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CONTRACT

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THIS CONTRACT is made and entered, in duplicate, as of September 1, 2014 for reference purposes only, pursuant to Resolution No. RES-14-0068, adopted by the City Council of the City of Long Beach at its meeting on August 12, 2014, by and between TASER INTERNATIONAL, INC. ("Contractor"), a Delaware corporation with offices located at 17800 N. 85th Street, Scottsdale, Arizona, 85255 and the CITY OF LONG BEACH ("City"), a municipal corporation.

WHEREAS, City did by Resolution No. RES-14-0068 determine that the City's need to purchase X26P tasers and accessories could only be met by Contractor and, by reason of the foregoing, no useful purpose would be served by advertising for bids to purchase such tasers and accessories;

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

- Contractor shall sell, furnish, and deliver to City, X26P tasers and 1. accessories as authorized by Resolution No. RES-14-0068 and described in Exhibit "A", attached to this Contract and incorporated by this reference.
- City shall pay Contractor in due course of payments, following 2. receipt of an invoice from Contractor and upon acceptance from City for the X26P tasers and accessories the prices shown in Exhibit "A", a sum not to exceed Five Hundred Thousand Dollars (\$500,000.00), including tax.
- 3. The term of this Contract shall commence on August 26, 2014, and shall terminate at midnight on August 26, 2019 unless sooner terminated as provided herein. The City may terminate this Contract by giving thirty (30) days prior notice of termination to Contractor.
- Neither this Contract nor any of the moneys that may become due 4. Contractor hereunder may be assigned without the prior written consent of City.
 - Any notices required hereunder or desired to be given by either party 5.

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shall be in writing and personally delivered or deposited in the U.S. Postal Service, first

EXHIBIT "A"



To: Long Beach PD

From: Brian Black, TASER International, Inc.

Date: Wednesday, September 03, 2014

Re: Summary of Price Proposal for TASER® X26PTM CEWs and accessories

EXCUTIVE SUMMARY:

TASER International is pleased to provide Long Beach PD ("Agency") with the following price proposal. This price proposal is prepared with the understanding that any contract for the purchase of TASER equipment will be completed by August 26, 2014. After that date, this price proposal is subject to change.

The summary presents 2 payment options:

1. Outright purchase of equipment (Section I)

- 2. Purchase through TASER Protection Plan (Section II)—6 payments per installment
 - The benefits of this method are:
 - i. Routine replacement cycle
 - ii. Pre-pay the loan at any time
 - iii. Full deployment capability
 - iv. Budget certainty

Part Number	Product	Quantity	Sales Price	Total Price
11003	HANDLE, YELLOW, CLASS III, X26P	945.00	USD 873.85	USD 825,788.25
11504	HOLSTER, BLACKHAWK, LEFT, X26P	95.00	USD 51.75	USD 4,916.25
11501	HOLSTER, BLACKHAWK, RIGHT, X26P	850.00	USD 51.75	USD 43,987.50
22013	KIT, DATAPORT DOWNLOAD, USB, X2/X26P	10.00	USD 159,95	USD 1,599.50
22010	PPM, BATTERY PACK, STANDARD, X2/X26P	945.00	USD 52.95	USD 50,037.75

Subtotal	USD 926,329.25
Total Price	USD 926,329,25
Тах	USD 83,369,63
Shipping and Handling	USD 2,315.82
Grand Total	USD 1.012.014.70

SECTION I: UPFRONT PAYMENT PROPOSAL

• Agency will purchase 945 X26P™ CEWs on or before August 26, 2014.



SECTION II: PURCHASE WITH TASER PROTECTION PLAN

Initial Equipment Upgrade Occurs by August 26, 2014:

945 X26Ps	August 26, 2014	August 26, 2015	August 26, 2016	August 26, 2017	August 26, 2018	August 26, 2019
Annual Payment	\$500,000.00	\$109,544.19	\$109,544.19	\$109,544.19	\$109,544.19	\$109,544.19

Total Amount: \$1,047,720.95 Interest amount: \$35,706.25

- Agency will make 6 payments as identified above (for purchase of the equipment listed in the table under Section I), and title will transfer to agency upon final payment
- Interest rate is at 2.29% (subject to credit application and approval)

Benefits of the TASER PROTECTION PLAN Option:

- 1. Includes price protection for the next five years. Assuming 2% annual inflation, price protection has a value of **OVER \$88,520.67.**
- 2. Includes trade-in to new TASER X26P CEW models now
- 3. Provides budget certainty for a 5 year program, ensuring all officers have operational state-of-the-art TASER CEWs.

SECTION III: ADDITIONAL PROPOSAL TERMS

This is not an offer or sales quote. Any sale will be subject to TASER's standard sales terms and conditions as well as approval and completion of financing.