

EXHIBIT G

Message

From: "Steve Moore" <steve.moore@co.mclennan.tx.us>
Sent: 10/13/2005 2:34:17 PM
To: "'Spencer Phillips'" <Spencer_Phillips@tomorrownow.com>
CC: "Robert Wasson" <robert.wasson@co.mclennan.tx.us>
Subject: RE: TomorrowNow & McLennan County, TX -- Revised Agreement Attached

Spencer,

The County Judge does not feel the need for any presentations by TomorrowNow for himself or the Comm Court will be necessary. They seem to be happy to go with the recommendations of Robert & I.

Robert & I just need to find time to sit down and go over Bob's comments in relation to our Attorney's comments - hopefully early next week. Just at first blush, I don't think we will have any major sticking points.

Steve

From: Spencer Phillips [mailto:Spencer_Phillips@tomorrownow.com]
Sent: Thursday, October 13, 2005 2:33 PM
To: steve.moore@co.mclennan.tx.us
Subject: Fw: TomorrowNow & McLennan County, TX -- Revised Agreement Attached

Hi Steve,

Please let me know if you have some time for us to speak tomorrow. I would like touch base with you on next steps we had discussed earlier this month. I know for sure that we need to follow-up after your attorney has had a chance to review Bob's comments, but also there is a need to either meet with Jim Lewis or the Commissioners Court as a whole. Thanks, Steve. I look forward to catching up.

Regards,

Spencer

Spencer Phillips

Senior Account Executive

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----- Forwarded by Spencer Phillips/TomorrowNow on 10/13/2005 02:27 PM -----

"Steve Moore" <steve.moore@co.mclennan.tx.us>

10/07/2005 10:51 AM To "'Spencer Phillips'"

<Spencer_Phillips@tomorrownow.com> cc Subject RE:

TomorrowNow & McLennan County, TX -- Revised

Agreement Attached

Spencer,

Yes I have received it. Unfortunately I have some other hot issues vying for my attention. On first glance, I think we are looking good. Get with you next week.

Steve

From: Spencer Phillips [mailto:Spencer_Phillips@tomorrownow.com]
Sent: Friday, October 07, 2005 10:44 AM
To: steve.moore@co.mclennan.tx.us
Subject: Fw: TomorrowNow & McLennan County, TX -- Revised Agreement Attached

Steve,

Just ensuring that you have received Bob Geib's response (my VP). Please let me know if we need to have a call to discuss any of these points in the email below after you and/or Mr. Dixon have had a chance to review.

Thanks, and have a great weekend.

Spencer

Spencer Phillips

Senior Account Executive

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

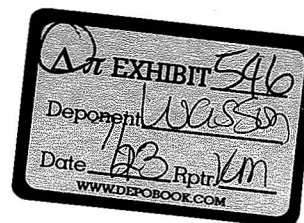
Case No. 4:07-cv-01658 PJH/EDL

DEFENDANT Exhibit No.

Date Admitted:

By: Nicole Heuerman, Deputy Clerk

INFORMATION



TN-OR04494185

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----- Forwarded by Spencer Phillips/TomorrowNow on 10/07/2005 10:42 AM -----

Bob Geib/TomorrowNow 10/06/2005 12:13 AM To Spencer Phillips/TomorrowNow cc
steve.moore@co.mclennan.tx.us Subject TomorrowNow & McLennan County, TX -- Revised Agreement
AttachedLink

<Notes://86256FEA005EFAEB/38D46BF5E8F08834852564B500129B2C/93B4AD5AF69FCE048625709000796A7D>

Spencer - I have reviewed the suggestions and comments by the client. I am forwarding to you to submit to Client with my comments below. I noted that there were several items on the PDF file that were questions, and I have addressed below. Almost all of the suggested changes were accepted, with the exception of Item 9 which is required by TomorrowNow. Please submit to client for final approval of the agreement.

Here are my comments and a summary of the changes.

- 1) Section 3(B) Taxes - **Accepted**.
- 2) Section 3(C) Travel & Living Expenses - **Comment**. We do not anticipate travel to be required in support of this agreement. However, in the unlikely event we do provide for payment of expenses. I see no objection from legal, only a question to the business.
- 3) Section 4(B) Personnel -- **Comment**. We expect that the Client will have it's own internal team whom will report issues, and apply and test any fixes and/or tax/regulatory updates. This is the same expectation and teaming that is expected by Oracle today and should have no new operational impacts upon Client.
- 4) Section 4(F) Final Testing of Updates & Fixes -- **Comment**. Same as above. We expect that the Client will continue with operation disciplines as standard with any PeopleSoft deployment to test code changes prior to migration to production systems. Again, this is the same expectation and teaming as the services you receive from Oracle today.
- 5) Section 7(A) Work Product / Ownership -- **Comment**. The reviewer is correct, the "perpetual" grant provides for the County to use and modify any deliverables both during and after the agreement's termination. Related to the question of data and reports, there is no claim or implied claim to the software reports and/or data, only to the Work Product created by TomorrowNow which is licensed perpetually to the customer.
- 6) Section 9(A) Client Indemnity -- **Rejected**. This indemnity is directly related to the fact that the County is representing to TomorrowNow that you have a license to the PeopleSoft product that we are being asked to perform work against.
- 7) Section 9(C) General Indemnity -- **Accepted with Modification**. This mutual indemnity is related to standard personal injury or property damage. However, there may be specifics of Texas law that make this a problem This was an issue we resolved in the State of Texas DIR contract by adding language to the effect of "to the extent allowed by Texas law" which I have added to this section.
- 8) Section 10(B) Remedies -- **Accepted with Modification**. As a standard services agreement it is important that the Client provide notice of any warranty issues to TomorrowNow, and we feel that a 30 day period if fair and reasonable based upon the nature of the service. Without notice, it would be virtually impossible to TomorrowNow to have a cure or have a cure period. We ask that the County accept this language. We did add add "reasonable discretion" on options for cure.
- 9) Section 11 Limitation of Liability - **Comment**. There was a notation about intentional and/or gross negligence, and this protection is covered in 9(C) General Indemnity.
- 10) Section 12(G) Entire Agreement - **Comment**. TomorrowNow does not accept general marketing and/or web materials to be included in agreement as they are not designed to appropriate legal forms.
- 11) Section 12(I) Jurisdiction - **Accepted with Modification**. Accepted State of Texas, and modified with Austin as venue.
- 12) Section 12(G) Governing Law - **Accepted**.
- 13) Appendix, Section 2(A)i - Serious Issues - **Comment**. A serious issue is a reported problem that impacts the Client's ability to process (e.g., operate the software as designed) and that causes a failure of a substantial feature or function of the product. We have intentionally left this definition open to the benefit of the client based upon the nature of the clients usage of the software. TomorrowNow did not limit definition of what the client considers serious or substantial. We do, however, expect that client will use reasonable business discretion, and for avoidance of doubt example of non-serious issues would be spelling errors, columns out of alignment in reports, or other elements that impact how the system operates.
- 13) Appendix, Section 3 Total Fees - **Comment**. It is the customary and current practice for support services to be paid in one up-front fee, and this is the basis by which the County currently pays for support services.
- 13) Appendix, Section 4 Renewal - **Accepted**. Revised language to allow for mutual agreement to renew by Parties.
- 14) Appendix, Section 5 Delivery of Software Maintenance - **Rejected**. For Texas, there should be no tax ramifications for a service deliverable. Note that all maintenance fixes are delivered electronically, and no physical media are shipped.

AGREEMENT ATTACHED

Please tell the client that I am happy to discuss any of the suggestions or comments. I have accepted almost all of the changes submitted. I feel that for the value received (e.g., the 50% cost savings) that this is an acceptable alternative for the client from both a business and a legal perspective.

Best wishes.

- Bob

Bob Geib

Vice President of Sales, North America

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Spencer Phillips/TomorrowNow 10/04/2005

03:13 PM To Bob

Geib/TomorrowNow@TomorrowNow cc

Subject ACTION: McLennan County, TX SSA-
Attorney's feedback attached.

Bob, I am targeting 10/18 to get this one signed. We go to Commissioners Court on 10/11 to get the approval of the County Judge, and then it makes its way through procurement.

I received their outside counsel's feedback on the SSA and would like to review with you in the next couple of days, but I will be in Houston tomorrow. Will you be able to take a look at it so that we can discuss on Thursday?

There are two documents. The second document includes an afterthought regarding renewal paragraph in Appendix.

The two documents should be taken together as the whole of the feedback.

As for the attorney's concern about paying for all services up front (1st document below), the County official is not concerned about this. He understands the nature of support.

Spencer Phillips

Senior Account Executive

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----- Forwarded by Spencer Phillips/TomorrowNow on 10/04/2005 05:05 PM -----

"Steve Moore" <steve.moore@co.mclennan.tx.us> 10/04/2005 04:45 PM To

<Spencer_Phillips@tomorrownow.com> cc Subject FW:

Spencer,

Here are copies of the notes our outside attorney made on the contract. Please have your legal people start reviewing it and forward your comments. I will follow this up with one more additional e-mail where he talks about renewals. As I stated I have no problem with up front annual payments, even though our atty was not thrilled with the idea - I don't know of any maint agreements we do where we don't pay up front.

Steve Moore

McLennan County Auditor

214 N. 4th Street, Suite 100

Waco, Texas 76701

Voice (254) 757-5156, ext. 2474

Fax (254) 757-5157

From: Mike Dixon [<mailto:Mike.Dixon@haleydavis.com>]

Sent: Thursday, September 29, 2005 3:51 PM

To: lynne.lockwood@co.mclennan.tx.us; steve.moore@co.mclennan.tx.us

Subject:

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