Software License Agreement

Between
COLUMBIA ULTIMATE
4400 NE 77th AVENUE, SUITE 100
VANCOUVER, WASHINGTON 98662
800-488-4420

Hereafter Columbia Ultimate

COPY

And

County of El Dorado #43934
330 Fair Lane
Placerville, CA 95667
530-621-5780
Hereafter Customer

This Software License Agreement ("Agreement") is made by and between Columbia Ultimate and Customer. In consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. **BACKGROUND.** Columbia Ultimate is an established independent software sales and development company licensed in the State of Washington. Columbia Ultimate owns a copyright and holds all ownership rights to a series of computer programs collectively known as Columbia Ultimate Collector System, will hereafter be referenced to as RPCS. Columbia Ultimate Business Systems, d/b/a Columbia Ultimate, will hereafter be referenced to as Columbia Ultimate. Customer is licensing software from Columbia Ultimate, which will be used in the operation of its business. Customer is aware that Columbia Ultimate does not manufacture nor maintain any hardware.

II. **DEFINITIONS.** For purposes of this Agreement, the following terms have the meanings set forth below:
   A. "Conversion" means a one time translation of Customer's existing account information from a current file structure into the file structure required by RPCS.
   B. "Documentation" means the tangible or intangible information necessary for the use, planning, operation and maintenance of the Software, including but not limited to RPCS Reference Guide manual.
   C. "Hardware" means any piece of tangible equipment used for the purpose of running RPCS.
   D. "Installation" means the process of bringing together the functioning of the computer Hardware and RPCS so that they are ready for business operation.
   E. "Module(s)" means, as applicable, the Software Support Module, and/or Products Module, and/or Software Development Module, and/or any other similar set of provisions which are attached to this Agreement.
   F. "Port" means licensed access to the Software used by only one person at a time.
   G. "Product(s)" means those goods, supplies, materials, items, components, hardware, and the incidental associated software listed and/or described in this Agreement or any Module(s) and/or Schedule(s), and/or other attachments to this Agreement.
   H. "Purchases" means all Product(s), Software and/or Services described in this Agreement, Module(s), or on Schedule(s), and/or other attachments to this Agreement.
   I. "Releases" mean an update of the Software, subsequent to the initial delivery of the Software, in which Columbia Ultimate has incorporated any accumulated corrections which make the Software conform to the then current Documentation, any improvements in the performance of the Software, any new functions which were not formerly functions of the Software and any changes to the Software to properly operate with modifications made to other components of the system.
   J. "Schedule(s)" means a written instrument made part of this Agreement describing such things as the Purchases, price, specific terms and conditions and related shipping and delivery instructions.

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K. "Services" mean the work to be provided by Columbia Ultimate under the terms of this Agreement, including analysis, design, testing, conversion, installation, implementation and integration services.

L. "Software" means RPCS and its ancillary products used in collection of outstanding credit obligations.

M. "Training" means the specialized instruction provided to the Customer in the ongoing use and maintenance of the software licensed by means of this Agreement.

III. **SCOPE OF LICENSE.**

A. Columbia Ultimate grants to Customer a nonexclusive, nontransferable license for the Software. Columbia Ultimate continues to own all rights to the copy of the Software licensed to the Customer under this Agreement along with any and all copies that the Customer is authorized to make.

B. Customer's rights to use Software are specified in this Agreement, and Columbia Ultimate retains all rights not expressly granted in this Agreement.

C. The Software is and at all times shall remain the sole property of Columbia Ultimate. The ownership is protected by the copyright laws of the United States and by international treaty provisions. Nothing in this Agreement constitutes a waiver of any rights under U.S. Copyright law or any other international, federal or state law.

D. Unless agreed to in advance in writing by Columbia Ultimate, Customer shall not assign, rent, lease, or otherwise sublet the Software or any part thereof to any third party, and Customer shall not use the Software for any purpose other than expressed in this License. If Customer desires to assign the Software to a third party, Customer shall notify Columbia Ultimate in writing and may not transfer or provide the Software to the purchaser without the prior written agreement of Columbia Ultimate which may be granted only if the purchaser shall have agreed in writing: (1) to the provisions of a new and separate license agreement for the Software upon Columbia Ultimate then current terms and conditions; and (2) payment of all license fees or other amounts indicated in such license agreement and such additional fees or amounts as may be required by Columbia Ultimate.

E. The Software is licensed to Customer for use only on the Hardware platform as identified per attached Schedule. In the event Customer desires to move the Software, Customer shall obtain the written consent of Columbia Ultimate, which will not be unreasonably withheld. A transfer fee may apply.

F. The Software contains an authorization code permitting its use for a period of one (1) year on the number of Port licenses listed on attached Schedule. THIRTY DAYS PRIOR TO EXPIRATION OF THIS LICENSE, A NOTICE WILL APPEAR INDICATING THAT THE LICENSE IS ABOUT TO EXPIRE. IF THE ANNUAL LICENSE RENEWAL FEE IS NOT PAID BEFORE THE EXPIRATION OF THE CURRENT LICENSE AGREEMENT, THE SOFTWARE WILL BECOME INOPERABLE UNTIL PAYMENT IS MADE.

G. The term of this Agreement can be extended for one (1) year periods, upon the payment of the Annual License Renewal Fee.

   1. The fee to renew this Software License is equal to three percent (3%) of the then current list price per Port times the number of Ports purchased. Note: Renewal fees for additional Licenses purchased since the last renewal will be prorated.

   2. The payment of a renewal fee does not entitle the Customer to future Releases. New Releases will be priced separately.

   3. Columbia Ultimate is not responsible for any lost profits or additional expense incurred by Customer's failure to prepay the license renewal fee prior to each recurring expiration.

IV. **TERM AND TERMINATION.** The term of this License shall begin upon the delivery and Installation of the Software and shall remain in force until terminated, in accordance with the terms of this License, and this License shall continue on a year to year basis provided Customer pays the Annual License Renewal Fee indicated above. If Customer chooses not to renew, or fails to comply with any other terms of this License, this License may be terminated by Columbia Ultimate. This Agreement may also be terminated or canceled under Section XI for Default. Upon termination of this Agreement, Customer shall promptly return all copies of the Software and accompanying written materials to Columbia Ultimate. The Modules and/or other parts of this Agreement may specify a different term(s) applicable specifically to that portion of this Agreement. If any such specific term continues beyond this Agreement, the terms and conditions and other applicable provisions of this Agreement shall continue to govern that portion of this Agreement.

V. **FEES AND CHARGES.**

A. Following the initial acquisition of the Software, Customer agrees to pay a then current license fee for every Port added to the System thereafter to extend this License to each such added Port. In addition,

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to continue this License as indicated above, an ongoing Annual License Renewal Fee, which is a per Port fee (for the then total number of licensed access to the Software) shall be paid to Columbia Ultimate beginning on the first anniversary date following installation and every anniversary date thereafter for the duration of this License.

B. Services requested by Customer in addition to those specified in this Agreement will be billed to Customer at Columbia Ultimate' then current rates.

C. The Annual License Renewal Fee may be adjusted from time-to-time by Columbia Ultimate, however such fee shall be no higher than the then current fee charged by Columbia Ultimate on similar licensed Software under like terms and conditions at the time. In addition to extending the right to use, the above-referenced fees entitles Customer to the maintenance indicated in Section VI.

D. Unless otherwise specified on the invoice, all payments shall be due upon invoice and shall be deemed late if not paid within thirty (30) days from the date of billing. Prices and fees are exclusive of, and Customer shall be solely responsible for paying, all sales, use, excise and similar taxes relating to the sale or license of the Purchases.

VI. **MAINTENANCE.** In return for payment of the Annual License Renewal Fee, Columbia Ultimate shall for the term of this License, provide maintenance in the form of revisions to enable Software to perform in accordance with the specifications in effect at the time Customer executes this License. Revisions shall be designated by Columbia Ultimate in its sole discretion as either mandatory or optional. Customer may elect to accept or not to accept mandatory revisions. In the event Customer refuses a mandatory revision, future Columbia Ultimate maintenance on the Software will be performed at Customer's expense. Should Customer request modifications or changes in the Software, then Columbia Ultimate may make such changes but shall charge Customer for such work on a time and materials basis at the then current rate. Following such work, Columbia Ultimate reserves the right to declare that all future Columbia Ultimate maintenance on Software will be performed at Customer's expense. Note: Future Releases will be priced separately.

VII. **CONFIDENTIALITY.** Customer shall take all reasonable steps necessary to ensure that the Software and related documentation, or any portion thereof, on magnetic tape, disk, or memory or in any form, are not made available by Customer or by any of its employees to any organizations or individuals not licensed by this Agreement to make use thereof. Customer warrants that all those individuals having access to the Software and related documentation under this License shall observe and perform this non-disclosure covenant. In particular, Customer recognizes the proprietary nature of Software and the related documentation and, in connection with the Software and related documentation, agrees as follows: (a) to use Software solely on the hardware platform specified in this License; (b) to instruct its employees having access to Software and related documentation not to copy or duplicate programs or make disclosure with reference thereto or of any components thereof to any third party; and (c) to effect normal security measures to safeguard Software and related documentation from theft or from access by persons other than its own employees using the Software and related documentation for Customer's own requirements. The obligations of Customer under this Section shall survive the termination of this License for three (3) years following termination of this Agreement.

VIII. **LIMITED WARRANTY.**

A. Columbia Ultimate warrants that it has the right to license the Software to Customer under terms of this License and Columbia Ultimate does not infringe upon the rights of any third parties and that the Software does not violate any U.S. protected copyright or trademark or any other proprietary rights of third parties.

B. Columbia Ultimate warrants that the Software will perform substantially as described in the documentation which is outlined in RPCS Reference Guide at the time of the execution of this License, provided such Software is used on the designated Hardware platform and within required operational conditions, and this warranty will expire ninety (90) days from the date of installation of such Software.

C. In the event the Software does not so perform, Columbia Ultimate' sole obligation in case of any breach of this warranty shall be to repair or replace, at Columbia Ultimate' option, any component of the Software which does not perform as documented.

D. Except as specifically provided herein, Columbia Ultimate shall have no liability to Customer or any other party because of the failure of the Software to so perform and Columbia Ultimate does not warrant that the functions contained in the Software will meet Customer's requirements or that the operation of the Software will be uninterrupted or error free. Columbia Ultimate assumes no

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responsibility for Software which has been altered or modified, except if altered or modified by Columbia Ultimate.

E. **Columbia Ultimate disclaims all other expressed or implied warranties, including, but not limited to, implied warranties of merchantability or fitness for a particular purpose, and implied warranties arising by usage of trade, course of dealing, or course of performance.**

F. **In no event shall Columbia Ultimate be liable for any indirect, special, incidental or consequential damages, such as, but not limited to, loss of anticipated profits, cost of overhead or any substitute service, claims of Customer's clients for such damage or other economic damages, including without limitation loss in connection with or arising out of the use of the Software or the Services provided for in this Agreement, even if Columbia Ultimate has been advised of the possibility of such damages.**

IX. **INDEMNIFICATION.**

A. Proprietary Rights -- Columbia Ultimate shall defend and pay the cost and damages made in settlement or awarded as a result of a legal action based upon an allegation that the Software furnished by Columbia Ultimate hereunder infringes a U.S. Patent, copyright or trade secret, if Columbia Ultimate is notified promptly in writing of such action and if Columbia Ultimate shall have sole control of its defense and negotiations for settlement. If Customer's use of the Software is finally enjoined, Columbia Ultimate will, at its option: (1) procure the continued right of use; or (2) replace or modify the Software to restore the right of use; or (3) terminate the License for the infringing Software and refund the balance if any of license fees paid for the Software, prorated over a 3-year term from the commencement of the licensed Port(s). Columbia Ultimate shall not be liable for infringement of any right resulting from use of the Software in a manner for which it was not specified. **Columbia Ultimate' total liability to Customer hereunder shall not, however, exceed the amounts paid by Customer for the infringing Software under this License.** The foregoing states the entire liability of Columbia Ultimate with respect to claims based on and resulting from the infringement of patents, copyrights or trade secrets.

B. General -- Columbia Ultimate agrees to indemnify, defend and hold harmless Customer and its officers, directors, agents, employees, corporate parents, affiliates and subsidiaries (the "indemnified parties"), and to require all subcontractors to release, indemnify and hold the indemnified parties harmless from and against any and all claims for damages, losses and expenses (including attorney's fees) arising out of this Agreement to the extent that any such claim, damage, loss, or expense is (i) attributable to bodily injury, including death or damage or destruction of tangible, real or personal property, and (ii) is caused by any willful or negligent act or omission on the part of Columbia Ultimate, its agents or anyone directly or indirectly employed by any of them. NOTWITHSTANDING THE ABOVE, COLUMBIA ULTIMATE SHALL BE RESPONSIBLE ONLY FOR DIRECT LOSSES, EXPENSES OR DAMAGES, AND SHALL NOT BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND.

X. **DISPUTE RESOLUTION.** If any controversy or claim arises out of or relates to this Agreement, or the breach thereof, the parties agree that senior management will attempt in good faith to settle the controversy or claim within ten (10) business days thereafter before resorting to arbitration pursuant to this Section. If said controversy or claim cannot be settled through such senior management intervention, the controversy will be settled by arbitration in accordance with the then current rules and supervision of the American Arbitration Association, and by a sole arbitrator selected by the parties who is sufficiently knowledgeable in the areas of law necessary to arbitrate the controversy. The decision and award of the arbitrator shall be final and binding and the award so rendered may be entered in any court having jurisdiction thereof. The arbitrator shall not be authorized to award punitive damages to either party. The requirement for arbitration shall not be deemed a waiver of any right of termination under this Agreement.

XI. **DEFAULT.**

A. Columbia Ultimate shall be deemed to be in default if the Software does not perform as documented in RPCS Reference Guide and cannot be brought into compliance with the documentation within a reasonable period of time.

B. Customer shall be deemed to be in default if payment is not made in accordance with this Agreement.

C. Customer shall be deemed to be in default if an attempt is made to transfer the Software, without the approval of Columbia Ultimate.

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XII. **REMEDIES AFTER DEFAULT.**
    A. This Agreement shall be deemed terminated.
    B. All materials supplied to the Customer by Columbia Ultimate shall be returned.

XIII. **TERMINATION.**
    A. This Agreement shall be terminated if payment is not made to Columbia Ultimate when due.
    B. This Agreement shall be terminated at the end of any annual period in which the renewal fee has not been paid.

XIV. **MISCELLANEOUS.**
    A. Force Majeure. No party shall be in default if failure to perform any obligation hereunder is caused solely by supervening conditions beyond such party's control, including acts of God, civil commotion, strikes, labor disputes, interruption of transportation, unavoidable accidents, or governmental demands or requirements.

    B. Business Status Change. Customer will notify Columbia Ultimate in writing of any change in ownership or business status of Customer during the term of this Agreement. Furthermore, in the event Customer's business is sold, Customer agrees to transfer this Agreement to the buyer with Columbia Ultimate' approval, which approval shall not be unreasonably withheld. A fee may apply to transfer the Software to a new owner.

    C. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The prevailing party in any such action shall be awarded court costs and any reasonable attorney's fees.

    D. Binding Effect. This Agreement inures to the benefit of and is binding upon heirs, executors, administrators, successors and assigns of the parties hereto.

    E. Severability. If any provision of this Agreement shall be held to be invalid, it shall not affect the balance of this Agreement.

    F. Notices. Except as otherwise provided herein, any notice or other communication given hereunder shall be in writing and shall be given by personal service, express courier (such as UPS), telecopy, or by certified or registered mail to the addresses shown on this Agreement, unless and until a different address has been designated by written notice to the other party. Any notice by certified or registered mail shall be deemed to have been given at the date and time of receipt.

    G. Compliance. The Customer shall assume all responsibility for compliance with local laws, ordinances or other regulation relating to the operation and the use of the Software.

    H. Entire Agreement. This Agreement, including Modules and Schedules, contains the entire Agreement of the parties with respect to its subject matter and supersedes all existing Agreements and all other oral, written or other communications between them concerning its subject matter. This Agreement shall not be modified in any way except by a written agreement subscribed to by both parties

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date indicated. This Agreement is subject to the terms and conditions attached hereto and which are made a part hereof and which the parties acknowledges to have read.

County of El Dorado
Authorized Signature

By: _James R Sweeney_

Print Name: _JAMES R. SWEENEY_

Title: _Chairman, Board of Supervisors_

Date: _8/15/06_

ATTEST: CINDY KECK, Clerk
of the Board of Supervisors

By _Kathryn Tyler_
    DEPUTY

Columbia Ultimate, Inc.
d/b/a Columbia Ultimate

By: _Bruce Randall_

Print Name: _Bruce Randall_

Title: _President - Reily_

Date: _July 21, 2006_

Addendum to Software License Agreement
Between
Columbia Ultimate Business Systems, Inc.
4400 NE 77th Avenue
Vancouver, Washington 98662
360-256-7358

Hereafter Columbia Ultimate
And

County of El Dorado
330 Fair Lane
Placerville, CA 95667
530-621-5780
Hereafter County

This addendum dated _____, 2006 amends the Software License Agreement currently in place between Columbia Ultimate and County in the following areas:

V.   FEES AND CHARGES.

Item E. to be added to this section as follows:

E. Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

XIV. MISCELLANEOUS.

Item C to be replaced with the following:

C.   Governing Law.   Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.   Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.The prevailing party in any such action shall be awarded court costs and any reasonable attorney's fees.

Item I. to be added to this section as follows:

I.   Administrator. The County Officer or employee with responsibility for administering this Agreement is Sylvia Earl, Assistant Treasurer/Tax Collector, or successor.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed by their duly authorized representatives as of the date indicated.   This Agreement is subject to the terms and conditions attached hereto and which are made a part hereof and which the parties acknowledges to have read.
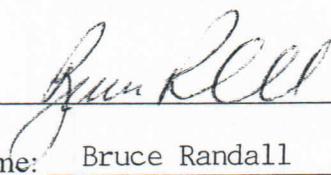
County of El Dorado
Authorized Signature
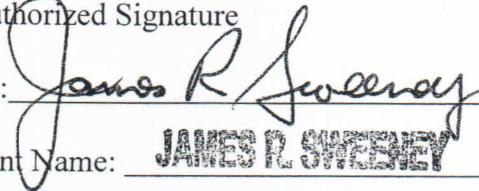
By: _James R Sweeney_

Print Name: _JAMES R. SWEENEY_

Title: _Chairman, Board of Supervisors_
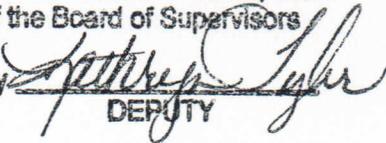
Date: _8/15/06_

Columbia Ultimate, Inc.

By: _Bruce Randall_

Print Name: _Bruce Randall_

Title: _President - BuR_

Date: _July 21, 2006_

ATTEST: CINDY KECK, Clerk
of the Board of Supervisors

By _____
DEPUTY