

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

October 29, 2003

**CHANGE NOTICE NO. 9
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494	TELEPHONE Bryce Kramer (617) 444-1404
	VENDOR NUMBER
	BUYER (517) 241-1647 Irene Pena
Contract Administrator Robert Padgett (517) 241-0257 Software, Maintenance and Training - DMB, MI Information Processing Center	
CONTRACT PERIOD From: June 15, 1995 To: September 30, 2008	
TERMS <p align="center">Net</p>	SHIPMENT <p align="center">As Required</p>
F.O.B. <p align="center">Delivered</p>	SHIPPED FROM <p align="center">Needham, MA</p>
MINIMUM DELIVERY REQUIREMENTS <p align="center">N/A</p>	

NATURE OF CHANGE(S):

Effective October 1, 2003, this contract is hereby EXTENDED through September 30, 2008 and INCREASED by \$1,360,030.00.

All other terms, conditions, specifications, and pricing remain the same.

AUTHORITY/REASON:

Per agency (Jennifer Ryan) and DMB/ACQUISITION SERVICES agreement.

INCREASE: \$1,360,030.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$3,268,527.49

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

July 22, 2002

**CHANGE NOTICE NO. 8
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494	TELEPHONE Bryce Kramer (617) 444-1404
	VENDOR NUMBER
	BUYER (517) 241-1218 Andre Morrow
Contract Administrator Robert Padgett (517) 241-0257 Software, Maintenance and Training - DMB, MI Information Processing Center	
CONTRACT PERIOD From: June 15, 1995 To: September 30, 2003	
TERMS <p style="text-align: center;">Net</p>	SHIPMENT <p style="text-align: center;">As Required</p>
F.O.B. <p style="text-align: center;">Delivered</p>	SHIPPED FROM <p style="text-align: center;">Needham, MA</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, the new Contract Administrator for this contract is:

**Robert Padgett, Director
 Data Center Operations Division
 Department of Information Technology
 Westshire Building
 515 Westshire Drive
 PO Box 30743
 Lansing, MI 48909
 (517) 241-0257
 eMail: PadgettR@michigan.gov**

All other contract specifications, terms and conditions remain the same.

AUTHORITY/REASON:

Per agency letter dated July 10, 2002, from Robert Padgett.

TOTAL CONTRACT VALUE REMAINS: \$1,908,497.49

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

July 3, 2002

**CHANGE NOTICE NO. 7
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494	TELEPHONE Bryce Kramer (617) 444-1404 VENDOR NUMBER BUYER (517) 241-1218 Andre Morrow
Contract Administrator Gerald Morey Software, Maintenance and Training - DMB, MI Information Processing Center	
CONTRACT PERIOD From: June 15, 1995 To: September 30, 2003	
TERMS Net	SHIPMENT As Required
F.O.B. Delivered	SHIPPED FROM Needham, MA
MINIMUM DELIVERY REQUIREMENTS N/A	

NATURE OF CHANGE:

This contract is hereby amended as follows for maintenance and training and services:

- 1. Total amount of contract increase is \$200,648.49**
 Increase for 2002 maintenance - \$41,858.79
 Increase for 2003 maintenance - \$138,789.70
 Added money for training and services - \$20,000.00
- 2. Contract is EXTENDED to September 30, 2003**

AUTHORITY/REASON

Contract amended per agency request.

INCREASE: \$200,648.49

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$1,908,497.49

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

March 15, 2001

**CHANGE NOTICE NO. 6
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494		TELEPHONE Bryce Kramer (617) 444-1404
		VENDOR NUMBER
		BUYER (517) 241-1218 Andre Morrow
Contract Administrator Gerald Morey Software, Maintenance and Training - DMB, MI Information Processing Center		
CONTRACT PERIOD		From: June 15, 1995 To: June 30, 2003
TERMS	Net	SHIPMENT As Required
F.O.B.	Delivered	SHIPPED FROM Needham, MA
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE:

Please note that the buyer of this contract is now Andre Morrow and the contract administrator is now Gerald Morey.

**AUTHORITY/REASON
 DMB/OOP**

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$1,707,849.00

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET **December 20, 2000**
OFFICE OF PURCHASING
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 5
TO
CONTRACT NO. 071B5000788
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494		TELEPHONE Bryce Kramer (617) 444-1404
		VENDOR NUMBER
		BUYER (517) 373-2049 Lisa Arnott
Contract Administrator Jerry Morey Software, Maintenance and Training - DMB, MI Information Processing Center		
CONTRACT PERIOD		From: June 15, 1995 To: June 30, 2003
TERMS Net	SHIPMENT As Required	
F.O.B. Delivered	SHIPPED FROM Needham, MA	
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGE(S):

This Contract is hereby amended to incorporate the attached B & L Associates Software License Agreement into this agreement. This three year software license agreement replaces the 5 year agreement in Change Notice #4. Consequently, the Contract expiration date is also changed to reflect the three year agreement versus the 5 year agreement.

AUTHORITY/REASON

Contract amended per mutual agreement of the State and vendor.

DECREASE: \$459,770.00

TOTAL ESTIMATED REVISED CONTRACT VALUE BECOMES: \$1,707,849.00



B&L ASSOCIATES

220 Reservoir Street (suite 15)
Needham, MA 02494
(781) 444-1404

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (# D0001134) (this "Agreement") is made on the 20 day of December 2000 by and between

- 1) B&L Associates, Inc. 220 Reservoir Street, Needham, MA 02494 ("B&L"), and
- 2) State of Michigan Information Processing Center 7064 Crouner Drive Lansing, MI 48913 ("Customer").

Whereas

- A) B&L is the owner and licensor of the Software as hereinafter described, and
- B) Customer is desirous of using the Software owned and licensed by B&L.

Now, therefore, in consideration of the promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS.

"Acceptance Period" means the first 30 days after the Effective Date

"Affiliate" means, with respect to Customer, each corporate entity that directly or indirectly, through one or more intermediaries, owns or controls, or is controlled by or under common control with Customer For the purpose of this Agreement, "control" means the possessions, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Confidential Information" shall include, without limitation, computer programs, code and financial records and anything identified as confidential. Confidential Information does not include (a) information generally available to the public, (b) information either party legally had in its possession prior to receiving it from the other party, (c) information either party received from a third party and not in violation of a confidentiality agreement, or (d) information independently developed by either party without reference to information received under this Agreement

"Documentation" means the documentation provided by B&L to Customer for the installation, use and support of the Software.

"Effective Date" means July 1, 2000

"Processor" means the processor(s) described in Schedule 1, including model, style and serial number(s) on which the Software is authorized to operate along with any other processor(s) on which the Software is authorized to operate pursuant to Section 2 of this Agreement.

Accepted for B&L by:

Name _____

Signature _____

Title _____

Date _____

Accepted for Customer by:

Name Lisa Arnold

Signature Lisa Arnold

Title Payroll Specialist

Date 12-20-00

If to B&L: Leonard J. DiCarlo
 Treasurer
 B&L Associates, Inc
 220 Reservoir Street (suite 15)
 Needham, MA 02494

If to Customer: Mr. Jerry Morrey
 State of Michigan Information Processing Center
 7064 Crowner Drive
 Lansing, MI 48913

Ms. Lisa Arnott
 State of Michigan Office of Purchasing
 530 West Allegan St.
 Lansing, MI 48933

18 MISCELLANEOUS

- 18.1 No modification or amendment to this Agreement shall be valid unless in writing signed by authorized representatives of the parties.
- 18.2 If any provision of this Agreement is held or determined to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.
- 18.3 The captions of the articles and sections of this Agreement are for the convenience of the parties only and shall not be considered in any interpretation of this Agreement.
- 18.4 Items defined in sections 9, 14 and 17 shall survive and continue after any termination or cancellation of this Agreement and shall bind the parties, their successors, their permitted assigns and their legal representatives.
- 18.5 This Agreement and the State of Michigan Contract #071B5000788 constitute the complete and final expression of the parties' agreement as to the subject matter hereof, and shall supersede all prior agreements, expressed or implied, whether oral or written. It may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.
- 18.6 This Agreement shall be governed by, and subject to, and construed in accordance with the laws of the State of Michigan in the United States of America.
- 18.7 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

Accepted for B&L by:

Initials _____

Date _____

Accepted for Customer by:

Initials

Date

Schedule 1			
License Fees			
Product	Processor	Host Serial Number	
BL/LIB	A18-762	2336	41,666
BL/ROBO	A18-762	2336	31,249
BL/SCHED	A18-762	2336	52,082
BL/PACK	A18-762	2336	43,749
BL/SOURCE	A18-762	2336	37,280
BL/CHARGE	A18-762	2336	53,257
BL/LIB	NX4822-52	5499	26,020
BL/ROBO	NX4822-52	5499	19,516
BL/SCHED	NX4822-52	5499	32,526
BL/PACK	NX4822-52	5499	39,030
BL/SOURCE	NX4822-52	5499	47,529
BL/CHARGE	NX4822-52	5499	24,051
BL/LIB	A18-223HTE	7222	24,672
Sub Total			472,627
Less:			
MIPC Discount		10%	47,263
Net License Fees			425,364

Accepted for B&L by:

Initials _____

Date _____

Accepted for Customer by:

Initials

Date

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

June 15, 2000

**CHANGE NOTICE NO. 4
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494	TELEPHONE Bryce Kramer (617) 444-1404 VENDOR NUMBER BUYER (517) 373-2049 Lisa Arnott
Contract Administrator Jerry Morey Software, Maintenance and Training - DMB, MI Information Processing Center	
CONTRACT PERIOD From: June 15, 1995 To: June 15, 2005	
TERMS <p style="text-align: center;">Net</p>	SHIPMENT <p style="text-align: center;">As Required</p>
F.O.B. <p style="text-align: center;">Delivered</p>	SHIPPED FROM <p style="text-align: center;">Needham, MA</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

CHANGE(S):

This Contract is hereby extended through June 14, 2005 and the contract value increased accordingly. B & L Associates Software License Agreement is attached & hereby incorporated into this agreement.

AUTHORITY/REASON

Contract amended per mutual agreement of the State and vendor.

INCREASE: \$1,247,416.00

TOTAL ESTIMATED REVISED CONTRACT VALUE BECOMES: \$2,167,619.00



B&L ASSOCIATES

220 Reservoir Street (suite 15)
Needham, MA 02494
(781) 444-1404

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (# D0001105) (this "Agreement") is made on the 15th day of June 2000 by and between

- 1) B&L Associates, Inc. 220 Reservoir Street, Needham, MA 02494 ("B&L"), and
- 2) State of Michigan Information Processing Center 7064 Crowner Drive Lansing, MI 48913 ("Customer").

Whereas

- A) B&L is the owner and licensor of the Software as hereinafter described, and
- B) Customer is desirous of using the Software owned and licensed by B&L.

Now, therefore, in consideration of the promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS.

"Acceptance Period" means the first 30 days after the Effective Date.

"Affiliate" means, with respect to Customer, each corporate entity that directly or indirectly, through one or more intermediaries, owns or controls, or is controlled by or under common control with Customer. For the purpose of this Agreement, "control" means the possessions, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Confidential Information" shall include, without limitation, computer programs, code and financial records and anything identified as confidential. Confidential Information does not include (a) information generally available to the public, (b) information either party legally had in its possession prior to receiving it from the other party, (c) information either party received from a third party and not in violation of a confidentiality agreement, or (d) information independently developed by either party without reference to information received under this Agreement.

"Documentation" means the documentation provided by B&L to Customer for the installation, use and support of the Software

"Effective Date" means July 1, 2000

Accepted for B&L by:

Name LEONARD J. DiCARLO
 Signature [Signature]
 Title TREASURER
 Date 6/25/00

Accepted for Customer by:

Name Lisa Amatt
 Signature [Signature]
 Title Buyer Specialist
 Date 6/15/00

"Processor" means the processor(s) described in Schedule 1, including model, style and serial number(s) on which the Software is authorized to operate along with any other processor(s) on which the Software is authorized to operate pursuant to Section 2 of this Agreement.

"Product Support" means the work done by B&L to keep the Software current, provide Updates, provide bug fixes, provide telephone support, and make sure the Software runs on the three most current versions of the Unisys operating system (MCP).

"Product Support Date" means the dates shown in Schedule 2 and each anniversary thereafter.

"Site" means any location owned, leased or operated by Customer or any Affiliate and any other location permitted pursuant to Section 2 or this Agreement

"Software" means the object code for the licensed software listed in Schedule 1 as described in the Documentation.

"Update" means a release of a Software product, subsequent to the initial delivery, which incorporates (a) accumulated corrections, or (b) enhancements together with revisions to, or revised, Documentation which properly describes the updated Software.

"Year 2000 Compliant" means the Software is written to ensure the ability for continued normal use such that neither the performance nor the functionality of the software will be affected by changes to the date format caused by the advent of the year 2000 which shall include accounting for all applicable calculations using century/date-sensitive algorithm for the 20th and 21st century and beyond and recognition that the year 2000 is a leap year

2. GRANT OF LICENSE

2.1 B&L hereby grants to Customer a non-exclusive right and license to install and use the Software at the Site on the Processor described in Schedule 1.

2.2 Upon written notice to B&L Customer may change the Site. Customer may also install and use the Software temporarily at any temporary site used by Customer if a Site is temporarily unavailable, a Processor is temporarily inoperable or Customer uses such temporary site to test its disaster recovery plans and procedures.

3. CUSTOMER CERTIFICATIONS

3.1 Customer agrees that the Software will always be licensed for the largest MCP based Processor at the Site.

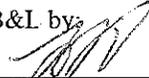
4. LICENSE FEES

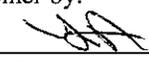
4.1 The license fees are shown in Schedule 1.

5. UPGRADES

5.1 Credits will be issued toward a new license should Customer upgrade to a larger Processor on which the Software operates within five years of the Effective Date of this Agreement. The amount of the credit will be the old license fee prorated over a five year period. The formula used to calculate the credit is ((license fees paid/months in license term) * (number of months remaining in license term at the time of the upgrade))

6. TERM AND TERMINATION

Accepted for B&L by: 
Initials _____
Date 6/25/00

Accepted for Customer by: 
Initials _____
Date 6/25/00

- 6.1 The license offered under this Agreement is for sixty (60) months from the Effective Date for the Software at the Site on the Processor described in Schedule 1
- 6.2 The Customer shall have a right at any time within the Acceptance Period to return the Software and receive a full refund o any amounts paid to B&L hereunder.
- 6.3 Notwithstanding paragraph 7.1, this Agreement may be terminated
 - a) by either party for material breach of this Agreement by the other party, provided that termination shall not occur if the breach is capable of remedy, the innocent party has first given written notice to the party in breach identifying the breach concerned and calling for it to be remedied, and the breach has been remedied within 45 days of service of such notice
- 6.4 In the event of termination resulting from a breach by Customer, Customer shall return the Software unencumbered and certify to B&L that all copies or partial copies have been destroyed.

7. TRANSFER OF SOFTWARE

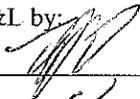
7.1 The rights and license granted Customer hereunder to hold and use the Software are restricted solely and exclusively to Customer and its Affiliates and may not be assigned (except to an Affiliate), subleased, sublicensed, sold, offered for sale, disposed of, encumbered or mortgaged.

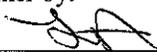
8.0 PROPRIETARY RIGHTS

8.1 The ownership and all right, title and interest in and to any trademark tradename, patent, copyright, technology, know-how or other proprietary interest relating to the Software is and will remain vested solely in B&L. Customer will use all reasonable efforts to protect all such proprietary rights of B&L, and, upon request by B&L, will assist B&L at the expense of B&L, to prevent or halt any unauthorized use of B&L proprietary rights related to the Software. Unless otherwise agreed in writing, copyrighted materials will not be copied except for back-up, disaster recovery or archival purposes or as otherwise expressly authorized in this Agreement. Customer may make a reasonable number of copies of the Documentation to support Customer's authorized use of the Software, which copies shall remain subject to this Agreement. Customer shall not remove or modify any B&L copyright notice or other proprietary notice contained in the Software or the Documentation

8.2 Customer agrees to take reasonable steps to protect the confidentiality of the Software. Customer agrees

- 8.2.1 not to disclose or transfer the Software to any third parties except for disclosure:
 - a) pursuant to a court or administrative order, subpoena or other official process or discovery request, so long as Customer gives B&L prompt notice of receipt of such official process or discovery request (if such notice is permitted by law), and
 - b) to auditors and government regulators in connection with their performance of their official duties.
- 8.2.2 not to decompile, reverse engineer, modify (except as permitted herein), reproduce (except as permitted herein), rent or lease, or otherwise dispose of the Software; and
- 8.2.3 not to duplicate the Software except as required for Customer's use at the Site or for providing backup, disaster recovery or archival use of the Software.

Accepted for B&L by: 
 Initials _____
 Date 6/25/00

Accepted for Customer by: 
 Initials _____
 Date 6-25-00

8.3 B&L at its own expense, will defend, hold harmless and indemnify Customer against claims that Software or Documentation furnished under this Agreement infringe a United States patent or copyright or other similar right or are subject to claims of misappropriation of trade secrets protected under United States Law, provided that i) Customer gives B&L prompt written notice of such claim (provided however, that the failure to give prompt written notice of such claim shall not affect the obligations of B&L except to the extent of B&L's demonstrated actual damage caused by such failure), ii) permits B&L to defend or settle the claim, and iii) provides reasonable assistance to B&L, at B&L's expense, in defending or settling the claim. As to any Software or Documentation which is subject to claim of infringement or misappropriation, B&L shall, at B&L's expense, i) obtain the right to remarket such Software or Documentation for Customer's use or if (i) is not possible, ii) replace or modify such Software to avoid such claim without materially decreasing the functionality of the Software.

9.0 WAIVERS:

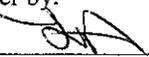
- 9.1 No delay or failure of B&L or Customer in exercising any right hereunder and no partial or single exercise thereof, shall be deemed of itself to constitute a waiver of such right
- 9.2 B&L may accept any payments from any person tendering the same without thereby accepting such person as Customer hereunder or waiving any breach of covenant or provision against assignment or transfer by Customer.

10.0 WARRANTIES

10.1 B&L represents and warrants that:

- a) the Software, when delivered and installed, will operate on the Processor specified on Schedule 1 of this Agreement and will operate in a Unisys MCP environment;
- b) any service rendered by B&L will be performed in a professional manner by qualified personnel;
- c) it owns the Software and the Documentation and has the right to license the Software and the Documentation to Customer on the terms and conditions of this Agreement
- d) it has the power and authority to execute, deliver and perform this Agreement;
- e) notwithstanding any other provision of this Agreement, the Software contains no virus, back door, time bomb, drop dead device, Trojan horse, worm, or other software routine designed to 1) disable a computer program automatically with the passage of time or occurrence of an event under the control of a person other than Customer, 2) permit unauthorized access by third parties, or 3) disable, erase or otherwise harm the Software or Customer's data or hardware;
- f) B&L shall provide Customer such information and documentation as Customer may reasonable request from time to time in order to confirm that the Software is Year 2000 Compliant and the method used by B&L to make such Software Year 2000 Compliant; and
- g) the Software is Year 2000 Compliant and that the Software will, under use and service, record, store, process and present calendar dates falling on or after January 1, 2000 in the same manner, and with the same functionality, as the Software records, stores, processes and presents calendar dates on or before December 31, 1999. B&L warrants that the Software will lose no functionality with respect to the introduction of records containing dates falling on or after January 1, 2000 and that the Software will be interoperable with other equipment and software used by Customer, and identified as such to B&L, which may deliver records to the Software, receive records from the Software, or interact with the Software in the course of processing herein, B&L will, upon notice from Customer, work (with as many

Accepted for B&L by: 
 Initials _____
 Date 6/25/00

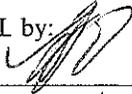
Accepted for Customer by: 
 Initials _____
 Date 6-15-00

- 14.1 During the time that the Software is under B&L Product Support, Product Support will be charged for on a yearly basis. The product support fees for the Software for term of the Agreement is shown in Schedule 2.
- 14.2 B&L will use its best endeavors to correct as promptly as possible errors in the Software notified to B&L by Customer. Code corrections or instructions on work arounds supplied shall be accompanied by adequate documentation to enable the code correction to be installed and to advise Customer of any operational differences known to B&L resulting from the code correction or work around, together with any resulting changes to the Documentation.
- 14.3 B&L will maintain and as necessary modify the Software so as to be compatible with later releases of the system software of the Customer computer systems on which the Software is designed to run. Copies of each new version of the Software (including revised Documentation) in replacement of copies installed with Customer will be supplied as soon as practicable after the notification by Customer of a new release of the relevant system software.
- 14.4 B&L will make available staff knowledgeable in the Software to respond to telephone or telefax queries by Customer during the hours of 9 am to 5 PM USA Eastern Standard Time, Mondays through Fridays (statutory or customary holidays in the USA excepted). B&L will use its best endeavors to provide a responsive service outside those hours. The service to be provided under this paragraph includes responding to queries on the operational use of the Software, assistance in identifying or verifying the causes of suspected errors or malfunctions in the Software, advice on work arounds to avoid the effects of identified errors or malfunctions where possible, information on errors previously reported to B&L, and advice on the features and capabilities of the Software.
- 14.5 At the request of Customer, B&L will provide on-site assistance by qualified staff as soon as possible after the Customer's request in case of emergency, and otherwise at mutually convenient times, to overcome any problems experienced in the installation and use of the Software which Customer is unable to resolve locally. For this service Customer shall pay B&L its prevailing day rate for a support person, plus reasonable travel and hotel expenses.
- 14.6 B&L shall ensure responses to errors or defects in the Software reported by Customer and documented in accordance with reasonable fault reporting procedures to be provided by B&L, and complete the correction or operational avoidance of the error or defect (i.e. where the Software is demonstrated not to work in accordance with the Documentation) in accordance with the following schedule

<u>Error Priority (1)</u>	<u>Response(2)</u>	<u>Closure (3)</u>
Emergency (A)	4 hours	5 days
Critical (B)	1 day	20 days
Non-Critical (C)	20 days	Next Update

Time starts to run from receipt by B&L of proper documentation of the fault. However, if documentation received by B&L is incomplete, B&L must promptly identify errors or omissions in the documentation to the Customer.

- (1) Priority Codes
 - A Catastrophic system or module failures which prevent user processing and which do not have a viable detour or work around available
 - B Problems that have been substantiated as a serious inconvenience to the user, including Priority A

Accepted for B&L by: 
 Initials _____
 Date 6/25/00

Accepted for Customer by: 
 Initials _____
 Date 6-15-00

problems for which a temporary detour or work around is available

C. Problems which the user can easily avoid or detour for which there is no urgency in resolution

- (2) Response Response consists of providing the following, in the following order of priority: an existing correction; a new correction against reported product level only; a viable work around; a reasonable request for more information to complete analysis of the problem, provided that for Priority A problems, B&L shall use its best endeavors to provide at least a viable work around within 24 hours
- (3) Closure Closure consists of providing a final correction, including by way of Update or maintenance release and revised or new Documentation as appropriate, or establishing that such closure is not practically possible.

15. DELIVERY AND ACCEPTANCE

- 15.1 B&L shall delivery the Software and two (2) copies of the Documentation no later than seven (7) days from the Effective Date
- 15.2 After delivery of the Software and Documentation, Customer may test the Software during the Acceptance Period The Software shall be deemed accepted by Customer if:
 - 15.2.1 Customer notifies B&L of Customer's acceptance;
 - 15.2.2 Customer uses the Software in live operations (except for parallel testing mode); or
 - 15.2.3 The Acceptance Period expires and Customer has not notified B&L that the Software is not accepted
- 15.3 If Customer notifies B&L that Software does not materially comply with the Documentation, B&L shall immediately begin and diligently pursue the correction, modification or improvement of the Software as is necessary to correct such material nonconformity and will notify Customer when the Software is again available to be tested. Customer shall have the remainder of the Acceptance Period or thirty (30) days to continue testing the Software.
- 15.4 The notification, correction and testing process shall continue until the date on which the Software is or is deemed accepted ("Acceptance") or until Customer notifies B&L that Customer rejects the Software and is terminating this Agreement. Upon termination Customer shall return the Software and Documentation to B&L and B&L shall refund all sums paid to B&L under this Agreement

16 CONFIDENTIALITY

- 16.1 B&L agrees to use any Confidential Information furnished by Customer only for the purpose of performance under this Agreement.
- 16.2 B&L shall not disclose the Confidential Information to any third party other than B&L directors, officers, and employees who have a need to know
- 16.3 B&L shall be responsible for any breach of this confidentiality provision by its directors, officers and employees and shall take action to make this confidentiality provision enforceable against them.

Accepted for B&L by: 
 Initials _____
 Date 6/25/04

Accepted for Customer by: 
 Initials _____
 Date 6-15-04

- 16.4 B&L acknowledges that breach of this confidentiality provision would result in harm to Customer that is not fully compensable by monetary damages and that in addition to any other remedies of Customer, Customer shall be entitled to equitable relief, including injunction, for breach of this confidentiality provision.
- 16.5 B&L agrees that the obligations covered in this Section shall survive the termination of this Agreement.

17 NOTICES

17.1 All notices, demands or other communication hereunder shall be in writing and shall be deemed to have been duly given if delivered in person, or by United States mail, certified or registered, postage prepaid, return receipt requested, or otherwise actually delivered to the appropriate party as follows:

If to B&L: Leonard J DiCarlo
 Treasurer
 B&L Associates, Inc.
 220 Reservoir Street (suite 15)
 Needham, MA 02494

If to Customer: Mr. Jerry Morrey
 State of Michigan Information Processing Center
 7064 Crowner Drive
 Lansing, MI 48913

 Ms. Lisa Arnott
 State of Michigan Office of Purchasing
 530 West Allegan St.
 Lansing, MI 48933

18 MISCELLANEOUS

- 18.1 No modification or amendment to this Agreement shall be valid unless in writing signed by authorized representatives of the parties.
- 18.2 If any provision of this Agreement is held or determined to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.
- 18.3 The captions of the articles and sections of this Agreement are for the convenience of the parties only and shall not be considered in any interpretation of this Agreement.
- 18.4 Items defined in sections 9, 14 and 17 shall survive and continue after any termination or cancellation of this Agreement and shall bind the parties, their successors, their permitted assigns and their legal representatives.
- 18.5 This Agreement and the State of Michigan Contract #071B5000788 constitute the complete and final expression of the parties' agreement as to the subject matter hereof, and shall supersede all prior agreements, expressed or implied, whether oral or written. It may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.
- 18.6 This Agreement shall be governed by, and subject to, and construed in accordance with the laws of the State of Michigan in the United States of America.

Accepted for B&L by: 
 Initials _____
 Date 6/25/00

Accepted for Customer by: 
 Initials _____
 Date 6/25/00

18.7 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original

Schedule 1				
License Fees				
Product	Processor	Host Serial Number	License Type	License Fees
BL/LIB	A18-762	2336	Regular	64,900
BL/ROBO	A18-762	2336	Regular	48,675
BL/SCHED	A18-762	2336	Regular	81,125
BL/PACK	A18-762	2336	Regular	68,145
BL/SOURCE	A18-762	2336	Remote	58,069
BL/CHARGE	A18-762	2336	Regular	82,955
BL/LIB	NX4822-52	5499	Remote	40,530
BL/ROBO	NX4822-52	5499	Remote	30,398
BL/SCHED	NX4822-52	5499	Remote	50,663
BL/PACK	NX4822-52	5499	Regular	60,795
BL/SOURCE	NX4822-52	5499	Regular	74,033
BL/CHARGE	NX4822-52	5499	Remote	37,462
BL/LIB	A18-223HTE	7222	Remote	38,430
Sub Total				736,180
Less:				
MIPC Discount		15%		110,427
Net License Fees				625,753

Accepted for B&L by:

Initials

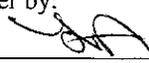
Date


6/25/00

Accepted for Customer by:

Initials

Date


6-15-00

Schedule 2								
Product Support								
		Period Covered →	7/1/00 through 9/30/00	10/1/00 through 9/30/01	10/1/01 through 9/30/02	10/1/02 through 9/30/03	10/1/03 through 9/30/04	10/1/04 through 6/30/05
Product	Machine Model	Billing Date →	1-Jul-00	1-Oct-00	1-Oct-01	1-Oct-02	1-Oct-03	1-Oct-04
			Amount	Amount	Amount	Amount	Amount	Amount
BL/LIB	A18-762		2,596	10,384	10,696	11,017	11,348	8,766
BL/ROBO	A18-762		1,947	7,788	8,022	8,263	8,511	6,575
BL/SCHED	A18-762		3,245	12,980	13,369	13,770	14,183	10,956
BL/PACK	A18-762		2,726	10,903	11,230	11,567	11,914	9,204
BL/SOURCE	A18-762		2,323	9,291	9,570	9,857	10,153	7,843
BL/CHARGE	A18-762		3,318	13,273	13,671	14,081	14,503	11,204
BL/LIB	NX4822-52		1,621	6,485	6,680	6,880	7,086	5,474
BL/ROBO	NX4822-52		1,216	4,864	5,010	5,160	5,315	4,106
BL/SCHED	NX4822-52		2,027	8,106	8,349	8,599	8,857	6,842
BL/PACK	NX4822-52		2,432	9,727	10,019	10,320	10,630	8,212
BL/SOURCE	NX4822-52		2,961	11,845	12,200	12,566	12,943	9,998
BL/CHARGE	NX4822-52		1,498	5,994	6,174	6,359	6,550	5,060
BL/LIB	A18-223HTE		1,537	6,149	6,333	6,523	6,719	5,190
Totals			29,447	117,789	121,323	124,962	128,712	99,430

Accepted for B&L by:

Initials

Date

[Handwritten Signature]

6/25/01

Accepted for Customer by:

Initials

Date

[Handwritten Signature]

6-25-01

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

October 19, 1999

**CHANGE NOTICE NO. 3
 TO
 CONTRACT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR B & L Associates, Inc. 220 Reservoir Street, Suite 15 Needham, MA 02494	TELEPHONE Bryce Kramer (617) 444-1404
	VENDOR NUMBER
	BUYER (517) 373-2049 Lisa Arnott
NIGP #209-91 Contract Administrator Jerry Morey CS-138#NJ Software, Maintenance and Training - DMB, MI Information Processing Center	
CONTRACT PERIOD From: June 15, 1995 To: June 14, 2000	
TERMS <p align="center">Net</p>	SHIPMENT <p align="center">As Required</p>
F.O.B. <p align="center">Delivered</p>	SHIPPED FROM <p align="center">Needham, MA</p>
MINIMUM DELIVERY REQUIREMENTS <p align="center">N/A</p>	

CHANGE(S):

This Contract is hereby amended as follows:

1. Add \$89,320.00 for annual software maintenance and support:

- A18-762 - \$50,840.00**
- NX4822-32 - \$26,835.00**
- A11-222 - \$5,345.00**
- BL/LIB Tape Library Management System - \$6,300.00**

**2. New Vendor Address: 220 Reservoir Street, Suite 15
 Needham, MA 02494**

3. Contractor Administrator has changed to Jerry Morey.

AUTHORITY/REASON

Contract amended per Agency request and vendor agreement.

INCREASE: \$89,320.00

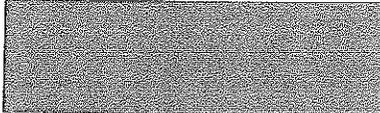
TOTAL ESTIMATED REVISED CONTRACT VALUE: \$920,203.00

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

March 18, 1997

CHANGE NOTICE NO. 2
 TO
 CONTRACT AGREEMENT NO. 071B5000788
 between
 THE STATE OF MICHIGAN
 and

(781) 444-1404

NAME & ADDRESS OF VENDOR		TELEPHONE Bryce Kramer (617) 444-1404
B & L Associates, Inc. 56 Kearney Road Needham, MA 02194		
NIGP #209-91		Christine Paul <i>CP</i>
Software, Maintenance and Training - DMB, MI Information Processing Center		
CONTRACT PERIOD		From: June 15, 1995 To: June 14, 2000
TERMS	Net	SHIPMENT As Required
F.O.B.	Delivered	SHIPPED FROM Needham, MA
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGE(S):

Effective immediately, Library Robotic Interface Software as noted is being added to this contract.

Product	Processor	60 Mo. License Fee	31 Mo. License Fee
BL/ROBO	A-18-742	\$26,175	\$17,014
BL/ROBO	A-18-522	\$22,425	\$14,576
Net License Fee:			\$31,590

AUTHORITY/REASON

Vendor letter dated 3/3/97; agency request dated 3/17/97.

INCREASE: \$31,950.00

TOTAL ESTIMATED BPO VALUE: \$830,883.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with BPO terms
and conditions and this notice, may be considered in default of BPO

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
OFFICE OF PURCHASING
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

April 5, 1996

CHANGE NOTICE NO. 1
TO
BLANKET PURCHASE ORDER NO. 071B5000788
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bryce Kramer (617) 444-1404
B & L Associates, Inc. 56 Kearney Road Needham, MA 02194		 Billie Collins <i>BC</i>
NIGP #209-91 Software, Maintenance and Training - DMB, MI Information Processing Center		
BPO PERIOD From: June 15, 1995		To: June 14, 2000
TERMS Net	SHIPMENT As Required	
F.O.B. Delivered	SHIPPED FROM Needham, MA	
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGE(S):

Additional funding provided for continued training and custom programming under
B & L Associates Blanket Purchase Order (BPO).

NET INCREASE: \$200,000.00

AUTHORITY/REASON: Agency request 3/1/96.

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MICHIGAN 48909

CONTRACT AGREEMENT NO. 071B5000788

between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR B & L Associates, Inc. 56 Kearney Road Needham, MA 02194		TELEPHONE Bryce Kramer (617) 444-1404 [REDACTED] Billie Collins <i>BC</i>
NIGP #209-91 Software, Maintenance and Training		
CONTRACT PERIOD From: June 15, 1995 To: June 14, 2000		
TERMS Net	SHIPMENT As Required	
F.O.B. Delivered	SHIPPED FROM Needham, MA	
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION: For: Michigan Information Processing Center, Dept. of Management and Budget Acquisition of A-Series Mainframe software and services for operations support of the Michigan Information Processing Center. Estimated Value: \$599,293.00		

THIS IS NOT AN ORDER: This contract agreement is awarded on the basis of our inquiry bearing the ITB No. 071R50002357. A Purchase Order Form will be issued only as the requirements of the State Departments are submitted to the Office of Purchasing. Orders for delivery may be issued directly by the State Departments through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE CONTRACTOR:

B & L ASSOCIATES, INC.
 56 KEARNEY ROAD
 NEEDHAM, MA 02194

Firm Name

Leonard J. DiCarlo
 Authorized Agent Signature

LEONARD J. DICARLO
 Authorized Agent (Print or Type)

6/19/95
 Date

FOR THE STATE:

George Boersma
 Signature

George Boersma
 Name

Purchasing Director
 Title

6-28-95
 Date

BLANKET
PURCHASE ORDER NUMBER | 071B5000788

(ISSUEING AGENCY)
DMB - OFFICE OF PURCHASING
STEVENS T MASON BUILDING
P.O. BOX 30026
LANSING MI 48909

MAIN FACS AGENCY NUMBER
07114000

CONTRACT PERIOD
FROM : 06/15/95
THROUGH : 06/14/00

B & L ASSOCIATES INC
56 KEARNEY ROAD
NEEDHAM MA 02194

CONTRACTOR PHONE : 617 444-1404
CONTRACTOR FAX : 617 444-5805

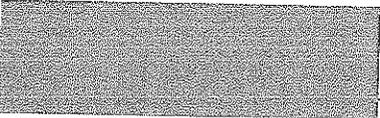
ITB # : F.O.B :
DELIVERED

PAYMENT TERMS
NET 30 DAYS

DIRECT QUESTIONS TO : TOM MORRISON

REQUIRED SHIPMENT RESPONSE TIME

EXTENDED PURCHASING :



TOTAL ESTIMATED CONTRACT VALUE
599,293.00

DESCRIPTION :

MINIMUM ORDER REQUIREMENT :

ITEM/DESCRIPTION OF GOODS	U/M	UNIT COST	AMOUNT
1 209-91 UTILITIES: BACK-UP, BATCH FILE, MENUS, OPERATING SYSTEM, RECOVERY, SCREEN, SECURITY, VIRUS PROTECTION, ETC.	EA	205,403.0000	205,403.00
2 918-38 EDUCATION AND TRAINING	EA	237,600.0000	237,600.00
3 920-45-11 SOFTWARE MAINTENANCE/SUPPORT, PROPRIETARY	EA	156,290.0000	156,290.00

ADDITIONAL INFORMATION AND REQUIREMENTS

AUTHORITY: ACT 431 OF 1984. RESPONSE: REQUIRED. PENALTY: FAILURE
TO DELIVER MAY RESULT IN CANCELLATION OF ORDER OR CONTRACT.

x
AUTHORIZED SIGNATURE

STATE OF MICHIGAN
BLANKET PURCHASE ORDER

BLANKET
PURCHASE
ORDER NUMBER

071B5000788

THIS IS NOT AN ORDER. A PURCHASE ORDER FORM WILL BE ISSUED BY AUTHORIZED STATE DEPARTMENTS AND AGENCIES AND SENT TO THE CONTRACTOR TO REQUEST DELIVERY WHEN NEEDED UNDER THE TERMS AND CONDITIONS OF THIS BLANKET PURCHASE ORDER.

PENALTY: FAILURE TO DELIVER MAY RESULT IN CANCELLATION OF ORDER OR CONTRACT
--- END OF DOCUMENT ---

INDEMNIFICATION:

The Contractor shall indemnify and hold harmless the State of Michigan and its agents and employees from and against all claims, damages, losses and expenses including attorneys' fees arising out of or resulting from the performance of the work, which includes all labor, material and equipment required to produce the commodity, construction and/or service required by the Contract, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible personal property (other than the Work itself) and (2) is caused in whole or in part by any negligent act or omission of the Contractor, its Subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

In any and all claims against the State of Michigan or any of its agents or employees by any employee of the Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any Sub-contractor under Workers' Compensation acts, disability benefit acts or other employee benefit acts.

The obligations of the Contractor under this Contract shall not extend to the liability of the State of Michigan, its agents or employees arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the State of Michigan, its agents or employees provided such giving or failure to give is the primary cause of the injury or damage.

CONTRACTORS LIABILITY INSURANCE

The Contractor shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of or result from the Contractor's operations under the Contract, whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- A. Claims under workers' compensation, disability benefit and other similar employee benefit act. A non-resident Contractor shall have insurance for benefits payable under Michigan's Workers' Compensation Law for any employee resident of and hired in Michigan; and as respects any other employee protected by workers' compensation laws of any other state the Contractor shall have insurance or participate in a mandatory state fund to cover the benefits payable to any such employee.
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees, subject to limits of liability of not less than \$300,000 each occurrence and, when applicable, \$1,000,000 annual aggregate, for non-automobile hazards and as required by law for automobile hazards.
- D. Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom, subject to a limit of liability of not less than \$100,000 each occurrence for non-automobile hazards and as required by law for automobile hazards.
- E. Insurance for Subparagraphs (C) and (D), non-automobile hazards on a combined single limit of liability basis, shall not be less than \$300,000 each occurrence and, when applicable, \$1,000,000 annual aggregate.

The insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater, and shall include contractual liability insurance as applicable to the Contractor's obligations under the Indemnification clause of the Contract.

CANCELLATION:

CANCELLATION OF CONTRACT by the State may be for (a) default of the contractor, or (b) lack of further need for the service or commodity. Default is defined as the failure of the contractor to fulfill the obligations of the quotation, contract, or purchase order. In case of default by the contractor, the State may immediately cancel the contract or purchase order without further liability to the State, its departments, agencies, and employees, and procure the articles or services from other sources, and hold the contractor responsible for any excess costs occasioned thereby. In the event the State no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in law, rules or regulations, relocation of offices, or lack of funding, the State may cancel the contract or purchase order, without further liability to the State, its departments, agencies, and employees by giving the contractor written notice of such cancellation 30 days prior to the date of cancellation.

In addition, the State may immediately cancel the contract or purchase order without further liability to the State, its departments, agencies and employees if the contractor, an officer of the contractor, or an owner is convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under state or federal antitrust statutes; or convicted of any other criminal offense, which in the sole discretion of the State, reflects on the contractor's business integrity.

B&L

ASSOCIATES, INC.

May 12, 1995

Ms. Fran Shooltz
Office of Information Technology
Lewis Cass Building
320 South Walnut (2nd floor)
Lansing, MI 48909

Dear Fran:

Thank you for your continued interest in B&L Associates, Inc. and our data center software. We are pleased to present the following proposal for operations software, training, consulting and related services.

Exhibit 1 presents all of the software considered and the three machines involved in the consolidation project, namely, one Unisys A-18-742, one Unisys A18-522 and one Unisys A11-222. The prices quoted are for versions of the following software: BL/DIST, BL/PACK, BL/SCHED, BL/SOURCE, BL/CHARGE, BL/LIB and BL/LABEL. The versions are either full systems or BNA modules, as indicated. The total discounted value for all of this software is \$205,402. A contract for the software (two copies) is included for signature.

Product support charges commence one year after the installation date and continue year to year. The product support charges for the first five years are shown on exhibit 2

In addition to the software product support, we are pleased to commit to providing up to thirty six weeks of training, consulting and related services at a cost of \$6,600 per week. It is anticipated the bulk of these services will be provided in Lansing. If all of the time were used, the total value for the training, consulting and related services will be \$237,600

We look forward to contributing to the consolidation of the State of Michigan data centers

Feel free to contact me with any questions

Sincerely,

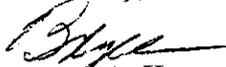

Bryce A. Kramer
B&L Associates, Inc.

Exhibit 2	361,693
TRAINING	237,600
	<hr/>
	599,293
	<hr/>



Associates, Inc.

56 Kearney Road
Needham, MA 02194
(617)444-1404

LICENSE AGREEMENT FOR PROPRIETARY SOFTWARE PRODUCTS

Customer Name & Address: _____ Agreement No. M95043732-R1
State of Michigan Lansing, MI

LICENSE: In accordance with terms of this Agreement, B&L Associates, Inc., herein referred to as "B&L", grants to Customer and Customer accepts from B&L a non-exclusive license to use the computer programs detailed in Schedule 2 in machine readable form, and related user manuals, hereinafter collectively referred to as the "Package".

License Fees are detailed in Schedule 2.

ADDITIONS TO THIS AGREEMENT: The customer shall have the option at any time by giving written notice to B&L to add further features or options to the Package already installed. Such additional features shall be paid for at B&L's then-current charges for such additions.

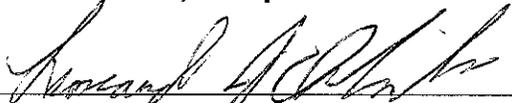
The parties have read this Agreement, including the attached Schedule 1,2, 3 and exhibits 1 and 2 and agree to be bound by all the terms and further agree that it constitutes the complete and exclusive statement for the Agreement between them which supersedes all proposals, oral or written, and all other communications between them relating to the license and use of the Package.

Accepted:

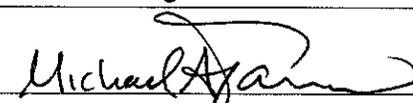
Accepted:

B&L Associates, Incorporated

State of Michigan



Authorized Signature



Authorized Signature

Leonard J. DiCarlo

Name

Michael A. Tame

Name

Treasurer

Title

Mgr. Info. Tech.

Title

6/19/95

Dated

6/26/95

Dated

SCHEDULE 1**SOFTWARE LICENSE AGREEMENT:**

EFFECTIVE DATE: The License shall be effective on the date the Package is received at the Customer's location (installation).

ACCEPTANCE PERIOD: The first 30 days following the Effective Date of the License shall be an Acceptance Period. The Customer shall have a right at any time within the Acceptance Period to return the Package.

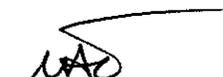
PRODUCT SUPPORT: For the first year of this agreement, B&L will maintain the Package to operate with all updated or revised versions of the operating system for which it is herein licensed, supply technical bulletins and updated user guides from time to time and supply Customer with any improvements or modifications to the Package which are not charged for as options.

Beginning one year after the effective date of this agreement, herein known as the "product support date", product support will be charged for on a yearly basis. The first five five years of product support will be as shown in Addendum 1. Thereafter, Customer will continue to receive product support at B&L's then current rates, such rates to be adjusted no more than annually, upon the anniversary of the product support date. In no even will product support increase by more than eight percent (8%) in any one year. B&L warrants that it will not withdraw the availability of maintenance on the product(s) listed in Addendum 1 for a period of at least five (5) years from the effective date.

Accepted B&L



Accepted Customer



SCHEDULE 2
LICENSE FEES

1. (a) License Agreement Option	Processor Model	Serial Number	License Fee
See Exhibit 1			
Total License Fee			

(b) Product Support Charges Option	Fee
See Exhibit 2	
Total Yearly Maintenance	

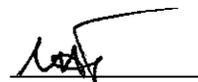
2. Payment Schedule:

All Amounts are due and payable upon receipt of invoice.

Accepted B&L



Accepted Customer



TERM: The license offered under this agreement has a term of 60 months commencing on the installation date. Upon expiration of the 60 months, the license will be automatically continued on a month-to-month basis for the then current monthly license charge or Customer may extend the license for an additional 60 months by paying the then current license fee. In no event will the license fee increase by more than thirty percent (30%) in any license renew period.

USE OF PACKAGE: Customer agrees to use the Package only at the original installation site and in accordance with operating instructions provided by B&L. Notwithstanding the above, Customer may move the Package to another Customer-site which physically replaces the original installation site upon prior written notice to B&L.

Customer agrees to refrain from using the Package for other Customer-sites or companies on a service basis.

TAXES AND DUTIES: There shall be added to any charges under this Agreement, amounts equal to any tariff, duties and/or sales or use tax or any tax in lieu thereof imposed by any government or governmental agency with respect to the services rendered by B&L, the Package or its use, the license of the Package, or this Agreement itself

TRANSFER OF THE PACKAGE: The rights and license granted Customer hereunder to hold and use the Package are restricted solely and exclusively to Customer and may not be assigned, subleased, sublicensed, sold, offered for sale, disposed of, encumbered or mortgaged

DEFAULT: In the event of default on the part of the Customer, as defined below, B&L Associates, Inc. has the right to terminate this Agreement and to enforce all its rights and remedies for breach of this Agreement against the Customer.

Default is defined to include: Customer's failure to pay any amount within 10 days after notice to Customer that the same is 30 days or more delinquent; if an assignment, sale, mortgage, sublease or sublicense of the Package is made or attempted, if any distress, execution, or attachment is levied hereon or upon the Package or such action is attempted; if Customer shall become insolvent; upon initiation of bankruptcy or receivership proceedings; upon the execution by Customer of a Deed of Trust or Assignment for the Benefit of Creditors or any other transfer or assignment of a similar nature; or upon Customer's breach of any of the other terms or conditions hereof

In the event of default, Customer shall return the Package unencumbered and certify to B&L that all copies or partial copies have been destroyed. In the event of default, Customer shall also pay to B&L all reasonable expenses incurred by B&L in connection with the enforcement of any of B&L's remedies, including reasonable lawyer's fees

TITLE: Title to the Package will remain in B&L. Customer shall keep the Package free and clear of all claims, liens and encumbrances, and any act of Customer purporting to create a claim, lien or encumbrance on the Package shall be void.

Customer may make copies of any computer tapes, disks, or other material provided by B&L to the extent required for Customer's internal use of the Package at the Customer-site specified herein or at any authorized Customer-site to which Customer may move the Package.

Customer agrees not to make any copies or partial copies, for the purpose of supplying them to others, of any computer tapes, disks or other material provided by B&L.

EXCUSABLE DELAYS: If B&L shall be delayed or prevented from performing this agreement due to any cause beyond its reasonable control, such delay shall be excused during the continuance of and to the extent of such cause, and the period of performance shall be extended to such extent as may be necessary to enable B&L to perform after the cause of delay has been removed.

ASSIGNMENT: B&L may assign the license fee payments reserved herein or any of its other rights hereunder. Customer, on receiving notice from B&L of any such assignment, shall abide thereby and make payments as directed.

SEVERABILITY: If any provision, or portion thereof, of this Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted.

NON-WAIVER: No delay or failure of B&L in exercising any right hereunder and no partial or single exercise thereof, shall be deemed of itself to constitute a waiver of such right or any other rights hereunder

B&L may accept any payments from any person tendering the same without thereby accepting such person as Customer hereunder or waiving any breach of covenant or provision against assignment or transfer by Customer.

WARRANTIES: B&L represents and warrants that: (a) the Package, when delivered and installed, will operate on the computer specified on front of this Agreement; and (b) any service rendered by B&L will be performed in a professional manner by qualified personnel. During the time that the Package is under B&L maintenance, B&L will correct or replace it and/or provide services necessary to remedy any programming error which is attributable to B&L. Such correction, replacement or services will usually be accomplished within 30 days from the date that Customer has identified and notified B&L of any such error in accordance with B&L's prescribed reporting procedures.

As a pre-condition to any action on any warrantee arising out of this Agreement, notice of any defects in any materials, equipment or services must be given to B&L within thirty (30) days of the discovery of such defects.

THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, IN NO EVENT WILL B&L BE LIABLE FOR CONSEQUENTIAL DAMAGES.

GENERAL: This Agreement contains the entire contract between the parties. The terms and condition of any present or future purchase order submitted by customer shall be void. This Agreement may not be waived, altered, or modified except by written agreement of the parties

No agent, employee or representative of B&L has any authority to bind B&L to any affirmation, representation or warranty, and unless such is specifically included within this written Agreement, it shall not be enforceable by Customer

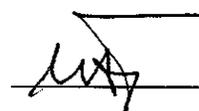
Customer's remedies in this Agreement are exclusive

This Agreement shall be binding when accepted by B&L at Needham, Massachusetts and shall be governed by the laws of Massachusetts

Accepted B&L



Accepted Customer





ASSOCIATES, INC.

Customer: State of Michigan
Contract: M95043732-R1
Exhibit: 1

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Exhibit 1

Pricing for the State of Michigan - MAC Project

Production Site (A18-742)	Price	
BL/DIST - Report Distribution and Control	\$26,600	
BL/PACK - Disk Pack Management	26,600	
BL/SCHED - Job Scheduling and Monitoring	30,500	
BL/SOURCE - Change Control System	26,000	
BL/CHARGE - Resource Billing	31,600	
BL/LIB with BL/LABEL - Tape Management	26,600	
Sub Total - Production		\$167,900
Development Site (A18-522)		
BL/DIST - BNA Module	2,750	
BL/PACK - Disk Pack Management	26,600	
BL/SCHED - BNA Module	2,750	
BL/SOURCE - BNA Module	2,750	
BL/CHARGE - Support Module	2,750	
BL/LIB with BL/LABEL - BNA Module	2,750	
Sub Total - Development 1		40,350
Development Site (A11-222)		
BL/DIST - BNA Module	2,500	
BL/PACK - Disk Pack Management	20,900	
BL/SCHED - BNA Module	2,500	
BL/SOURCE - BNA Module	2,500	
BL/CHARGE - Support Module	2,500	
BL/LIB with BL/LABEL - BNA Module	2,500	
Sub Total - Development 2		33,400
Sub Total Both Sites		\$241,650
Less: Multi-Product Discount (15%)		(36,247)
Net Cost - Three Sites		\$205,403



ASSOCIATES, INC

Customer: State of Michigan
Contract: M95043732-R1
Exhibit: 2

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Exhibit 2

FIVE YEAR PRODUCT SUPPORT
B&L Software for the State of Michigan

	Price	
Product Support - Year 1	0	
Product Support - Year 2	36,247	
Product Support - Year 3	38,068	
Product Support - Year 4	39,997	
Product Support - Year 5	41,978	
Total five year product support		\$156,290 ✓

Product Support Includes:

- Standard Telephone Support
Available during B&L business hours M-F, 8AM-6PM EST.
This ensures that someone will be available to answer day to day questions regarding the operation of the licensed software.
- Emergency Telephone Support
Someone is assigned to be available to help customers 24 hrs/day, 7 days/week to handle emergency situations
- Periodic New Software Releases
New releases of software which contain enhancements to the base system will be periodically distributed. Also, new software will be distributed to make sure the software is compatible with any new Unisys MCP release.
- Periodic Updated Documentation
As new features and improvements are put into the system, the documentation is updated and documentation notes are provided. When a significant number of changes have been implemented, an entire new set of documentation is produced and send to the customer