DEPARTMENT OF ADMINISTRATIVE SERVICES
STATE OF CONNECTICUT
165 Capitol Avenue
Hartford, CT 06106-1658

December 13, 2012

John Corson
Client Executive
L-1 Identity
296 Concord Road Suite 300
Billerica, MA 01821

Re: Master Agreement #B-00-012

Dear Mr. Corson:

I have received your recent request to update the Product Schedule associated with the above noted Master Agreement. **This change (see attached for details) extends the pricing for two years from January 1, 2013 through December 31, 2014 and the sets the price for each DL/ID issued at $2.25 each. It also sets the pricing for the unused DL/ID Secure Lamination @ $45.00 per role and unused DL/ID Color Ribbon @ $100.00 per role. This also provides an option for an additional extension period starting on January 1, 2015 providing 120-day notification is given.**

Given the terms and conditions of this agreement, the request to update the Product Schedule is approved. Please consider the services a part of the associated Master Agreement and retain this approval for future reference.

A copy of your Product Schedule Update request is attached to this letter. Thank you for your interest in doing business with the State of Connecticut.

Carol Wilson
Procurement Director

CW/dem:
cc: Master Agreement File B-00-012

L-1 IDENTITY SOLUTIONS™

SECURE CREDENTIALING DIVISION

December 13, 2012

Joseph Giliberto
State of Connecticut
DAS/Procurement Services
165 Capitol Avenue, 5th Floor South
Hartford, CT 06106-1658

Re: Master Agreement B-00-012

Dear Mr. Giliberto:

L-1 Secure Credentialing (formerly L-1 Secure Credentialing, Inc. and Viisage Technology, Inc.) ("L-1") and the State of Connecticut Bureau of Enterprise Systems and Technology (formerly Department of Information Technology) entered into an Information Processing Systems Agreement on April 24, 2002, Contract No. B-00-012 (Master Contract) for the implementation of a Driver's License/Identification Card (DL/ID) Production System for the State of Connecticut Department of Motor Vehicles (DMV). The Master Contract was amended by a Product Schedule Update on or about April 22, 2008, corresponding with a four year extension of pricing beginning on January 1, 2009 and ending on December 31, 2012. L-1 and the State of Connecticut ("State") herein agree to extend the pricing on the Master Contract for an additional period of two years beginning on January 1, 2013 and ending on December 31, 2014.

L-1 and the State agree to the following

Pricing extension:

1. As used in this pricing extension, "Master Contract" refers to all provisions of Master Contract No. B-00-012 and all amendments thereto. The Master Contract will remain in full force and effect throughout the time periods referenced in this pricing extension;

2. The two year extension on pricing, the Master Contract will begin on January 1st, 2013 and end on December 31, 2014 ("extension period");

3. In the event that there is a delay in the implementation of a new contract on and after January 1, 2015, L-1 will continue to provide DL/ID services as specified in the Master Contract on and after January 1, 2015, provided the following conditions are met: (1) the

State will provide notice to L-1 on or before September 1, 2014 that it intends to retain L-1 beginning on January 1, 2015; (2) Beginning at any time after September 1, 2014, the State may notify L-1 that it intends to terminate the by providing L-1 with a notice of termination at least one-hundred twenty (120) days prior to the termination date stated in such notice; (3) L-1 will continue to provide DL/ID services up to the termination date stated in the termination notice or through December 31, 2015, whichever is earlier. This paragraph will not apply in the event that L-1 or its successor is the successful bidder for any new contract that is scheduled to take effect on January 1, 2015;

4. During the extension period, L-1 will offer all services related to DL/ID issuance, as specified in the Master Contract, in each of Connecticut's license issuance offices. L-1 will continue to provide all software and hardware maintenance for DL/ID equipment and services located at Connecticut's license issuance offices, continue to maintain adequate inventory of consumables required for DL/ID issuance, will assist with the staging of the new servers identified in paragraph 5 of this pricing extension, install all software required, port over necessary data from the old servers and fully test and implement the new environment. L-1 will continue to provide all current services including the existing in-state support infrastructure;

5. L-1 will advise the State regarding the recommended server and storage environment for this pricing extension. The State will facilitate L-1 upgrade of the current server bank platform used in the production system in accordance with L-1's recommendations. The State agrees to procure new servers under separate contract. The State will maintain ownership and may re-use the servers following the extension period;

6. For the term of this extension period, the State will pay L-1 at the rate of $2.25 for each DL/ID issued;

7. In the event that a license vendor other than L-1 is retained beginning in January 2015, L-1 commits to expend the necessary effort and cooperate with the State and any such vendor during the extension period to achieve a seamless transition to such new vendor;

8. At the end of the price extension period, L-1 will invoice the State for all unused materials that are unique to the manufacture of the Connecticut DL/ID cards. Unused materials that are unique are the color ribbon and front security lamination for DL/IDs produced at Connecticut license issuance offices. Materials that are reusable will be distributed to other L-1 DMV operations;

9. During the second year of this pricing extension period for pricing, L-1will maintain no more than a one-hundred twenty (120) day supply of materials as ready inventory in its warehouse or committed pipeline. L-1 agrees to work with the State to minimize the State's cost for materials. The amount to be paid to L-1 by the State for unused materials is as follows:

- Unused DL/ID Secure Lamination - $45.00 per roll
- Unused DL/ID Color Ribbon - $100.00 per roll

At the end of the extension, L-1 will make a written inventory of the remaining amounts of such materials in all license issuance offices. Upon a final calculation of unused materials, a onetime invoice will be delivered to the State for payment. In the event L-1 is awarded a new contract for the State's DL/ID Production System, the State shall not be liable for the cost of any DL/ID materials remaining in inventory.

Therefore, we are hereby requesting a Product Schedule Update to reflect the new per card price of $2.25 for cards produced beginning on January 1, 2013.

Please review and process this request at your earliest convenience and feel free to contact me with any questions you may have.

Sincerely,

John Corson
Client Executive

296 Concord Road, Billerica, MA 01821 Telephone 1-978-932-2200 Facsimile1- 978-932-2225 **www.L1id.com**