

USER LICENSE AGREEMENT FOR ONLINE WEAPONS PERMIT APPLICATION

This user license agreement for an online weapons permit application (the “User License Agreement”) is made and entered into this ___ day of _____, by and between the El Dorado County Sheriff (the “CLIENT”) and Permitium, LLC (“Permitium”), a corporation in good standing authorized to do business in the State of North Carolina with its principal place of business at 10617 Southern Loop Blvd. Pineville, NC 28134.

For and in consideration of the mutual promises set forth in the User License Agreement, the adequacy of which is hereby expressly acknowledged, the parties do mutually agree as follows:

- 1. Basic Obligations of Permitium.** Permitium hereby agrees to provide the services described in the attached Statement of Work (attached hereto as Exhibit 1) in accordance with the terms and conditions of this User License Agreement as requested in writing by the CLIENT.
- 2. Term.** This Agreement shall become effective upon final execution by both parties hereto and shall cover the period May 2, 2020 through May 1, 2023. Thereafter, this agreement will automatically renew successive one (1) year terms unless either Party provides the other Party with written notice to end the Initial Term or the Renewal Term.
- 3. Fee Collection and Payment.** Permitium will collect online payments and agrees to deliver the CLIENT a monthly statement by the 25th of each month which will itemized for every transaction submitted the previous month along with a check or ACH for the total amount collected less credit card fees listed on Exhibit 1. CLIENT may elect a different Cost of Service option from Statement of Work, Exhibit 1, with thirty (30) days’ notice to Permitium.
- 4. Termination for Cause.** At any time, the CLIENT may terminate this User License Agreement immediately and without prior notice if Permitium is unable to meet goals and timetables or if the CLIENT is dissatisfied with the quality of services provided.
- 5. Insurance.** Permitium agrees to maintain a minimum of \$2,000,000 in general liability and other appropriate insurance, as well as Workers Compensation in the required statutory amount, for all employees participating in the provision of services under this User License Agreement. Certificates of such insurance shall be furnished by the Permitium to the CLIENT and shall contain the provision that the CLIENT is given ten (10) days’ written notice of any intent to cancel or terminate by either the Permitium or the insuring company. Failure to furnish such insurance certificates or maintain such insurance shall be deemed a material breach and grounds for immediate termination of this User License Agreement. All Permitium liabilities as defined within this User License Agreement will be capped at the greater of the compensation received by Permitium, or the \$2,000,000 limit of general liability policy.
- 6. Taxes.** Permitium shall pay all federal, state and FICA taxes for all of its employees

participating in the provision of services under this User License Agreement.

7. **Monitoring and Auditing.** Permitium shall cooperate with the CLIENT, or with any other person or agency acting at the direction of the CLIENT, in their efforts to monitor, audit, or investigate activities related to this User License Agreement. Permitium shall provide any auditors retained by the CLIENT with access to any records and files related to the provision of services under this User License Agreement upon reasonable notice. The CLIENT agrees that its auditors will maintain the confidentiality of any trade secrets of Permitium that may be accessed during an audit conducted under this User License Agreement.
8. **Confidentiality Information.** Permitium agrees that all records, data, personnel records, and/or other confidential information that come within Permitium's possession in the course of providing services to the CLIENT under this User License Agreement (hereinafter, "Confidential Information") shall be subject to the confidentiality and disclosure provisions of all applicable federal and state statutes and regulations, as well as any relevant policies of the CLIENT. All data and/or records provided by the CLIENT to Permitium shall be presumed to be Confidential Information subject to the terms of this section unless the CLIENT specifically indicates in writing that the requirements of this section do not apply to a particular document or group of documents.

Permitium agrees to receive and hold Confidential Information, whether transmitted orally, in writing or in any other form, and whether prepared by a party or its Representatives, in strict confidence, and to use the Confidential Information solely for the purpose of facilitating CLIENT's use of Permitium's products and services. Except as essential to Permitium's obligations to CLIENT, Permitium shall not copy any of the Confidential Information, nor shall Permitium remove any Confidential Information or proprietary property or documents from CLIENT premises without written authorization of the CLIENT. Permitium acknowledges its understanding that any unauthorized disclosure of Confidential Information may result in penalties and other damages.

9. **Security.** Permitium represents and warrants that all documents and information provided to Permitium by or behalf of the CLIENT, including but not limited to Confidential Records, shall be stored and maintained by Permitium with the utmost care and in conformity with standards generally accepted in Permitium's industry for the types of records being stored and maintained. Permitium further represents and warrants that any online access to the CLIENT's records authorized persons pursuant to this User License Agreement shall be safe, secure, and password-protected and provided with the utmost care and in conformity with standards generally accepted in Permitium's industry for the types of records being stored and maintained, and that no person shall be permitted to obtain unauthorized access to any of the CLIENT's records. Without limiting the foregoing, Permitium specifically warrants that:
 - 9.1. All servers, computers, and computer equipment used to provide services pursuant to this User License Agreement shall be maintained in good working

order in compliance with generally accepted industry standards in light of the confidential nature of the documents in question and shall be located in a safe, controlled, and environmentally stable environment (including moisture and temperature controls) and adequately protected against fires, hurricanes, flooding, or similar occurrences;

- 9.2. Facilities where services are provided shall be secure and access shall be limited to employees trained in security protocols with a legitimate business need to access such facilities (with access removed immediately upon termination of employment) and shall be protected from unauthorized access by commercially reasonable security systems;
- 9.3. All websites, FTPs, and any other online electronic system used to provide services pursuant to this User License Agreement shall be protected from security breaches by commercially reasonable firewalls and other intrusion detections systems and antivirus software, which shall be kept updated at all times. Access shall be limited to those agents and employees of Permitium assigned to the project and any individuals identified in writing by the CLIENT or CLIENT's Designee as authorized to obtain access.
- 9.4. Permitium have technical controls in place that ensure the security, availability and confidentiality of CLIENT data.
- 9.5. All information provided to Permitium pursuant to this User License Agreement shall be encrypted while in transit over an open network.

10. Standard of Care. Notwithstanding anything in this User License Agreement to the contrary, Permitium represents and warrants that the services provided by Permitium shall be performed by qualified and skilled individuals in a timely and professional manner with the utmost care and in conformity with standards generally accepted in Permitium' industry for the types of services and records governed by this User License Agreement.

11. Indemnification. Permitium shall indemnify in accordance with the limits set in section 5, defend and hold harmless the CLIENT, its agents, and employees, from and against all claims, actions, demands, costs, damages, losses and/or expenses of any kind whatsoever, in whole or in part in accordance with the limits set in section 5, resulting from or connected with any acts under this User License Agreement or from the omission or commission of any act, lawful or unlawful, by Permitium, its agents and/or employees, including but not limited to court costs and attorney's fees incurred by the CLIENT in connection with the defense of said matters. This provision shall survive the expiration or termination of this Agreement and remain in full force and effect after such expiration or termination. Notwithstanding the foregoing the amount of indemnification will be limited to the amount of insurance requirements as set forth within section 5.

12. Relationship of Parties. Permitium shall be an independent User License Agreement of the CLIENT, and nothing herein shall be construed as creating a partnership or joint venture; nor shall any employee of Permitium be construed as an employee, agent or principal of the CLIENT.

- 13. Compliance with Applicable Laws.** Permitium shall comply with all applicable laws and regulations in providing services under this User License Agreement. Without limiting the foregoing, Permitium specifically represents that it is aware of and in compliance with the Immigration Reform and Control Act and that it will collect properly verified I-9 forms from each employee providing services under this User License Agreement. Permitium shall not employ any individuals to provide services to the CLIENT who are not authorized by federal law to work in the United States.
- 14. Applicable CLIENT Policies.** Permitium specifically acknowledges that it will comply with all applicable CLIENT policies, all of which are publicly available on the CLIENT's website.
- 15. Assignment.** Permitium agrees to notify the Client in the event the Contract is assigned to a 3rd party within 5 business days of the assignment.
- 16. User License Agreement Modifications.** This User License Agreement may be amended only by written amendments duly executed by and between the CLIENT and Permitium.
- 17. California Law.** California law will govern the interpretation and construction of the User License Agreement. Any litigation arising out of this User License Agreement shall be filed, if at all, in a court or administrative tribunal located in the State of California.
- 18. Entire Agreement.** This User License Agreement constitutes and expresses the entire agreement and understanding between the parties concerning the subject matter of this User License Agreement and supersedes all prior and contemporaneous discussions, promises, representations, agreements and understandings relative to the subject matter of this User License Agreement.
- 19. Severability.** If any provision of this User License Agreement shall be declared invalid or unenforceable, the remainder of the User License Agreement shall continue in full force and effect.
- 20. Non-Solicitation.** The Receiving Party agrees that, during the term of this Agreement, and for a two-year period following the expiration of this Agreement, the Receiving Party shall not solicit any employees of CLIENT to become employees of the Receiving Party or its affiliated entities.
- 21. Notices.** Any notice or other communication provided for herein as given to a party hereto shall be in writing, shall refer to this Agreement by parties and date, and shall be delivered by registered mail, return receipt required, postage prepaid to the person listed below or his successor.

If to: Permitium
Permitium, LLC

10617 Southern Loop Blvd.
Pineville, NC 28134
Attn: Matt Solomon

If to CLIENT:

El Dorado County Sheriff
Attn: Sheriff John D'Agostini
200 Industrial Drive
Placerville, CA 95667

22. Authority of Signatories. The persons executing this User License Agreement hereby represent and warrant that they have full authority and representative capacity to execute the User License Agreement in the capacities indicated below and this User License Agreement constitutes the binding obligation of the parties on whose behalf they signed.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year indicated above.

El Dorado County Sheriff

PERMITIUM, LLC

Printed Name: Jon DeVille
Signed: *Jon DeVille*
ITS: Chief Fiscal Officer
DATE: 4/17/20

Printed Name: Matt Solomon
Signed: Matthew Solomon
ITS: Managing Partner
DATE: 4/17/2020

Digitally signed by
Matthew Solomon
Date: 2020.04.17
15:01:05 -04'00'

-- COUNTY OF EL DORADO --

Dated: _____

By: _____

Chair
Board of Supervisors
"County"

ATTEST:
James S. Mitrison
Clerk of the Board of Supervisors

By: _____
Deputy Clerk

Dated: _____

STATEMENT OF WORK – EXHIBIT 1

Implementation Plan

- Configure the initial instance of the new **Permitium** solution based on the Sheriff's current pistol permit process and **Permitium**'s demonstration site
- Refine the new **Permitium** solution through an iterative process based on input received from the Sheriff's staff during the testing phase
- Test the **Permitium** solution, revise as needed and prepare it for production
- Provide training for the Sheriff's staff as needed
- Provide ongoing support, hosting and management of the **Permitium** Solution

Implementation Team

Permitium	Support Team		855-712-PERM	support@permitium.com
Client	Executive Sponsor			
	Project Manager			

Data and Security

All data collected in the Sheriff's instance of **PermitDirector** is the property of the Client. **Permitium** does not own and will not distribute data without the written consent of the Client. All passwords placed within the system are encrypted and not accessible by the **Permitium** staff.

Cost of Service

Cost for **PermitDirector** software, implementation services or support – Permitium will charge **Option #1** \$3.00 for all transactions as an embedded fee or

Option #2 \$4.00 passed on as a convenience fee back to the applicant for each application submitted.

Option #3 Other Fingerprint Applications

Option #4 \$400 per month for Integrated Archive Solution - includes unlimited users and virtual storage, access to the lead sheet generation and Permitium 'button' integration.

Option #5 \$95 per scan station per month for PermCapture - includes One 40 page per minute scanner with Integrated Capture Software

Credit card company fees are passed through to the applicant by **Permitium** based on our contract rate. The current rate is \$.30 per transaction plus 2.9% of the total transaction. Cash transactions can be paid at no additional cost at counter.

If Client elects to offer some or all services for free, transaction convenience fees still apply.