units purchased by Customer. Should Customer acquire a Maintenance Fee Schedule from DESI for its Hardware Units purchased from DESI, Customer may purchase the Maintenance on a pro-rata basis equal to the number of additional units purchased. DESI acknowledges that Customer may purchase additional Hardware units without having to purchase a Software License so long as said units are used as parts to service and repair Hardware Units purchased from DESI. Customer shall timely notify DESI in writing of its sale and/or purchase of Hardware Units (except those units acquired by Customer for parts and repair purposes). Said notice should disclose the number of units sold or purchased and the identity and contact information of the third party selling or purchasing the units. DESI agrees that it will grant a license to the third party election jurisdiction purchasing the Hardware from Customer under its then current licensing terms.

6. Payment.

6.1 Customer shall pay DESI the amounts specified in Exhibit A at the times specified therein. Customer is responsible for all sales, excise, personal property or other taxes or duties on the amounts paid or products or services provided under this Agreement. If Customer is exempt from such taxes or duties, Customer shall provide DESI with a tax exemption certificate if such a certificate exists. Customer hereby grants DESI a first priority security interest in the DESI Hardware and any proceeds thereof, effective until Customer has fully paid the amounts specified for the DESI Hardware in Exhibit A. Customer shall execute and deliver UCC filings and other documents DESI reasonably requests to perfect this security interest.

6.2 Notwithstanding the above, this Agreement is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Agreement are not appropriated by Shelby County Government for any of its fiscal periods during the term of this Agreement, then this Agreement will be terminated. In the event of such termination, DESI shall be entitled to receive just and equitable compensation for any satisfactory work performed and/or components delivered and accepted by Customer as of the termination date.

6.3 Customer is not and will not be responsible for any taxes levied on DESI as a result of the execution, delivery or performance of this Agreement. DESI shall pay and discharge any and all taxes in a timely manner.

7. Insurance

7.1 Customer Insurance. The parties acknowledge that the Customer is a governmental entity and as such is allowed to maintain a program of self insurance that is reasonably adequate to cover its liability to DESI under the terms and conditions of this Agreement.

7.2 During the term of this Agreement, DESI will maintain in full force and effect insurance policies providing the types and minimum coverages specified below covering DESI's acts and omissions in performing this Agreement.

7.2.1 Commercial general liability insurance, with limits of not less than Two Million Dollars ($2,000,000) per occurrence and in the aggregate for personal injury and property damage.

7.2.3 Automobile liability insurance covering any auto used by DESI to perform services under this Agreement, with limits of not less than One Million Dollars ($1,000,000) per occurrence and in the aggregate for bodily injury and property damage.

7.2.4 Worker's Compensation insurance, with limits of not less than those required by statute, and employer's liability insurance, with a combined single limit of not less than One Million Dollars ($1,000,000).

7.2.5 Certificates of insurance evidencing the above coverage's will be furnished to Customer before commencing services under this Agreement. The certificates will provide for not less than fifteen (15) days' prior notice to Customer of any policy cancellation or non-renewal.

7.2.6 The required coverage's set forth above do not limit DESI's obligations with respect to performance under this Agreement.

8 Testing and Acceptance

8.1 Within ten business days after installing System components, DESI will commence unit testing under protocols designed to confirm performance in compliance with Specifications. Acceptance of units will occur on the earlier of (a) Customer's delivery of a written certificate of acceptance and (b) 30 days after the scheduled start of unit testing if testing is prevented or delayed by Customer's failure to meet obligations under this Agreement.

8.2 No later than ten business days after System installation is complete, DESI will conduct System testing under protocols designed to confirm the System's performance in compliance with all System Specifications. Acceptance of the System will occur on the earliest of (a) Customer's delivery of a written certificate of System acceptance, (b) Customer's use of the System in a national election, (c) 30 days after the scheduled start of System testing if impeded or prevented by Customer's failure to respond or perform its obligations and (d) 120 days after the scheduled start of System testing, unless, before then, Customer has notified DESI in writing of its intent to terminate this Agreement for cause under Section 13. Customer will not withhold acceptance due to a failure to conform to Specifications in any immaterial respect, provided DESI promptly delivers a remedial plan for such non-conformity.

8.3. Notwithstanding the above or other terms and conditions of this Agreement, except for the terms and conditions of Section 3.1.1 relating to Customer's approval of the Agreement on or before March 17, 2006, DESI acknowledges that Customer requires the following to timely occur, and that a failure of any below event to occur on the date specified will result in a material breach of this Agreement:

8.3.1. Customer is to receive, have in proper place and use for demonstration purpose only, 400 units of the AccuVote – TSX hardware and ancillary components for demonstration and training purposes at and during the May 2, 2006 election;

8.3.2. Customer is to commence, perform and complete its voter education and outreach program with DESI's assistance. The schedule of training and outreach program efforts, DESI's general obligations, duties and responsibilities regarding the voter education and outreach program, the costs of said program to Customer and other program details are set forth at Exhibit F hereto. Notwithstanding the foregoing, and for avoidance of any doubt or conflict, the Parties agree and acknowledge that DESI's sole obligation with regard to Customer's voter education and outreach program shall consist of the development of a voter education and outreach plan and creation of various items including but not limited to brochures, videos, and education materials necessary to implement and carry out the plan.

8.3.3 Customer is to commence mailing of the (August 3, 2006 election) absentee voting documents using the new System no later than June 19, 2006;

8.3.4 Customer is to use the new System to tally the (August 3, 2006 election) absentee ballots;

8.3.5 Customer is to receive, use and have in proper place 200 fully functioning and operating units of the AccuVote – TSX hardware and ancillary components (including software) at the commencement of and during the entirety of early voting, which early voting is to commence July 13, 2006, and run for a period of twenty (20) consecutive days. Said 200 units may be the same units as those previously delivered for the May 2, 2006 election early voting, if any.

8.3.6 Customer is to receive use and have in proper place 1500 fully functioning and operating units of the AccuVote – TSX hardware and ancillary components (including software) at and during the August 3, 2006 election. Said 1500 units may include the 200 units delivered for early voting purposes and the 400 units previously delivered and used as demonstration units. In addition all 1500 units and components necessary to commence acceptance testing shall be delivered to Customer at the location designated by Customer no later than June 1, 2006 with acceptance testing to commence promptly after delivery.

8.3.7 Customer shall receive, have in proper place and otherwise be able to utilize all System components as necessary to timely perform and complete all lawful August 3, 2006 absentee voting, early voting election day activities and all lawful August 3, 2006 post election activities including but not limited to tabulation of election results, audit of election results, re-count of election results and reporting of election results to governmental authorities.

8.3.8 Customer is to receive all System components as necessary to timely and successfully complete the activities set forth above at Sections 8.3.1 – 8.3.7;

8.3.9 All diagnostic, acceptance. Logic and accuracy preparation, planning and testing is to be performed and completed as necessary to timely and successfully complete the activities set forth above at Sections 8.3.1 – 8.3.7;

8.3.10 All GEMS Database or GEMS Server upgrades, modifications, patches, testing and audits are to be completed as necessary to timely and successfully complete the activities set forth above at Sections 8.3.1 – 8.3.7 and;

8.3.11Customer shall receive from DESI all training as is necessary to timely and successfully complete activities set forth above at Sections 8.3.1 – 8.3.7

8.4 Accordingly, DESI shall subject to the terms and conditions of Section 3.1.1 herein regarding Customer approval of the Agreement, deliver to Customer all System components and services and perform all work as is necessary for Customer to timely and successfully complete the activities set forth above at Section 8.3.1 – 8.3.8.

9 Warranties

9.1. Warranty Duration. The following warranties will apply to all DESI Software and DESI Hardware during the Warranty Period. Thereafter, such warranties will apply to all DESI Software during

all Software Renewal Terms and to all Warranted Hardware (as defined in Exhibit C) during all Hardware Renewal Terms.

9.2. DESI Software. DESI warrants that DESI Software will perform free of defects that would prevent the System from operating in conformity in all material respects with its Specifications, so long as such DESI Software is operated with DESI Hardware and with Third-Party Products approved by DESI for use with the DESI Software.

9.3. DESI Hardware. DESI warrants that the DESI Hardware will perform free of defects that would prevent the System from operating in conformity in all material respects with its Specifications as same are set forth in DESI's Response To RFP or its other written representations to Customer, so long as such DESI Hardware is operated with DESI Software and with Third-Party Products approved by DESI for use with the DESI Hardware.

9.4. Third-Party Products. The warranties in Sections 9.2 and 9.3 do not apply to any Third-Party Products, except that:

9.4.1. To the extent permitted by the manufacturers of Third-Party Products, DESI shall pass through to Customer all warranties such manufacturers make to DESI regarding the operation of such Third-Party Products; and

9.4.2. DESI warrants that all components of the DESI Software and DESI Hardware will interface and function properly with the Third-Party Products so long as such Third-Party Products operate in compliance with all applicable manufacturers' warranties.

9.4.3. DESI warrants that regardless of any Third Party Products warranty, the DESI System delivered to Customer, including the Third Party Products will perform in accordance with the DESI Specifications during the Warranty Period and the DESI representations and warranties expressly set forth in these Terms and Conditions.

9.5 Certification. DESI warrants that each unit of voting equipment provided to Customer hereunder is certified by the Tennessee Secretary of State.

9.6 DESI warrants that each component of DESI Hardware, DESI Software and Third Party Products provided to Customer hereunder complies with the Help America Vote Act.

9.7 DESI warrants that each component of DESI Hardware, DESI Software, and Third Party Products provided to Customer hereunder will be fit for the purpose of preparing for elections, conducting elections and/or auditing election results.

9.8 DESI warrants that all products and components purchased under this Agreement, except for the additional two (2) refurbished optical scan units that will be new and that all products and components will be free from defects in material and workmanship.

9.9 DESI warrants the System and every individual component will be, and will operate, in all material respects in accordance with its Response to RFP attached hereto as Exhibit H, Clarifications To Response To RFP attached hereto as Exhibit G.

9.10 DESI is a corporation duly organized, validly existing, and in good standing under the laws of its domicile. DESI has all requisite corporate power and authority to own, operate, and dispose of its property.

9.11 DESI has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. This Agreement and the obligations contemplated hereby have been duly and validly authorized by all necessary action on part of DESI, and this Agreement constitutes a legal, valid and binding obligation of DESI, enforceable in accordance with its terms. The persons executing this Agreement on behalf of DESI have actual authority to bind DESI.

9.12 DESI will enter into no agreement, the execution or performance of which would violate or interfere with this Agreement.

9.13 No Third Party act is required to enable DESI to enter into this Agreement or to perform it, or if so, such consent has been revealed in writing to Customer and will be obtained before time of performance.

9.14 DESI has either by itself or with the assistance it reasonably expects to receive from subcontractors, the facilities, equipment, authorizations, and know-how to perform this Agreement.

9.15 There is no pending or known potential claim, planned action or other event of any nature that could individually or together materially impair DESI's ability to perform this Agreement. Without limiting the generality of this representation, DESI is not currently the subject of a voluntary or involuntary petition in bankruptcy, does not presently contemplate filing any bankruptcy petition, and is not aware that any person plans to file an involuntary petition in bankruptcy against it, or if aware of such petition, represents that such a petition will not materially effect its ability to timely carry out its duties, responsibilities and obligations under this Agreement.

9.16 DESI warrants that, no part of the System contains or will contain any code designed to disable a computer program automatically with the passage of time. Furthermore, so long as Customer is not in breach of its licensee obligations hereunder, Customer has been notified in writing of the breach, and has the opportunity to cure the breach in accordance with the Terms and Conditions herein. DESI or licensor will not intentionally disable or interrupt a software program licensed to Customer. This does not include software routines designed to permit access to a licensee's computer system for purposes of maintenance or technical support, provided DESI has given written notice and description of the

attributes of such code to Customer and has Customer's written acquiescence.

9.17 DESI warrants to its knowledge, no part of the System contains or will contain any virus, Trojan horse, worm or similar software routines.

9.18. No Other Warranties. DESI DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES NOT SET FORTH IN THIS AGREEMENT (INCLUDING THE EXHIBITS HERETO), WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY BASED ON A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.

10. Indemnification

10.1 If notified promptly in writing of any action brought against Customer alleging that Customer's use of the DESI Software or DESI Hardware infringes a United States patent, copyright or trademark ("Claim"), DESI will defend the Claim at its expense and pay any costs and damages awarded against Customer; provided that DESI has sole control of and Customer's reasonable cooperation in the defense or settlement of the Claim. This indemnity will not apply to Claims arising from use of the DESI Software outside the scope of the license granted to Customer, use of the DESI Software or DESI Hardware in combination with Third-Party Products (other than those approved by DESI or set forth in the Specifications) or modification of the DESI Software or DESI Hardware not performed or provided by DESI, to the extent such use, combination or modification is the cause of such Claim.

10.2 If a Claim results in an injunction against Customer's use of any component of DESI Software or DESI Hardware, or if DESI reasonably anticipates such an injunction, DESI will procure for Customer the right to continue using the component, replace the component or modify the component to avoid the Claim while retaining substantially the same functionality.

10.3 DESI shall indemnify, defend, save and hold harmless the Customer, and its elected officials, officers, employees, agents, assigns and instrumentalities from and against any and all claims, liability losses or damages related to Title VII and 42 USC 1983 prohibited acts arising out of or resulting from the actions or omissions directly attributable to DESI in its performance under this Agreement. This indemnification shall survive the termination or conclusion of this Agreement.

10.4 DESI expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by DESI shall in no way limit the responsibility to indemnify, defend, save and hold harmless the Customer as herein provided.

10.5 Customer has no obligation to provide legal counsel or defense to DESI or its subcontractors in the event a suit, claim or action of any character is brought by any person not a party to this Agreement against DESI as a result of or relating to performance of the services or obligations under this Agreement.

10.6 DESI will assume all risk of injuries to property or persons, including death resulting or arising from DESI's negligence, willful and/or intentional misconduct, DESI does hereby agree to protect indemnify, and hold harmless the Customer, participating jurisdictions, and agencies against any and all actions, claims, demands or liabilities for death, personal injury or property damage. In addition, DESI shall pay all expenses, which the Customer may incur in the investigation and/or defense of any such claim, including reasonable counsel fees and court costs.

11. Limitation of Liability. As to claims and matters between the parties, and except as to those matters set forth in Section 10, DESI will not be liable under this Agreement to Customer for (1) consequential, special, punitive or incidental damages or (2) compensatory damages in excess of the total of all amounts payable under this Agreement during the 12-month period preceding the event or events giving rise to liability.

12 Confidential Information.

12.1 Neither Party will use or disclose the other Party's Confidential Information without the other Party's prior written consent. "Confidential Information" means, as to DESI, the DESI Software and, as to either Party, any information designated as confidential by the Party when or before it is disclosed. This paragraph does not apply to information (a) after it becomes publicly known through no fault of the receiving Party, (b) already rightfully in the receiving Party's possession when received, (c) developed by the receiving Party without the use of the other Party's Confidential Information or (d) required to be disclosed by law so long as the other Party is given prompt notice of the request or order that the information be disclosed and the fullest opportunity under law to prevent or limit the disclosure. Each Party acknowledges that its breach of this Section 12 may cause the other Party substantial and irreparable harm for which the other Party would be entitled to equitable relief in addition to any available legal remedies. Each Party hereby waives any requirement to post bond or provide other security as a condition to receiving such equitable relief.

12.2-The Customer reserves the right to have an independent contractor audit the software applicators to obtain reasonable assurance pertaining to the function, audit, ability and related controls of the application

13. Force Majeure. DESI's obligations hereunder will be suspended so long as compliance is impeded or prevented by causes beyond DESI's reasonable control, which may include acts of God, embargoes, acts of war (including terrorist attacks), labor disturbances and acts or regulations of governmental entities. DESI should give written notice of any suspension promptly upon its becoming aware of same.

14. Termination for Cause. If either Party materially breaches this Agreement and does not cure the breach within 30 days after receiving

written notice of the breach from the non-breaching Party, the non-breaching Party may terminate this Agreement as of a termination date specified in that notice or a subsequent notice delivered within such 30-day period. If the breach cannot be completely cured within the 30-day period, no default will occur if the Party receiving the notice in good faith begins curative action within the 30-day period and thereafter proceeds with diligence and in good faith to cure the breach as soon as practicable.

15. Miscellaneous

15.1. Assignment. Neither Party may assign any rights or delegate any obligations under this Agreement without the prior written consent of the other Party; provided that DESI may subcontract Services upon 30 days' prior written notice to Customer. Any such subcontract shall in no way whatsoever release DESI from its duties, responsibilities and/or obligations under this Agreement. Any attempted assignment or delegation in violation of this Section 14.1 will be null and void.

15.2. Severability. If any term of this Agreement is held to be unenforceable, the other terms of this Agreement will be enforced to the fullest extent permitted by law.

15.3. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

15.4. Governing Law. This Agreement will be construed under the laws of the State of Tennessee; and the state and federal courts within Shelby County, Tennessee shall have exclusive jurisdiction for all actions to enforce or otherwise arising from this Agreement.

15.5 Waiver. No waiver or failure of a party to assert any right under this Agreement on any one occasion will operate as a waiver of any other right on that occasion or any right on any other occasion.

15.6 Notices. All notices under this Agreement will be delivered personally, sent by confirmed facsimile transmission, sent by nationally recognized express courier or sent by certified or registered U.S. mail, return receipt requested, to the addresses shown on the Signature Page or such other address as may be specified by either Party to the other Party in compliance with this Section 14.6. Notices will be deemed effective on personal receipt, receipt of such electronic facsimile confirmation, two days after such delivery by courier and four days after such mailing by U.S. mail.

Each party hereto shall promptly notify the other of any claim or suit made or filed against the party or its subcontractors regarding any matter resulting from or related to the party's performance of responsibilities, obligations and duties under this Agreement and will cooperate, assist and consult the other in the defense or investigation thereof.

15.7. Interpretation. This Agreement, including all Exhibits, is the complete and final expression of the Parties' agreement regarding its subject matter and supersedes all prior or contemporaneous communications or agreements, written or oral, by the Parties regarding such subject matter. In the event of any conflict between these Terms and Conditions and any provisions set forth in any other part of this Agreement, these Terms and Conditions will prevail. In the event of a conflict between any Agreement document, the order of precedence is as follows: (1) these Terms and Conditions; (2) Exhibit J documents; (3) Exhibits A, B, C, D, E, and F ; (4) 3 Clarifications To The Response To RFP at Exhibit G ; (5) the Response To RFP; and (6) the RFP. No amendment or supplement to this Agreement is effective unless in writing and signed by both Parties' authorized representatives. The word "include" (or any of its derivatives) is deemed to be followed in all contexts by the words "without limitation." Headings are included for convenience and will be ignored in interpreting this Agreement.

15.8 Conflict of Interest. DESI warrants that no fee, payment or compensation has been or will be paid directly or indirectly to any officer or employee of Customer as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to DESI in connection with any work contemplated, performed or to be performed relative to the Agreement.

16. General Compliance With Law.

16.1 DESI certifies that it is qualified or will take steps necessary to qualify to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain at its expense all licensees, permits, insurance, and governmental approvals, if any, necessary to the performance of its responsibilities, obligations and duties under this Agreement.

16.2 DESI is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the performance of its responsibilities, obligations and duties. The preceding sentence shall include, but is not limited to compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements and the Americans with Disabilities Act (ADA).

16.3 DESI hereby agrees, warrants, and assures compliance with the provisions of Title VI and VII of the Civil Rights Act of 1964 and all other federal statutory laws, which provide in whole or in part that no person shall be excluded from participation or be denied benefits of or be otherwise subjected to discrimination in the performance of this Agreement or in the employment practices of DESI on the grounds of handicap and/or disability, age, race , color, religion, sex, national origin, or any other classification protected by federal, Tennessee shall upon request show proof of such non-discrimination and shall post in conspicuous places available to all employees and applicants notices of non-discrimination.

17. Most Favored Pricing. DESI agrees that all System post Warranty Period and/or post Agreement termination fees, prices and charges for software licensing, equipment repair and maintenance, and equipment repair and maintenance programs, substitution or replacement of equipment and software and the like offered, imposed or charged to Customer shall not exceed those offered or imposed or performed with respect to substantially similar services or products sold to other Customers of DESI, under substantial similar terms, substantial similar conditions, substantial similar quantities, and substantially similar configuration of the System hereunder.

18. Escrow Agreement. Customer shall become a beneficiary under DESI's existing master escrow agreement with Iron Mountain, Inc., entitled to receive the source code to DESI's software and firmware upon the occurrence of certain release events as described in the escrow agreement. The Form of Master Preferred Escrow Agreement and related documents including the Preferred Beneficiary Acceptance Form are collectively attached to this Agreement as Exhibit J.

Exhibit A

Exhibit A

Shelby County Election Commission

Contract Payment Schedule

Payment Schedule Pre-requisite – Payment for the system will be due upon the availability of HAVA funding provided by the Office of the Secretary of State, Tennessee State Coordinator of Elections, and in accordance with the milestone table below. Following the provision thereof, all invoices will be prepared and sent to Shelby County within thirty (30) days of each milestone completion date, with payment due within thirty (30) days of receipt by Shelby County.

Major Milestone/Contract Deliverable[1]	% of Total Contract Amount	Milestone Payment Amount
Initial Start-up Fee	10	$ 421,386.03

Completion of the following:
• Delivery of 400 AccuVote TSX demo units
• Delivery of application software
• Acceptance and L&A tests
• Voter Outreach:
  • Expectations Meeting
  • Community Event Plan
	15	632,079.04

Completion of the following:
• Delivery of 600 AccuVote TSX units
• Acceptance and L&A tests
• Staff training[2]
• Voter Outreach:
  • Planned dates for community event demonstrations
  • Development of website interactive simulation
	20	842,772.05

Completion of the following: • Delivery of 500 AccuVote TSX units • Acceptance and L&A tests • Voter Outreach deliverables through 6/28/06 (See Exhibit F, including Direct and Indirect Outreach Efforts)	20	842,772.05
Certification of August Primary Election and the following post-election activities: • Audit election results • Conduct recount, as required • Prepare Secretary of State abstract & submit • Process any warranty equipment	20	842,772.05

[1]Deliverables according to the Final Project Plan, jointly developed and agreed to between DESI and the Shelby County Election Commission.
[2]Includes GEMS training and hardware training.

Exhibit A

Shelby County Election Commission

Contract Payment Schedule

Major Milestone/Contract Deliverable	% of Total Contract Amount	Milestone Payment Amount
Certification of November General Election and the following post-election activities: • Audit election results • Conduct recount, as required • Prepare Secretary of State abstract & submit • Process any warranty equipment	15	632,079.04
TOTAL		**$ 4,213,860.26**

The following Fiscal Year 2007 equipment purchases will be included in a separate payment schedule at the time of purchase:[3] • ExpressPoll 4000 Electronic Poll Book $1,567,803.15 • Voter Verifiable Paper Audit Trail Modules 677,550.00	$ 2,245,353.15

[3]Only upon certification by the State Coordinator of Elections.

Exhibit B

1. **Exhibit B Term.** This Exhibit B is effective as of the Effective Date and, if not extended as provided herein, expires on the last day of the Warranty Period. Customer may thereafter extend the effectiveness of this Exhibit B for up to 20 successive one-year renewal periods (each, a "Software Renewal Term") by paying, for each Software Renewal Term, the Annual Software License and Maintenance Fee set forth in Exhibit A of the Agreement at least 30 days before such Software Renewal Term begins. It is agreed between the Parties that any increase in the Software License and Maintenance Fee for any such Software Renewal Term shall not exceed 5% of the then current Software License and Maintenance Fee for the then current Software Renewal Term. The period during which this Exhibit B is in effect is referred to herein as the "Exhibit B Term." On expiration of the Exhibit B Term (a) the licenses granted in this Exhibit B will automatically terminate, (b) Customer shall cease any further use of the DESI Software and (c) DESI may cease performing the maintenance services set forth in this Exhibit B.

2. **Payment.** The Total Initial Investment specified in Exhibit A of the Agreement includes payment in full, for the Warranty Period, for the licenses, maintenance and support described in this Exhibit B. Each Annual Software License and Maintenance Fee constitutes payment in full, for the duration of the applicable Software Renewal Term, for the licenses, maintenance and support described in this Exhibit B. In the event Customer purchases any additional units from DESI or a third party, the Software License (and Maintenance Fee, if any) to be paid by Customer for such units shall be made payable to DESI on a pro-rata basis equal to the number of additional units purchased by Customer.

3. **License to DESI Software.** Subject to the terms of this Exhibit B and the Agreement, DESI grants Customer a non-exclusive license, without the right to transfer or sublicense, to use, during the Exhibit B Term, for the purpose of preparing for and conducting federal, state or local elections, run-offs, referenda and other similar voting events that take place within Shelby County, Tennessee as may be directed by the State's Coordinator of Elections , the numbers of copies specified in Exhibit A of the DESI Software applications identified therein. This license may be exercised by Customer officials, employees and volunteers authorized by Customer to conduct the above-described elections.

4. **Third-Party Products.** Subject to the terms of this Exhibit B and the Agreement, DESI agrees to sublicense any software that constitutes or is contained in Third-Party Products, in object code form only, to Customer for use during the Exhibit B Term as part of the System for the purposes described in Section 3 of this Exhibit B. This sublicense is conditioned on Customer's continued compliance with the terms and conditions of the end-user licenses contained on or in the media on which such software is provided.

5. **No Other Licenses.** Other than as expressly set forth in this Exhibit B, (a) DESI grants no licenses, expressly or by implication, and (b) DESI's entering into and performing the Agreement (including this Exhibit B) will not be deemed to license or assign any intellectual property rights of DESI to Customer or any third party. Without limiting the foregoing sentence, Customer agrees to use each copy of the AccuVote-TSX firmware, or AccuVote-OS firmware, only on the AccuVote-TSX unit, or AccuVote-OS unit, with which the copy is supplied, agrees not to use any DESI Software as a service bureau for elections outside Tennessee and agrees not to reverse engineer or otherwise attempt to derive the source code of any DESI Software.

6. **DESI Software Maintenance**

6.1. During the Exhibit B Term, DESI shall maintain the DESI Software so that it operates in conformity at all times with the warranties set forth in the Agreement. DESI shall correct any reproducible error affecting the DESI Software. Suspected error conditions will be investigated and corrected by DESI personnel at the DESI office to the extent possible. Repair or replacement under this Exhibit B will be the exclusive remedy of Customer for any defects in the operation of the DESI Software.

6.2. If a problem cannot be resolved using remote diagnostics, upon Customer's prior authorization, DESI will send a specialist to the Customer's premises under the following terms:

6.2.1. If the problem lies solely with DESI Software, DESI is responsible for all expenses associated with the resolution of the problem, provided that Customer has incorporated all error corrections or changes to the DESI Software within ten days after receiving them from DESI.

6.2.2. If the problem is due to acts or omissions by Customer or a third party, including by the failure to incorporate all error corrections or changes in a timely manner, Customer is responsible for all fees and expenses at DESI's then-current consulting service rate. Such problems include those that arise from the failure of Third-Party Products, installation of the DESI Software on hardware that was not approved by DESI, or improper use of the DESI Software or the hardware upon which it is installed.

6.3. As is reasonably necessary for DESI to provide maintenance and support, Customer shall provide access to its personnel and premises, be responsible for maintaining all necessary computer hardware (other than Warranted Hardware), communications equipment, telephone lines, cabling and modems, and make available paper, disk packs and other similar supplies.

7. **Enhancements and Upgrades.** During the Exhibit B Term, DESI shall provide Enhancements and Upgrades (each as defined below) to Customer under the following terms and conditions.

7.1. DESI may provide Customer with unsolicited error corrections or changes to the DESI Software that DESI determines from time to time are necessary for proper operation of the System ("Enhancements").

7.2. DESI may release DESI Software improvements that add to or change the functionality characterizing the DESI Software as of the Effective Date ("Upgrades"). Upgrades do not include later released versions of the DESI Software with a higher version number.

7.1. Customer shall incorporate each Enhancement and Upgrade within ten days after receipt from DESI, unless DESI consents in writing to a delay in such incorporation. Each Enhancement and Upgrade will be, from and after delivery to Customer, licensed to Customer under this Exhibit B and treated for all purposes as part of the DESI Software.

7.2. Notwithstanding any term of this Exhibit B to the contrary, DESI shall not provide, and shall not be obligated to provide, under this Exhibit B any Update, Enhancement or other software or firmware that has not been fully certified under any and all applicable provisions of the election laws and regulations of the State of Tennessee.

8. Incorporation of Provisions Surviving Expiration or Termination of Term. Effective upon expiration or termination of the Term of the Agreement, Sections 1 and 8 through 14 of the Agreement will be incorporated in this Exhibit B as if fully set forth herein, and will survive such expiration or termination (along with those specified in Section 2.3 of the Agreement) for the remainder of the Exhibit B Term.

Exhibit C

1. **Exhibit C Term.** This Exhibit C is effective as of the Effective Date and, if not extended as provided herein, expires on the last day of the Warranty Period. Customer may thereafter extend the effectiveness of this Exhibit C for up to 20 successive one-year renewal periods (each, a "Hardware Renewal Term") by paying, for each Hardware Renewal Term, the Annual Extended Hardware Warranty Fee set forth in Exhibit A of the Agreement at least 30 days before such Hardware Renewal Term begins. The period during which this Exhibit C is in effect is referred to herein as the "Exhibit C Term."

2. **Payment.** The Total Initial Investment specified in Exhibit A of the Agreement includes payment in full, for the Warranty Period, for the hardware warranty services described in this Exhibit C. Each Annual Extended Hardware Warranty Fee constitutes payment in full for the hardware warranty services described in this Exhibit C for the duration of the applicable Hardware Renewal Term.

3. **Warranted Hardware**

3.1. During the Exhibit C Term, DESI shall maintain the items of DESI Hardware identified in Exhibit A and any other items of DESI Hardware for which Customer purchases extended warranty services under this Exhibit C (collectively, "Warranted Hardware"), so that they operate in conformity at all times with the warranties set forth in the Agreement. If any item of the Warranted Hardware fails during the Exhibit C Term to operate in conformity with the warranties set forth in the Agreement, DESI shall fully repair or, at DESI's option, replace the Warranted Hardware. The following conditions apply:

3.1.1. Customer shall bear the shipping costs to return the malfunctioning item of Warranted Hardware to DESI and DESI shall bear the costs for ground-shipping the repaired or replaced item of Warranted Hardware to Customer. Shipping costs are based on ground service rates. If faster shipping service is required, the shipping cost shall be at the Customer's expense.

3.1.2. Customer may request on-site support services. If DESI agrees to provide on-site support services, such services will be provided on a time and material basis.

3.1.3. In special or unusual circumstances, Customer may request to borrow a hardware unit that can serve as a temporary replacement for the malfunctioning item of Warranted Hardware ("Loaner"). DESI may, at its discretion, provide a Loaner for Customer to use for election activity until the covered item is repaired or replaced. DESI and Customer shall agree in advance on the fee for the use of the Loaner.

3.2. For the avoidance of doubt, the following services are among those not covered by the payments identified in Section 2 above, and are available at DESI's then current time and material rates.

3.2.1. The replacement of consumable items such as batteries, paper rolls, ribbons, clock chips, smart cards, floppy disks, and disks on chips.

3.2.2. The repair or replacement of Warranted Hardware damaged by accident, abuse, neglect, improper usage or as a result of service modification by anyone other than DESI and its authorized service representatives.

3.2.3. The repair, refitting or replacement of any DESI Hardware to comply with the changes in any applicable laws or regulations becoming effective after acceptance of such Hardware.

4. **Gaps in Warranty Coverage.** Customer may purchase extended hardware warranty services under this Exhibit C for items of DESI Hardware for which coverage has lapsed. In such case, in addition to payment of the applicable Annual Extended Hardware Warranty Fee, Customer will pay at DESI's then current time and material rates for inspections and repairs required to bring the items of DESI Hardware up to warranty-level standards.

5. **Incorporation of Provisions Surviving Expiration or Termination of Term.** Effective upon expiration or termination of the Term of the Agreement, Sections 1 and 8 through 14 of the Agreement will be incorporated in this Exhibit C as if fully set forth herein, and will survive such expiration or termination (along with those specified in Section 2.3 of the Agreement) for the remainder of the Exhibit C Term.

Exhibit D

Exhibit D

Shelby County Election Commission
Voting Machine Implementation Project

Diebold AccuVote-TSX
Pricing Schedule*

Equipment/Service	Qty.	Unit Cost	Extended Cost	Total Cost	Comments
Hardware/Equipment Cost:				$ 5,647,799.00	
AccuVote-TSX (includes warranty though Nov. 2008, PCMCIA memory card, self enclosed booth, internal battery, absentee ballot tabulation system)	1,500	$ 3,195.00	4,792,500.00		
Smart Cards/Buttons	6,000	4.00	24,000.00		4 per unit
Battery Packs	3,000	50.00	150,000.00		2 per unit
Visually Impaired Accessories	297	320.00	95,040.00		1 per precinct, plus 5%
Voter Card Encoders	849	395.00	335,355.00		3 per precinct
Backup PCMCIA Memory Cards	1,500	155.00	232,500.00		1 per unit
Precinct Supervisor Cards	566	4.00	2,264.00		2 per precinct
Server	1	15,400.00	15,400.00		
ST100 Central Office Card Encoder	1	150.00	150.00		
PCMCIA Ethernet Cards	5	105.00	525.00		
Administrator Cards	5	8.00	40.00		
Security Key Cards	5	5.00	25.00		
Refurbished Absentee Ballot Scanners	2	0	0		Covered by new equipment warranty
Application Software	1	150,000.00		150,000.00	
Community Outreach Deliverables	1	98,265.00	98,265.00	98,265.00	
Discount (includes trade-in of 200 AccuVote-TS units)				(2,930,000.00)	

*Supercedes Costs and/or prices as set forth in DESI's Section B Proposal Forms, submitted by DESI in response to RFP#06-009-14.

Exhibit D

Shelby County Election Commission
Voting Machine Implementation Project

Equipment/Service	Qty.	Unit Cost	Extended Cost	Total Cost	Comments
Management Fees	1	116,620.26		116,620.26	
Service Expense:				944,340.00	
Project Management Fee	1	394,440.00	394,440.00		2-yr. commitment
Installation Costs	1	182,650.00	182,650.00		
Election Support, 2 years (includes L&A, Election Day server support, 19 Field Rovers)	1	367,250.00	367,250.00		See Delivery Schedule Exhibit E
System Software – Key Card Tool Security	1	10,000.00		10,000.00	
System Software Maintenance – Extended Warranty	1	27,500.00		27,500.00	
Staff Training	1	39,400.00		39,400.00	Includes "Train the Trainer" Classes 2006-2007
Warehouse Racking System:				109,936.00	
4-unit rack	208	336.00	69,888.00		
5-unit rack	48	392.00	18, 816.00		
6-unit rack	31	432.00	13,392.00		
5-unit rack (spares)	20	392.00	7,840.00		
Sub-Total Fiscal Year 2006 Costs				**$ 4,213,860.26**	
FISCAL YEAR 2007 PURCHASES					
Express Poll 4000:[1]				$ 1,567,803.15	
Electronic Poll Book devices (includes software, case, barcode wand, stylus, signature pad, training, warranty through Nov. 2008, 2-day staff training):	566	2,950.00	1,669,700.00		

Exhibit D

Shelby County Election Commission
Voting Machine Implementation Project

Equipment/Service	Qty.	Unit Cost	Extended Cost	Total Cost	Comments
Spare CF Memory Card Devices	283	58.30	16,498.90		512mb each
Database Conversion Set-up	1	3,500.00	3,500.00		
Acceptance Testing Assistance	1	13,500.00	13,500.00		
Train-the-Trainer	1	3,250.00	3,250.00		
Logic & Accuracy Assistance	2	5,000.00	10,000.00		first 2 elections
County-wide Discount			(162,795.75)		
Shipping			14,150.00		
Voter Verifiable Paper Audit Trail[2]:				677,550.00	
AccuView Print Modules	1,500	350.00	525,000.00		
Carrying Cases	1,500	85.00	127,500.00		
Security Canisters (spares)	1,500	15.00	22,500.00		
Paper Rolls (spares)	1,500	1.70	2,550.00		
Sub-Total Fiscal Year 2007 Costs				**$ 2,245,353.15**	
TOTAL CONTRACT COST				**$ 6,459,213.41**	

[1]Only upon certification by the State of Tennessee, Coordinator of Elections.
[2] Only upon certification by the State of Tennessee, Coordinator of Elections, which price does not include installation services.

Exhibit E

Exhibit E

Formatted: Bullets an

Delivery Schedule

Draft Shelby County Project Plan [1]

Project Start: Mon 1/9/06
Project Finish: Mon 9/25/06

Tasks

ID	Task Name	Duration	Start	Finish	Resource Names	% Complete
1	**Draft Shelby County Demo Implementation Project**	157 days	Wed 2/22/06	Mon 9/25/06		0%
2	County Finalize / Sign Contract	0 days	Wed 3/15/06	Wed 3/15/06		0%
3	Escrow Software	5 days	Thu 3/16/06	Wed 3/22/06		0%
4	Meet Customer on Voter Outreach Planning	1 day	Mon 3/20/06	Mon 3/20/06		0%
5	Training See Separate Plan	1 day	Mon 3/20/06	Mon 3/20/06		0%
6	**Project Plan for using Demo TSX units**	4 days	Mon 3/20/06	Thu 3/23/06		0%
7	Review Project Plan with County	2 days	Mon 3/20/06	Tue 3/21/06		0%
8	Revise and Finalize Project Plan	2 days	Wed 3/22/06	Thu 3/23/06		0%
9	Project Plan Ready and Approved	0 days	Thu 3/23/06	Thu 3/23/06		0%
10	**Kickoff Meetings**	2 days	Mon 3/20/06	Tue 3/21/06		0%
11	Conduct Kick Off meeting with Shelby County Staff	2 days	Mon 3/20/06	Tue 3/21/06		0%
12	Setup Shelby County with Help Desk for Issues management	1 day	Mon 3/20/06	Mon 3/20/06		0%
13	Evaluate existing server for needed upgrade	0 days	Wed 4/29/06	Wed 4/29/06		30%
14	Assist County on Ballot Layout	1 day	Tue 2/28/06	Tue 2/28/06		0%
15	County Sign off on EPB purchase for August Election	0 days	Mon 4/3/06	Mon 4/3/06		0%
16	**Begin to Receive DEMO Ordered Equipment and Assess Condition**	5 days	Mon 4/3/06	Fri 4/7/06		0%
17	Shipping, Delivery and Unpacking of 400 TSX Demo Units	5 days	Mon 4/3/06	Fri 4/7/06		0%
18	Confirm county inventory and update	5 days	Mon 4/3/06	Fri 4/7/06		0%
19	**Diagnostics and Set Up of DRE Precinct Demo Equipment at County**	10 days	Mon 4/3/06	Thu 4/13/06		0%
20	Formal acceptance sign off of diagnostics of DRE equipment	10 days	Mon 4/3/06	Thu 4/13/06		0%
21	Demo County Testing Complete	0 days	Thu 4/13/06	Thu 4/13/06		0%
22	**Logistics and Facilities Planning**	2 days	Mon 4/17/06	Tue 4/18/06		0%
23	Verify precinct locations	1 day	Mon 4/17/06	Mon 4/17/06		0%
24	Establish plans for equipment delivery to polling sites	1 day	Tue 4/18/06	Tue 4/18/06		0%

[1] Subject to finalization by both parties during Project Kick-off.

25	Establish plans for any Demo Support Election Day	1 day	Tue 4/18/06	Tue 4/18/06		0%
26	Workflow and Logistic Planning Complete	0 days	Tue 4/18/06	Tue 4/18/06		0%
27	**Election Preparation Activities**	22 days	Tue 4/4/06	Mon 5/1/06		0%
28	Create Famous Name Memory Cards for Demo's	5 days	Tue 4/4/06	Sat 4/8/06		0%
29	Label Memory Cards	5 days	Tue 4/4/06	Sat 4/8/06		0%
30	Create Demo Voter Access cards	5 days	Tue 4/4/06	Sat 4/8/06		0%
31	Label Demo Voter Access Cards	5 days	Tue 4/4/06	Sat 4/8/06		0%
32	All Demo Units Delivered to Polling Locations	2 days	Sun 4/30/06	Mon 5/1/06		0%
33	Election Preparation Activities Complete	0 days	Mon 5/1/06	Mon 5/1/06		0%
34	**Election Day Activities**	1 day	Tue 5/2/06	Tue 5/2/06		0%
35	Open Polls	1 day	Tue 5/2/06	Tue 5/2/06		0%
36	Demo Vote	1 day	Tue 5/2/06	Tue 5/2/06		0%
37	Close Polls	1 day	Tue 5/2/06	Tue 5/2/06		0%
38	Election Day Complete	0 days	Tue 5/2/06	Tue 5/2/06		0%
39	**Post Election Activities**	48 days	Mon 5/15/06	Wed 7/19/06		0%
40	Conduct Lessons learned session with project team	4 days	Mon 5/15/06	Thu 5/18/06		0%
41	Conduct lessons learned session with Customer	4 days	Mon 5/22/06	Thu 5/25/06		0%
42	Project Closeout	1 day	Thu 5/25/06	Thu 5/25/06		0%
43	Process any warranty equipment	18 days	Mon 6/26/06	Wed 7/19/06		0%
44	Upgrade existing Customer Server	2 days	Mon 6/5/06	Tue 6/6/06		0%
45	**Project Planning August Election**	78 days	Mon 5/15/06	Tue 8/29/06		0%
46	Develop Project Plan	4 days	Mon 5/15/06	Thu 5/18/06		0%
47	Review Project Plan with County	2 days	Mon 5/22/06	Tue 5/23/06		0%
48	Revise and Finalize Project Plan	1 day	Wed 5/24/06	Wed 5/24/06		0%
49	Project Plan Ready and Approved	0 days	Wed 5/24/06	Wed 5/24/06		0%
50	**Establish Weekly / Monthly Meeting Schedule**	72 days	Tue 5/23/06	Tue 8/29/06		0%
51	1	1 day	Tue 5/23/06	Tue 5/23/06		0%
52	2	1 day	Tue 5/30/06	Tue 5/30/06		0%
53	3	1 day	Tue 6/6/06	Tue 6/6/06		0%
54	4	1 day	Tue 6/13/06	Tue 6/13/06		0%
55	5	1 day	Tue 6/20/06	Tue 6/20/06		0%
56	6	1 day	Tue 6/27/06	Tue 6/27/06		0%
57	7	1 day	Tue 7/4/06	Tue 7/4/06		0%
58	8	1 day	Tue 7/11/06	Tue 7/11/06		0%
59	9	1 day	Tue 7/18/06	Tue 7/18/06		0%
60	10	1 day	Tue 7/25/06	Tue 7/25/06		0%
61	11	1 day	Tue 8/1/06	Tue 8/1/06		0%
62	12	1 day	Tue 8/8/06	Tue 8/8/06		0%
63	13	1 day	Tue 8/15/06	Tue 8/15/06		0%

64	14	1 day	Tue 8/22/06	Tue 8/22/06		0%
65	15	1 day	Tue 8/29/06	Tue 8/29/06		0%
66	**Risk and Contingency Plan**	6 days	Tue 5/23/06	Tue 5/30/06		0%
67	Identify Project Risks	1 day	Tue 5/23/06	Tue 5/23/06		0%
68	Identify risk impact and probability	1 day	Wed 5/24/06	Wed 5/24/06		0%
69	Identify and document risk responses	1 day	Thu 5/25/06	Thu 5/25/06		0%
70	Draft a risk management plan	2 days	Fri 5/26/06	Mon 5/29/06		0%
71	Review risk management plan with County	1 day	Tue 5/30/06	Tue 5/30/06		0%
72	Risk Management Plan Completed	0 days	Tue 5/23/06	Tue 5/23/06		0%
73	**Receive Ordered Equipment and Assess Condition**	13 days	Mon 5/15/06	Wed 5/31/06		0%
74	Receive Server	0 days	Mon 5/15/06	Mon 5/15/06		0%
75	Receive TSX, EPB's and Peripherals	4 days	Mon 5/22/06	Thu 5/25/06		0%
76	Confirm county inventory and update	4 days	Fri 5/26/06	Wed 5/31/06		0%
77	**Diagnostics and acceptance testing of DRE and EPB Equipment at County**	18 days	Tue 5/16/06	Thu 6/8/06		0%
78	Test server and peripherals	2 days	Tue 5/16/06	Wed 5/17/06		0%
79	Download memory cards	2 days	Thu 5/18/06	Fri 5/19/06		0%
80	Program encoders and voter access cards	1 day	Mon 5/22/06	Mon 5/22/06		0%
81	Test/ Configure EPB's	10 days	Tue 5/23/06	Mon 6/5/06		0%
82	Test DRE Units	12 days	Tue 5/23/06	Wed 6/7/06		0%
83	Formal acceptance sign off of diagnostics of DRE equipment/ AB Solution	0 days	Wed 6/7/06	Wed 6/7/06		0%
84	Provide county database with Equipment inventory	1 day	Thu 6/8/06	Thu 6/8/06		0%
85	Ordered Equipment Received and Acceptance Testing Complete	0 days	Thu 6/8/06	Thu 6/8/06		0%
86	County Testing Complete	0 days	Thu 6/8/06	Thu 6/8/06		0%
87	**Logistics and Facilities Planning**	5 days	Mon 6/5/06	Fri 6/9/06		0%
88	Identify and document election day communication approach and process	1 day	Mon 6/5/06	Mon 6/5/06		0%
89	Identify and document election day AV ballot scanning workflow	0 days	Mon 6/5/06	Mon 6/5/06		0%
90	Identify and document process for receiving memory card info into GEMS on election night	0 days	Mon 6/5/06	Mon 6/5/06		0%
91	Verify precinct locations	1 day	Tue 6/6/06	Tue 6/6/06		0%
92	Review and approve reports and reporting sets with County.	1 day	Wed 6/7/06	Wed 6/7/06		0%
93	Identify and document election day reporting process	0 days	Wed 6/7/06	Wed 6/7/06		0%
94	Establish plans for equipment delivery to polling sites	1 day	Thu 6/8/06	Thu 6/8/06		0%
95	Establish plans for Election Day resources	1 day	Fri 6/9/06	Fri 6/9/06		0%

96	Workflow and Logistic Planning Complete	0 days	Fri 6/9/06	Fri 6/9/06		0%
97	**General Election Preparation**	24 days	Mon 5/29/06	Thu 6/29/06		0%
98	GEMS Preparation	3 days	Mon 5/29/06	Wed 5/31/06		0%
99	Paper and Audio Ballot Preparation	3 days	Thu 6/1/06	Mon 6/5/06		0%
100	Define Ballot Layout-Fonts, Colors. Create Preliminary Ballot Proofs	0 days	Mon 6/5/06	Mon 6/5/06		0%
101	Define Database Content-Districts, Precincts, Races	1 day	Tue 6/6/06	Tue 6/6/06		0%
102	Certify Candidates Filings	1 day	Wed 6/7/06	Wed 6/7/06		0%
103	End date for Charter filings	1 day	Fri 6/9/06	Fri 6/9/06		0%
104	Submit ballot info to printer vendor for Proofs	0 days	Fri 6/9/06	Fri 6/9/06		0%
105	Receive ballot proofs from vendor	2 days	Fri 6/9/06	Mon 6/12/06		0%
106	Proof Ballots / Approve Ballot Layout & Artwork	2 days	Tue 6/13/06	Wed 6/14/06		0%
107	County Approval of ballot content and layout	2 days	Thu 6/15/06	Fri 6/16/06		0%
108	Order ballots - GEMS ballot info (PDF or Data Base) to printer for Absentee printing	0 days	Fri 6/16/06	Fri 6/16/06		0%
109	Send GEMS to Vendor for Audio Ballot Prep	0 days	Mon 6/12/06	Mon 6/12/06		0%
110	Paper and Audio ballot info complete, approved and sent to ballot vendors	0 days	Tue 6/13/06	Tue 6/13/06		0%
111	Receive Paper Ballots from Printer	3 days	Fri 6/16/06	Tue 6/20/06		0%
112	Receive Audio Ballot from Audio Vendor	1 day	Mon 6/26/06	Mon 6/26/06		0%
113	Check and Verify Paper Ballots received	3 days	Fri 6/16/06	Tue 6/20/06		0%
114	Check and verify Audio Ballots	3 days	Mon 6/26/06	Wed 6/28/06		0%
115	Test and audit the GEMS database	1 day	Mon 6/19/06	Mon 6/19/06		0%
116	Finalize GEMS Database for May 2006 Election	1 day	Tue 6/20/06	Tue 6/20/06		0%
117	Paper and Audio Ballots Received and Validated	8 days	Tue 6/20/06	Thu 6/29/06		0%
118	Military Ballot mail out for August Election	1 day	Wed 6/21/06	Wed 6/21/06		0%
119	**Early Voting Election Preparation Activities**	7 days	Mon 7/3/06	Tue 7/11/06		0%
120	Prepare EV Memory Cards, EV Master Voter Access Cds & Encoders	2 days	Mon 7/3/06	Tue 7/4/06		0%
121	Label EV Memory Cards	1 day	Wed 7/5/06	Wed 7/5/06		0%
122	Label EV Voter Access Cards	0 days	Wed 7/5/06	Wed 7/5/06		0%
123	Load Security Code, Program and Label EV Encoders	1 day	Thu 7/6/06	Thu 7/6/06		0%
124	Perform EV L&A testing and Set Devices to Election Mode	1 day	Fri 7/7/06	Fri 7/7/06		0%
125	Logic and Accuracy Testing Complete	0 days	Fri 7/7/06	Fri 7/7/06		0%
126	Deliver equipment to polling locations	1 day	Mon 7/10/06	Mon 7/10/06		0%
127	EV Voting Opens	1 day	Tue 7/11/06	Tue 7/11/06		0%
128	**August Election Preparation Activities**	12 days	Mon 7/17/06	Tue 8/1/06		0%
129	Logic and Accuracy Preparation and Testing	2 days	Mon 7/17/06	Tue 7/18/06		0%
130	Decide on precinct order of L&A based on TSx	1 day	Mon 7/17/06	Mon 7/17/06		0%

	delivery schedule to polling locs					
131	Prepare Memory Cards, Master Voter Access Cds & Encoders	4 days	Tue 7/18/06	Fri 7/21/06		0%
132	Create Memory Cards in precinct/polling loc equipment delivery order	0 days	Tue 7/18/06	Tue 7/18/06		0%
133	Label Memory Cards	2 days	Tue 7/18/06	Wed 7/19/06		0%
134	Create Master Voter Access cards	2 days	Thu 7/20/06	Fri 7/21/06		0%
135	Label Master Voter Access Cards	2 days	Thu 7/20/06	Fri 7/21/06		0%
136	Load Security Code, Program and Label Encoders	3 days	Mon 7/24/06	Wed 7/26/06		0%
137	Perform L&A testing and Set Devices to Election Mode	2 days	Thu 7/27/06	Fri 7/28/06		0%
138	Perform L&A testing on Optical Scan Devices	2 days	Mon 7/31/06	Tue 8/1/06		0%
139	Logic and Accuracy Testing Complete	0 days	Tue 8/1/06	Tue 8/1/06		0%
140	Deliver equipment to polling locations	2 days	Mon 7/31/06	Tue 8/1/06		0%
141	All Equipment Delivered to Polling Locations	0 days	Tue 8/1/06	Tue 8/1/06		0%
142	Public L&A - Run Paper Ballot Test Decks	1 day	Tue 8/1/06	Tue 8/1/06		0%
143	Rover meetings	2 days	Mon 7/31/06	Tue 8/1/06		0%
144	Election Preparation Activities Complete	0 days	Tue 8/1/06	Tue 8/1/06		0%
145	**Election Day Activities**	1 day	Wed 8/2/06	Wed 8/2/06		0%
146	Open Polls	1 day	Wed 8/2/06	Wed 8/2/06		0%
147	Vote	1 day	Wed 8/2/06	Wed 8/2/06		0%
148	Close Polls	1 day	Wed 8/2/06	Wed 8/2/06		0%
149	Tally Absentee Results	1 day	Wed 8/2/06	Wed 8/2/06		0%
150	Tally Precinct Results	1 day	Wed 8/2/06	Wed 8/2/06		0%
151	Post Countywide Unofficial results	1 day	Wed 8/2/06	Wed 8/2/06		0%
152	Report in to DESI Help Desk with status	1 day	Wed 8/2/06	Wed 8/2/06		0%
153	Election Day Complete	1 day	Wed 8/2/06	Wed 8/2/06		0%
154	**Post Election Activities**	39 days	Thu 8/3/06	Mon 9/25/06		0%
155	Audit Election Results	5 days	Thu 8/3/06	Tue 8/8/06		0%
156	Conduct recount as required	0 days	Tue 8/8/06	Tue 8/8/06		0%
157	Prepare Secretary of State abstract and submit	3 days	Wed 8/9/06	Fri 8/11/06		0%
158	Conduct Lessons learned session with project team	3 days	Wed 8/9/06	Fri 8/11/06		0%
159	Conduct lessons learned session with Customer	2 days	Mon 8/14/06	Tue 8/15/06		0%
160	Project Closeout	0 days	Tue 8/15/06	Tue 8/15/06		0%
161	Process any warranty equipment	15 days	Tue 9/5/06	Mon 9/25/06		0%

s/s

Exhibit F

Voter Outreach Deliverables, Budget, Schedule and Plan
Schedule F

Deliverable	Details	Cost
Direct Outreach Efforts		
Community Event Plan	Develop a Community Event Demonstration Plan—a public awareness/community relations marketing plan to reach and affect Shelby County voters with use of new electronic voting machines. This plan will detail: • Communication Strategy • Target Audiences • Targeted Geographic areas • Description of Event Demonstrations • Number Goal of Voters • Plan of Success Evaluation	$6,500
Community Event Demonstrations	Approximately 40, 2 hour events with 2 facilitators, 2 touch screens & supplies	$35,750
Development of Web Site & Interactive Simulation	Not to exceed 40 hours of application development	$7,500 + Hosting Costs *(recommend site be hosted and maintained on agency server)*
Indirect Outreach Efforts		
Creation and Production of Television Commercial	Not to exceed 30 seconds; Message: New voting equipment; it's easy, accessible and convenient; Delivery of one master copy	$8,000
Creation and Production of a How to Vote Public Service Announcement	Not to exceed 120 seconds; Message: How to Vote Instructional; Delivery of one master copy	$5,400
Creation and Production of Radio Public Service Announcement	Not to exceed 30 seconds; Message: Exercise Your Right to Vote; Delivery of one master copy	$2,000
"How to Vote" Brochure (full size)	Includes design, printing and delivery; 70,000 copies; 8 ½ " x 11" tri-fold on 80# glossy paper, 4 color print	$9,000
"How to Vote"Brochure (wallet size)	Includes design, printing and delivery; 35,000 copies, wallet size, folded on 80# glossy paper, 4 color	$4,700
"How to Vote" Posters	Includes printing and delivery of standard poster design; 22"x 28"; Delivery of 283, one for each polling location	$1,915
Design of an indoor/outdoor advertisement	Design only – size TBD	$1,500
Indoor / Outdoor Advertising	Place 3-5 ads in locations TBD (mall shelters, bus shelters, bus, or billboard) for length of time TBD (likely one month or less for each)	$16,000
Total		$98,265

ID		Task Name	Duration	Start	Finish	Predecessors	Resource Names
1		**Voter Outreach Plan**	**30 days**	**Mon 3/6/06**	**Fri 4/14/06**		
2		SC completes initial planning questionnaire	10 days	Mon 3/6/06	Fri 3/17/06		SC
3		DESI writes first draft of document and submits to SC for review	5 days	Mon 3/20/06	Fri 3/24/06	2	DESI
4		SC reviews first draft and provides revisions per electronic tracking	3 days	Mon 3/27/06	Wed 3/29/06	3	SC
5		DESI reviews and writes second draft and submits to SC	3 days	Thu 3/30/06	Mon 4/3/06	4	DESI
6		SC reviews second draft and provides revisions per electronic tracking	3 days	Tue 4/4/06	Thu 4/6/06	5	SC
7		DESI review and writes final draft and submits to SC	3 days	Fri 4/7/06	Tue 4/11/06	6	DESI
8		SC reviews final draft and signs off on task completion	3 days	Wed 4/12/06	Fri 4/14/06	7	SC
9							
10		**Event Demonstration Plan**	**21 days**	**Mon 3/6/06**	**Mon 4/3/06**		
11		SC and Trust hold initial planning meeting	1 day	Mon 3/6/06	Mon 3/6/06		SC/TRUST/DESI
12		TRUST writes first draft of document and submits to SC for review	5 days	Tue 3/7/06	Mon 3/13/06	11	TRUST
13		SC/DESI reviews first draft and provides revisions per electronic tracking	3 days	Tue 3/14/06	Thu 3/16/06	12	SC
14		TRUST reviews and writes second draft and submits to SC	3 days	Fri 3/17/06	Tue 3/21/06	13	TRUST
15		SC/DESI reviews second draft and provides revisions per electronic tracking	3 days	Wed 3/22/06	Fri 3/24/06	14	SC
16		TRUST reviews and writes final draft and submits to SC	3 days	Mon 3/27/06	Wed 3/29/06	15	TRUST
17		SC reviews final draft and signs off on task completion	3 days	Thu 3/30/06	Mon 4/3/06	16	SC
18							
19		**Community Event Demonstrations**	**160 days**	**Mon 4/3/06**	**Fri 11/10/06**		
20		Contact & Schedule Event Locations (per Event Demo Plan)	150 days	Mon 4/10/06	Fri 11/3/06		TRUST
21		Hire/Schedule Facilitators / Equipment	160 days	Mon 4/3/06	Fri 11/10/06		TRUST
22		Review Scheduled Events/Ongoing Scheduling	150 days	Mon 4/10/06	Fri 11/3/06		TRUST/DESI/SC
23		Kick Off Event Demo's	1 day	Mon 4/24/06	Mon 4/24/06		TRUST
24		**Event Demo Support**	**8 days**	**Mon 4/3/06**	**Wed 4/12/06**		
25		Draft Generic Press Advisory	1 day	Mon 4/3/06	Mon 4/3/06		DESI/TRUST
26		Sign off on Generic Press Advisory	5 days	Tue 4/4/06	Mon 4/10/06	25	SC
27		Release Press Advisory (will be done prior to each event)	2 days	Tue 4/11/06	Wed 4/12/06	26	TRUST
28		Follow up with Area Press (will be done prior to each event)	2 days	Tue 4/11/06	Wed 4/12/06	26	TRUST
29							
30		**Web Site Development**	**29 days**	**Mon 3/6/06**	**Thu 4/13/06**		
31		Submit web model pages and web builder planning document to SC	1 day	Mon 3/6/06	Mon 3/6/06		DESI
32		SC submits web builder planning documemnt to DESI	5 days	Tue 3/7/06	Mon 3/13/06	31	SC
33		Identify and Complete contract with web designer	5 days	Tue 3/14/06	Mon 3/20/06	32	DESI/Web Designer
34		SC submits all necessary high resolution artwork	1 day	Tue 3/21/06	Tue 3/21/06	33	SC
35		Con call between web designer/SC/SC webmaster	1 day	Wed 3/22/06	Wed 3/22/06	34	DESI/KC/Web Design
36		Draft pages developed and delivered to SC	5 days	Thu 3/23/06	Wed 3/29/06	35	Web Designer

ID		Task Name	Duration	Start	Finish	Predecessors	Resource Names
37		SC reviews draft pages and submits changes	5 days	Thu 3/30/06	Wed 4/5/06	36	SC
38		Draft pages revised and submitted to SC for review	3 days	Thu 4/6/06	Mon 4/10/06	37	Web Designer
39		SC receives final pages and signs off	1 day	Tue 4/11/06	Tue 4/11/06	38	SC
40		Web pages delivered per SC's requested format to SC	1 day	Wed 4/12/06	Wed 4/12/06	39	Web Designer
41		SC acknowleges task completion/receipt	1 day	Thu 4/13/06	Thu 4/13/06	40	SC
42							
43		**Interactive Simulation File**	**23 days**	**Mon 3/6/06**	**Wed 4/5/06**		
44		All database, ballot station info, screen captures info gathered	5 days	Mon 3/6/06	Fri 3/10/06		DESI
45		Draft Simulation file programmed	5 days	Mon 3/13/06	Fri 3/17/06	44	DESI
46		Draft file submitted to SC for review	1 day	Mon 3/20/06	Mon 3/20/06	45	DESI
47		SC reviews draft file and submits final changes	5 days	Tue 3/21/06	Mon 3/27/06	46	SC
48		Final changes programmed	5 days	Tue 3/28/06	Mon 4/3/06	47	DESI
49		File delivered to SC	1 day	Tue 4/4/06	Tue 4/4/06	48	DESI
50		SC acknowleges tasks completion/receipt	1 day	Wed 4/5/06	Wed 4/5/06	49	SC
51							
52		**How to Vote Public Service Announcement**	**62 days**	**Mon 3/13/06**	**Tue 6/6/06**		
53		Identify PSA Goals / Specs	1 day	Mon 3/13/06	Mon 3/13/06		SC/DESI
54		Submit Model PSA scripts for SC's review	1 day	Mon 3/13/06	Mon 3/13/06		DESI
55		SC revises model script or communicates concept for development of new script	5 days	Tue 3/14/06	Mon 3/20/06	53,54	SC
56		DESI revises script and submits to SC for Review	5 days	Tue 3/21/06	Mon 3/27/06	55	DESI
57		SC reviews script revisions and submits changes	5 days	Tue 3/28/06	Mon 4/3/06	56	SC
58		DESI revises script and submits to SC for review	5 days	Tue 4/4/06	Mon 4/10/06	57	DESI
59		SC reviews script revisions and submits final changes	5 days	Tue 4/11/06	Mon 4/17/06	58	SC
60		DESI revises script and submits to SC for final review	5 days	Tue 4/18/06	Mon 4/24/06	59	DESI
61		SC receives final draft and signs off for production	5 days	Tue 4/25/06	Mon 5/1/06	60	SC
62		SC submits requested talent/artwork	1 day	Tue 4/25/06	Tue 4/25/06	60	SC
63		Coordinate talent/artwork/etc needed	15 days	Tue 5/2/06	Mon 5/22/06	61	DESI\IMG
64		IMG Produces rough audio/video	3 wks	Wed 4/26/06	Tue 5/16/06	62	IMG
65		Customer review rough edit/Submits final production revisions	2 wks	Tue 5/23/06	Mon 6/5/06	63	SC
66		IMG Prepares Final Audio/Video	2 wks	Wed 5/17/06	Tue 5/30/06	64	IMG
67		SC acknowledges receipt of master copy of video and task completion	1 day	Tue 6/6/06	Tue 6/6/06	65	SC
68							
69		**Audio Public Service Announcement**	**67 days**	**Mon 3/13/06**	**Tue 6/13/06**		
70		Identify PSA Goals/Specs	1 day	Mon 3/13/06	Mon 3/13/06		SC/DESI
71		Submit Model PSA scripts for SC's review	1 day	Mon 3/13/06	Mon 3/13/06		DESI
72		SC revises model script or communicates concept for development of new script	1 wk	Tue 3/14/06	Mon 3/20/06	70,71	SC

ID		Task Name	Duration	Start	Finish	Predecessors	Resource Names
73		DESI revises script and submits to SC for Review	1 wk	Tue 3/21/06	Mon 3/27/06	72	DESI
74		SC reviews script revisions and submits changes	1 wk	Tue 3/28/06	Mon 4/3/06	73	SC
75		DESI revises script and submits to SC for review	1 wk	Tue 4/4/06	Mon 4/10/06	74	DESI
76		SC reviews script revisions and submits final changes	1 wk	Tue 4/11/06	Mon 4/17/06	75	SC
77		DESI revises script and submits to SC for final review	1 wk	Tue 4/18/06	Mon 4/24/06	76	DESI
78		SC receives final draft and signs off for production	1 wk	Tue 4/25/06	Mon 5/1/06	77	SC
79		IMG Produces rough audio	1 wk	Tue 5/16/06	Mon 5/22/06	78	IMG
80		Customer review rough edit/Submits final production revisions	1 wk	Tue 5/23/06	Mon 5/29/06	79	SC
81		IMG Prepares Final Audio/Video & Ships	2 wks	Tue 5/30/06	Mon 6/12/06	80	IMG
82		SC acknowledges receipt of master copy of audio and task completion	1 day	Tue 6/13/06	Tue 6/13/06	81	SC
83							
84		**Television Commercial**	**48 days**	**Mon 4/24/06**	**Wed 6/28/06**		
85		Identify Goals / Specs for Video	1 day	Mon 4/24/06	Mon 4/24/06		SC/DESI
86		Submit Model scripts for SC's review	1 day	Mon 4/24/06	Mon 4/24/06		DESI
87		SC revises model script or communicates concept for development of new script	5 days	Tue 4/25/06	Mon 5/1/06	85,86	SC
88		DESI revises script and submits to SC for Review	3 days	Tue 5/2/06	Thu 5/4/06	87	DESI
89		SC reviews script revisions and submits changes	5 days	Fri 5/5/06	Thu 5/11/06	88	SC
90		DESI revises script and submits to SC for review	3 days	Fri 5/12/06	Tue 5/16/06	89	DESI
91		SC receives final draft and signs off for production	5 days	Wed 5/17/06	Tue 5/23/06	90	SC
92		IMG Produces rough audio/video	2 wks	Wed 5/24/06	Tue 6/6/06	91	IMG
93		Customer review rough edit/Makes final revisions	5 days	Wed 6/7/06	Tue 6/13/06	92	SC
94		IMG Prepares Final Audio/Video & Ships	2 wks	Wed 6/14/06	Tue 6/27/06	93	IMG
95		SC acknowleges receipt of master copy of video and signs off on task completior	1 day	Wed 6/28/06	Wed 6/28/06	94	SC
96							
97		**How to Vote Brochure**	**37 days**	**Mon 3/6/06**	**Tue 4/25/06**		
98		Identify Specs for Brochure	1 day	Mon 3/6/06	Mon 3/6/06		SC/DESI
99		Provide Model Brochure For Review & Markup	1 day	Tue 3/7/06	Tue 3/7/06	98	DESI
100		Review and Markup Brochure	1 day	Wed 3/8/06	Wed 3/8/06	99	SC
101		Receive markup from SC	1 day	Thu 3/9/06	Thu 3/9/06	100	SC
102		Collect all art/screen shots needed	5 days	Mon 3/6/06	Fri 3/10/06		DESI
103		Produce Draft Brochure	5 days	Fri 3/10/06	Thu 3/16/06	101	DESI/Graphic Designe
104		Customer reviews draft/Provides Final Revisions	3 days	Fri 3/17/06	Tue 3/21/06	103	SC
105		Final draft prepared	3 days	Wed 3/22/06	Fri 3/24/06	104	DESI/Graphic Designe
106		Electronic File of Final artwork delivered to SC	1 day	Mon 3/27/06	Mon 3/27/06	105	DESI/Graphic Designe
107		Electronic File of Final artwork delivered to printer	1 day	Mon 3/27/06	Mon 3/27/06	105	SC
108		Printer produces proof	3 days	Tue 3/28/06	Thu 3/30/06	107	Printer

ID		Task Name	Duration	Start	Finish	Predecessors	Resource Names
109		DESI and SC sign off on proof	3 days	Fri 3/31/06	Tue 4/4/06	108	DESI/SC
110		Brochures are printed and delivered	15 days	Wed 4/5/06	Tue 4/25/06	109	Printer
111							
112		**How to Vote Poster**	**29 days**	**Thu 3/16/06**	**Tue 4/25/06**		
113		Resize Brochue Instructions & Submit to SC for review	1 day	Thu 3/16/06	Thu 3/16/06		Graphic Designer
114		Review draft poster and submit final revisions	3 days	Fri 3/17/06	Tue 3/21/06	113	SC
115		Make revisions to poster & submit final draft to SC	3 days	Wed 3/22/06	Fri 3/24/06	114	Graphic Designer
116		Submit art files to printer	1 day	Mon 3/27/06	Mon 3/27/06	115	Graphic Designer
117		Printer produces proof	3 days	Tue 3/28/06	Thu 3/30/06	116	Printer
118		DESI and SC sign off on proof	3 days	Fri 3/31/06	Tue 4/4/06	117	DESI/SC
119		Posters are printed and delivered	15 days	Wed 4/5/06	Tue 4/25/06	118	Printer
120							
121		**How to Vote Wallet Size Brochure**	**29 days**	**Thu 3/16/06**	**Tue 4/25/06**		
122		Resize Brochue Instructions & Submit to SC for review	1 day	Thu 3/16/06	Thu 3/16/06		Graphic Designer
123		Review draft wallet brochure and submit final revisions	3 days	Fri 3/17/06	Tue 3/21/06	122	SC
124		Make revisions to wallet brochure & submit final draft to SC	3 days	Wed 3/22/06	Fri 3/24/06	123	Graphic Designer
125		Submit art files to printer	1 day	Mon 3/27/06	Mon 3/27/06	124	Graphic Designer
126		Printer produces proof	3 days	Tue 3/28/06	Thu 3/30/06	125	Printer
127		DESI and SC sign off on proof	3 days	Fri 3/31/06	Tue 4/4/06	126	DESI/SC
128		Wallet size brochures are printed and delivered	15 days	Wed 4/5/06	Tue 4/25/06	127	Printer
129							
130		**Indoor/Outdoor Poster Design**	**37 days**	**Mon 3/6/06**	**Tue 4/25/06**		
131		Identify Specs for Indoor/Outdoor	1 day	Mon 3/6/06	Mon 3/6/06		SC/DESI
132		Provide Model Advertisement For Review & Markup	1 day	Tue 3/7/06	Tue 3/7/06	131	DESI
133		Review and Markup Advertisement	1 day	Wed 3/8/06	Wed 3/8/06	132	SC
134		Receive markup from SC	1 day	Thu 3/9/06	Thu 3/9/06	133	SC
135		Collect all art/screen shots needed	5 days	Mon 3/6/06	Fri 3/10/06		DESI
136		Produce Draft Advertisement	5 days	Fri 3/10/06	Thu 3/16/06	134	DESI/Graphic Designe
137		Customer reviews draft/Provides Final Revisions	3 days	Fri 3/17/06	Tue 3/21/06	136	SC
138		Final draft prepared	3 days	Wed 3/22/06	Fri 3/24/06	137	DESI/Graphic Designe
139		Electronic File of Final artwork delivered to printer	1 day	Mon 3/27/06	Mon 3/27/06	138	SC
140		Printer produces proof	3 days	Tue 3/28/06	Thu 3/30/06	139	Printer
141		DESI and SC sign off on proof	3 days	Fri 3/31/06	Tue 4/4/06	140	DESI/SC
142		Indoor/Outdoor Installed	15 days	Wed 4/5/06	Tue 4/25/06	141	Printer
143							
144		**Indoor/Outdoor Media Contract**	**25 days**	**Mon 3/6/06**	**Fri 4/7/06**		

ID		Task Name	Duration	Start	Finish	Predecessors	Resource Names
145		Research Indoor/Outdoor Opportunities/Receive Quotes	2 wks	Mon 3/6/06	Fri 3/17/06		DESI
146		Submit Proposal to SC for sign off	5 days	Mon 3/20/06	Fri 3/24/06	145	SC
147		Draft & Execute contract	10 days	Mon 3/27/06	Fri 4/7/06	146	DESI

Exhibit G

DIEBOLD ELECTION SYSTEMS

Diebold Election Systems, Inc.
PO Box 1019
Allen, TX 75013
800-433-VOTE
Fax (214) 383-1596

Exhibit G
12/12/05

December 12, 2005

Mr. Clifton Davis
Shelby County Government
160 N. Main Street, Suite 550
Memphis, TN 38103

Re: Ballot Layout and EPB Demo

Dear Mr. Davis:

As requested, we are providing responses to your Ballot Layout and EPB Demo memo received on December 9, 2005.

Please confirm that you will have the equipment on-site those three days and prepared to provide a demonstration accordingly.

On Friday, Cathi Smothers spent several hours with Dennis Boyce, demonstrating not only the August 6 ballot, but the entire voting process. She highlighted enhancements in the new versions of Ballot Station, and reviewed programming changes in GEMS.

Comment [SP1]: Confirm name and spelling with Cathi & We, if possible.

Shelby County's August 6 ballot is a large ballot to program, displaying 13-15 pages on the AccuVote-TSX. Dennis requested changes to the ballot which were made during the demonstration. Cathi also covered the import process from the voter registration system to GEMS, confirming the same process that has been successfully used in Shelby County for Early Voting.

Cathi demonstrated the ExpressPoll to Dennis, showing how voter registration and GEMS ballot style files are loaded. As the ExpressPoll is precinct specific in election mode, Dennis requested that the ExpressPoll be set up for a specific precinct for the demonstration this week, and that Voter Access Cards be created on the AccuVote-TSX.

Under separate cover, would you provide a quote for your electronic poll book solution? The quote should be based on 566 total EPBs (2 per precinct).

DIEBOLD ELECTION SYSTEMS COST PROPOSAL December 12, 2005

Express Poll Electronic Poll Book

Shelby County, Tennessee

Number of Precincts:	283
Number of Polling Places:	283
Number of Reg. Voters:	608,000

ITEM	QTY	DESCRIPTION	UNIT PRICE	PRICE
		Hardware & Software		
1	566	***Express Poll 4000 (2 per precinct)***	$2,950.00	$1,669,700.00
		Includes case, barcode wand, stylus, signature pad, training, 2 yr hardware warranty)		
	283	***Spare CF memory card devices (512mb)***	$58.30	$16,498.90
	566	***Express Poll Software***	$300.00	included
		Total Hardware and Software		**$1,686,198.90**
		Installation & Support Services		
	1	Initial Staff Training (2 days)		Included
	1	Database Conversion Set Up (one time fee)	$3,500.00	$3,500.00
	1	Acceptance Testing Assistance	$13,500.00	$13,500.00
	1	Train the Trainer Pollworker course	$3,250.00	$3,250.00
	2	Logic & Accuracy Assistance (first 2 elections)	$5,000.00	$10,000.00
		Total Services		**$30,250.00**
		Total System Investment Costs		**$1,716,448.90**
		Less Countywide Allowance		($162,795.75)
		Shipping		$14,150.00
		Total Investment		**$1,567,803.15**

Note 1: Additional cost reduction in exchange for any unneeded Voter Card Encoders would also be realized. Exchange value for new, unused Encoders is $296 each and for used Encoders is $196 each. The total estimated effect of this exchange is between $166,404 and $251,304 depending on exact quantity of encoders purchased and used according to original proposal.

Extended Warranties/Maintenance Fees after expiration of initial coverage	
Required:	**Annual Unit Fee**
Express Poll 4000 License Maintenance	$25.00
Optional:	
Express Poll Extended Warranty	$45.00

Optional Services	
Onsite Election Day Support (Express Poll only)	$2,100.00
Election file memory card creation (included for first 2 elections)	$500.00

Also provide the following information:

1. *Provide any ITA, NIST or IEEE certifications for the EPB version.*

Our systems meet all standards as outlined in the 2002 Voting System Standards adopted by the Federal Election Commission. Additionally, the DESI voting systems meet the more stringent requirements of the Help America Vote Act.

The AccuVote-TSX software has been tested by federally designated Independent Testing Authorities and has been federally qualified with NASED system numbers. This equipment includes the following versions, that are both NASED certified and certified in the State of Tennessee.

GEMS version 1.18.22
AccuVote-TSX with Ballot Station version 4.5.2
Voter Card Encoder version 1.3.2
Key Card Tool version 1.0.1
AccuVote-OS Central Count with firmware 2.0.12
VCProgrammer version 4.1.11

Diebold Election Systems, Inc. is in the process of submitting the following products and versions for certification in the State of Tennessee.

GEMS with software version 1.18.24
AccuVote-TSX DRE Touch Screen and AccuView Printer Module with firmware version 4.6.3
AccuVote-OS (model D) with firmware version 1.96.6

Diebold Election Systems, Inc. is in the process of submitting for certification these additional products that can be used with the AccuVote-TSX DRE touch screen unit and the AccuVote-OS optical scan unit.

AccuVote-OS Central Count with version 2.0.12
VCProgrammer with version 4.6.1
Key Card Tool with version 4.6.1
Voter Card Encoder with 1.3.2
ExpressPoll 4000 with 1.1.5

All the products listed above have completed the Independent Testing Authorities testing for the 2002 FECVSS Voting System Standards and a NASED System Number assigned of N-1-06-22-22-001.

On Friday, December 9, DESI submitted an application to the State of Tennessee for certification of Ballot Station 4.6.4.

2. *Clearly and specifically describe how the EPB would integrate with Shelby County's voter registration system.*

DESI's ExpressPoll 400 accepts files imported from Shelby County's voter registration system. The complete process was demonstrated for Dennis by Cathi Smothers on Friday.

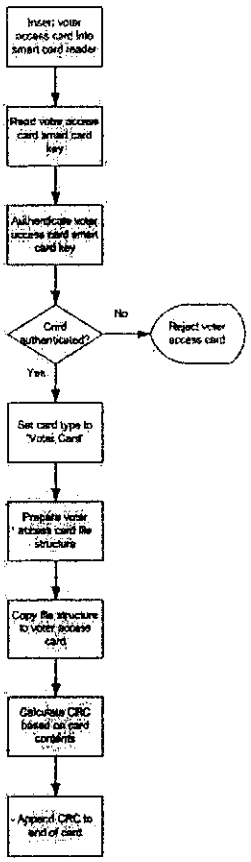
Ballots voted on DESI's AccuVote-TSX DRE voting devices are activated using encoded Voter Access Cards. Poll workers encode the voter access card using one of DESI's proprietary voter access card encoding devices, which include the AccuVote-TSX, Voter Card Encoder, VCProgrammer, and the ExpressPoll. With the use of such voter access cards, voters may activate, vote, and cast ballots completely independently of poll worker assistance. In particular, visually challenged or otherwise disabled voters should be able to vote in an entirely unassisted manner.

The ExpressPoll can encode voter access cards for any voting location at the polls, and hence may be used in polling as well as early voting environments. Prior to encoding voter access cards, the ExpressPoll units must be configured with jurisdictional information, including all precincts and parties supported in the election. All DESI voter access card encoding devices support the encoding of strictly visual or audio ballots, blended visual/audio ballots, visual ballot magnification, and provisional/challenged ballots.

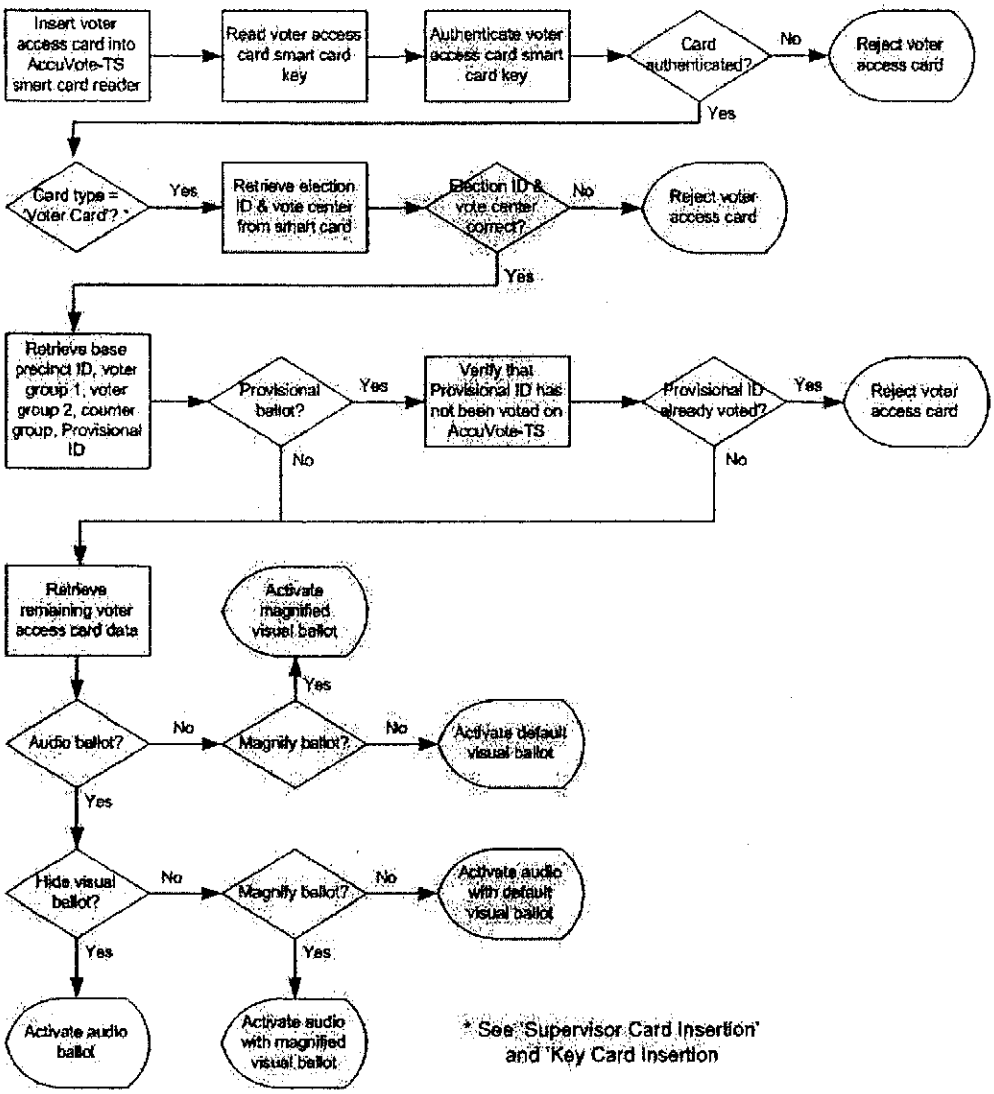
Each voter access card is encoded with precinct/party information, but contains no voter-specific information. The voter inserts this card into the AccuVote-TSX smart card reader, whereupon the AccuVote-TSX unit activates the ballot corresponding to the precinct and party. Once the ballot has been cast, the voter access card is marked as voted, ejected from the AccuVote-TSX smart card reader, and is returned by the voter to the poll worker. Once the ballot has been cast, the voter access card cannot be re-used for voting until it has been re-encoded by a poll worker, using a proprietary voter access card encoding device. When the ballot has been cast, the voter access card 'Card Type' field is marked as 'Card Cast', and any attempt to re-insert the card to continue voting will be rejected, as it does not contain the expected 'Voter Card' value in the 'Card Type' field.

3. *Please provide a diagram of the system architecture.*

Ballot Station 4.6
Encoding the Voter Access Card



Ballot Station 4.6
Activating the Ballot Using the Voter Access Card



4. Provide contact names and telephone numbers for at least 2 customers of similar size to Shelby County.

Fulton County, Georgia
141 Pryor
Atlanta, GA 30303
Contact: Cynthia Welch, Election Chief
404-730-7020

Lorain County, Ohio
1985 North Ridge Road, East
Lorain, OH 44055
Contact: Thomas Smith, Chairman
440-326-5900

Norfolk County, VA
808 City Hall Building
Norfolk, VA 23510
Contact: Elisa Long, General Registrar
757-664-4353

Johnson County, KS
2101 Kansas City Road
Olathe, KS 66061
Contact: Brian Newby, Election Commissioner
913-782-3441

Shelby County election officials visited Fulton County, Georgia to see the ExpressPoll used in a live election. Additionally DESI provided ExpressPolls to demo in four precincts in Shelby County's September election.

We look forward to continuing a strong and mutually beneficial relationship with Shelby County.

Sincerely,

Barry Herron
Director of Sales