

TEXAS DEPARTMENT OF PUBLIC SAFETY
PURCHASE ORDER

ALL TERMS AND CONDITIONS SET FORTH IN OUR BID INVITATION BECOME A PART OF THIS ORDER

BUYER TO:	Texas Department of Public Safety PO Box 4087 Austin, Texas 78773-0001
VID	83791
VENDOR	DIGIMARC ID SYSTEMS LLC PO BOX 2550 FORT WAYNE IN 46801-2550

VENDOR GUARANTEES GOODS OR SERVICES DELIVERED ON THIS ORDER WILL MEET OR EXCEED SPECIFICATIONS IN THE BID INVITATION.		PURCHASE ORDER NO. 405- CA-1001
FUND/COST CENTER 6006/01632		ORDER DATE 10/13/2005
BUDGET 81011	ACCOUNT NUMBER 572620	
SHIP TO	DEPT OF PUBLIC SAFETY 5805 N LAMAR BLVD AUSTIN, TX 78752	

STATE SALES TAX EXEMPTION CERTIFICATE: The undersigned claims an exemption from taxes under Chapter 20, Title 122A, Revised Civil Statutes of Texas, for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas.

Item No.	Description	Quantity	Unit	Unit Price	Extension
	FOB DESTINATION <i>Headquarters</i> .00 CLASS: 655 ITEM: 78 PCC: 2D TIN# 1010548355 000 THE FOLLOWING IS A BLANKET ORDER FOR THE PURCHASE OF IMAGE CAPTURE AND CARD PRODUCTION, FOR DRIVER LICENSE IDENTIFICATION CARDS, CONCEALED HANDGUN LICENSE CARDS, EMPLOYEE IDENTIFICATION CARDS AND PRIVATE SECURITY LICENSE CARDS.				
0001	IMAGE VERIFICATION SYSTEM (IVS)	1	LOT	5748190.510	5,748,190.51
0002	SCANNING SYSTEM FOR THE CONCEALED HANDGUN AND PRIVATE SECURITY BUREAUS	1	LOT	35,480.000	35,480.00
0003	IMAGE COLLECTION SYSTEM (ICS) IMAGE COLLECTION AND CARD PRODUCTION OF APPROXIMATELY 28,435,343 CARDS @ \$0.8356 PER CARD FOR FY07 THROUGH FY12 NO GUARANTEES OF ANY MAXIMUM OR MINIMUM PURCHASE IS MADE OR IMPLIED. TXDPS WILL ONLY ORDER THE AMOUNT NEEDED TO SATISFY OPERATING REQUIRMENTS, WHICH MAY BE MORE OR LESS THAN INDICATED.	1	LOT	23804873.600	23,804,873.60

CONTINUED

TEXAS DEPARTMENT OF PUBLIC SAFETY
PURCHASE ORDER

ALL TERMS AND CONDITIONS SET FORTH IN OUR BID INVITATION BECOME A PART OF THIS ORDER

I N V O I C E	Texas Department of Public Safety PO Box 4087 Austin, Texas 78773-0001
	VID 83791
V E N D O R	DIGINARC ID SYSTEMS LLC PO BOX 2550 FORT WAYNE IN 46801-2550

VENDOR GUARANTEES GOODS OR SERVICES DELIVERED ON THIS ORDER WILL MEET OR EXCEED SPECIFICATIONS IN THE BID INVITATION.		PURCHASE ORDER NO. 405- 06-1001
FUND/COST CENTER 6006/01632		ORDER DATE 10/13/2005
BUDGET 81011		ACCOUNT NUMBER 572620
S H I P T O	DEPT OF PUBLIC SAFETY 5805 N LAMAR BLVD AUSTIN, TX 78752	

STATE SALES TAX EXEMPTION CERTIFICATE: The undersigned claims an exemption from taxes under Chapter 20, Title 122A, Revised Civil Statutes of Texas, for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas.

Item No.	Description	Quantity	Unit	Unit Price	Extension
	Headquarters THIS CONTRACT WILL BECOME EFFECTIVE ON THE DATE OF EXECUTION BY BOTH PARTIES. HOWEVER THE INITIAL TERM OF FIVE (5) YEARS WILL BEGIN ON THE DATE OF THE TXDPS LETTER OF ACCEPTANCE. THE PARTIES RESERVE THE RIGHT TO RENEW THIS CONTRACT, IN WHOLE OR IN PART UNDER THE SAME TERMS, CONDITIONS AND PRICE, FOR UP TO TEN (10) YEARS IN INCREMENTS OF ONE OR MORE YEARS AT A TIME. TXDPS RESERVES THE RIGHT TO EXERCISE THIS OPTION TO INITIATE RENEWAL DISCUSSIONS BY PROVIDING WRITTEN NOTICE TO CONTRACTOR NOT LESS THAN NINETY (90) DAYS PRIOR TO THE EXPIRATION ON THE INITIAL TERM OF THIS CONTRACT OR THE ANNIVERSARY DATE THEREOF. ANY RENEWAL WILL ONLY BECOME EFFECTIVE AFTER BOTH PARTIES SIGN A DOCUMENT AGREEING TO RENEW THIS CONTRACT. THE PARTIES RESERVE THE RIGHT TO AMEND THE TERM OF THIS CONTRACT IF THE DATE OF THE TXDPS LETTER OF ACCEPTANCE CHANGES FROM THE DATE LISTED IN THE STATEMENT OF WORK PROJECT PLAN. THE TERMS AND CONDITIONS ON THE BACK OF THIS PURCHASE ORDER ARE NULL AND VOID. THE AGREEMENT TERMS AND CONDITIONS APPLY. THE CONTROLLING ORDER OF THIS CONTRACT ARE INDICATED IN SECTION 8.52 OF THE TERMS AND CONDITONS ***CONTINUED***	.00			

TEXAS DEPARTMENT OF PUBLIC SAFETY
PURCHASE ORDER

ALL TERMS AND CONDITIONS SET FORTH IN OUR BID INVITATION BECOME A PART OF THIS ORDER

P O N O	Texas Department of Public Safety PO Box 4087 Austin, Texas 78773-0001
	VID 83791
V E N D O R	DIGIMARC ID SYSTEMS LLC PO BOX 2550 FORT WAYNE IN 46801-2550

VENDOR GUARANTEES GOODS OR SERVICES DELIVERED ON THIS ORDER WILL MEET OR EXCEED SPECIFICATIONS IN THE BID INVITATION.		PURCHASE ORDER NO. 405- 06-1001
FUND/COST CENTER 6006/01632	ORDER DATE 10/13/2005	
BUDGET 81011	ACCOUNT NUMBER 572620	
S H I P T O	DEPT OF PUBLIC SAFETY 5805 N LAMAR BLVD AUSTIN, TX 78752	

STATE SALES TAX EXEMPTION CERTIFICATE: The undersigned claims an exemption from taxes under Chapter 20, Title 122A, Revised Civil Statutes of Texas, for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas.

Item No.	Description	Quantity	Unit	Unit Price	Extension
	<p>VENDOR CONTACT: GREG GIBSON PHONE: (791) 744-6703</p> <p>DPS CONTACT: GREG GLORIA PHONE: (512) 424-2346</p> <p>DPS PURCHASING CONTACT: KEVIN RUIZ PHONE: (512) 424-7139 FAX: (512) 424-5419 EMAIL: KEVIN.RUIZ@TXDPS.STATE.TX.US</p> <p>BIDDER CERTIFIES THAT THE BIDDING ENTITY AND ITS PRINCIPALS ARE ELIGIBLE TO PARTICIPATE IN THIS TRANSACTION AND HAVE NOT BEEN SUBJECTED TO SUSPENSION, DEBARMENT, OR SIMILAR INELIGIBILITY DETERMINED BY ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL ENTITY AND THAT BIDDER IS IN COMPLIANCE WITH THE STATE OF TEXAS STATUTES AND RULES RELATING TO PROCUREMENT AND THAT BIDDER IS NOT LISTED ON THE FEDERAL GOVERNMENT'S TERRORISM WATCH LIST AS DESCRIBED IN EXECUTIVE ORDER 13224. ENTITIES INELIGIBLE FOR FEDERAL PROCUREMENT ARE LISTED AT HTTP://WWW.EPLS.GOV</p>				.00
	TOTAL				29,588,544.11

I attest that the goods and/or services hereon are required.

APPROVED

[Signature] *[Signature]* 10/13/05