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COBRA COMBO CASHIER™ SERVICE AGREEMENT

This Kiosk Site Agreement (this "Agreement") is made this 1 day of June 2011 (the "Effective Date") by and between Swanson Services Corporation®, a Florida Corporation ("SSC"), located at 1133 Pennsylvania Street, Denver, Colorado 80203, and KITTITAS COUNTY through the KITTITAS COUNTY CORRECTIONS, ("Site Operator") located at 205 W. 5th Ave, Ste. 1/Jail, Ellensburg WA 98926.

WHEREAS, SSC is willing and able to provide to Site Operator without charge a means to collect, disburse, and account for the funds used by Site Operator's clientele through the use of Kiosks (as described herein); and

WHEREAS, Site Operator desires for SSC to provide such equipment and services at no charge to the facility and the placement, maintenance, and support for the Kiosk is funded from a surcharge per transaction to the depositor; and

WHEREAS, The benefits to the Site Operator having such a Kiosk onsite are: better time management for Control room officers, improvement in the flow of the facility, and improvement of safety to staff and the facility. These benefits are adequate consideration from SSC to support this Agreement; and

WHEREAS, Site Operator agrees to only accept moneys for deposit on resident accounts through electronic methods as provided by SSC; and

In consideration of the foregoing and the terms, covenants and conditions set forth in this Agreement, SSC and Site Operator hereby agree as follows:

1.0 Site Operator hereby grants to SSC the non-exclusive right to place a Kiosk that conducts cash and credit card transactions adding funds into inmates' accounts, on adequate floor space and to operate and maintain that Kiosk at a location in the Kittitas County Corrections Center reasonably agreed to by the parties. SSC shall pay all expenses associated with the placement, operation, and maintenance of the Kiosk.

2.0 **Access**. The Kiosk will be located in the Site Operator's lobby with twenty-four hour public access. The public, SSC and its agents shall have continuous access to the Kiosk unless the area is closed for maintenance, security or safety concerns. If the Kittitas County Corrections Center is closed and SSC needs immediate access, SSC may contact the Commander to receive allowance into the building. The Commander may not unreasonably deny SSC access to the Kiosk.

3.0 **Surcharge Notices**. Site Operator is not authorized to change the surcharge or collect any other surcharge or fee for use of the Kiosk. Surcharge amounts will be set and determined solely by SSC.

4.0 **Title.** The Kiosk shall remain the property of SSC. Site Operator shall keep the Kiosk free and clear of any liens or other encumbrances, and shall not permit any act where SSC's or third party title or rights may be negatively affected.

5.0 **Term and Termination**. This Agreement shall commence on the Effective Date of _____ and shall continue, unless earlier terminated as provided herein, for three (3) years, expiring on _____.Thereafter it shall automatically renew yearly under the same terms and conditions stated herein, unless terminated by either party in writing at least thirty (30) days prior to the end of a term. The initial period and all subsequent periods shall together constitute the Term. Either party may terminate this Agreement at any time by giving the other party ninety (90) days prior written notice either personally delivered of mailed postage-prepaid by certified mail, return receipt requested to the addresses in Section 14 of this Agreement. If, for any consecutive three (3) months, SSC has failed to provide an operating Kiosk, the Site Operator may terminate this Agreement by providing SSC a thirty (30) day written notice of termination.

6.0 **Damage and Loss**. In the event the Kiosk is lost or damaged as a result of Site Operator's proven negligence or intentional act or omission, including, but not limited to service or modification by persons not so authorized by SSC, Site Operator will pay to SSC the actual repair cost or if damaged beyond repair, the replacement cost of the Kiosk, not to exceed $7,500.00 per incident. The affected Kiosk shall be repaired or replaced and the obligations of this Agreement shall continue in full force and effect through the Term. The Site Operator shall not be liable for events which are not within its control and which, by the exercise of reasonable and prudent diligence, it is unable to prevent. The Site Operator shall not be liable for any repair or replacement of the Kiosk for damage caused by SSC or its agents, or from any third party not authorized to use the Kiosk by the Site Operator.

7.0 **Duties of SSC.**

7.1 SSC shall install, operate and provide all maintenance for the Kiosk to keep it in good working order and repair at its own expense. SSC shall be entitled to use third party service providers to perform maintenance and repair functions for the Kiosk.

7.2 SSC shall guarantee payments applied to resident accounts through the kiosk to the Site Operator.

7.3 SSC shall insure that its hardware or software in no way results in the disruption of Site Operator's hardware or software operating systems, files or file structure.

8.0 Duties of Site Operator.

8.1 Site Operator shall provide and maintain within two feet of the Kiosk Site a dedicated 110V electrical power outlet with low power usage on same circuit, for the sole use of the Kiosk and a dedicated CAT 5 cable to be used for network connection to the internet and to the COBRA Banker Database Server.

8.2 Site Operator shall maintain adequate security as is reasonably possible and prudent to prevent any unauthorized use of or damage to the kiosk and shall notify SSC or its designated service providers promptly of any trouble or irregularity in the functioning of the Kiosk, and discontinue use of the Kiosk until the Kiosk is serviced or instructions are received from SSC or its service providers. In no event shall Site Operator permit any tampering with or attempts to service the Kiosk except by persons authorized by SSC.

9.0 Ownership of Kiosk Cash. SSC is at all times the sole owner of all Kiosk Cash from the moment of insertion into Kiosk. No other person, including Site Operator shall have any right, title, claim or interest in the Kiosk Cash contemplated by this Agreement. SSC's ownership of and right to access Kiosk Cash shall not be subject to any claim, set off, arbitration or lien by Site Operator or others under any circumstances.

10.0 Bank's Access to Kiosk Cash. In accordance with Section 2 of this Agreement, Site Operator agrees to provide SSC and its carrier ready access to the Kiosk with a minimum 2 hour notice request. The parties understand and agree that Kiosk Cash funds must be readily available to SSC. SSC shall have the right to demand the return of any portion or all of its Kiosk Cash at any time, with or without cause. Without limiting the generality of the foregoing, SSC shall be entitled to demand the return of its Kiosk Cash whenever: (a) it is directed to do so by state or federal regulatory agencies; (b) SSC has reason to believe that its Kiosk Cash may be subject to loss through fraud or other means; (c) SSC has reason to believe its access to Kiosk Cash may be delayed (e.g., due to a threatened strike or labor dispute); (d) Site Operator breaches this or any other Agreement with SSC; (e) SSC has reason to believe that Kiosk transactions will not be processed in a correct or timely fashion, or that SSC will not receive timely payment for Kiosk Cash cleared from any Kiosks.

11.0 Assignment. No Portion of this Agreement or either party's rights hereunder may be assigned or subcontracted to any other individual, firm, or entity without the express and prior written approval of the other party. SSC may assign this Agreement in conjunction with the sale of a substantial part of its business utilizing this Agreement. Any unauthorized assignment of this Agreement is void.

12.0 Indemnification.

(a) SSC agrees to protect, defend, indemnify, and hold harmless the Site Operator, its elected officials, officers, employees, and agents, from any and all claims, demands, losses, liens, liabilities, penalties, fines, lawsuits, and other proceedings and all judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) resulting from death or bodily injury to any person or damage or destruction to a third party or third parties to the extent caused by any negligent act and/or omission of SSC, its officers, employees, agents, and/or subcontractors, arising out of the performance of this Agreement. To the extent of any concurrent negligence between SSC and the Site Operator, SSC's obligations under this paragraph shall only extend to its share of negligence or fault.

(b) Site Operator agrees to protect, defend, indemnify, and hold harmless SSC, its elected officials, officers, employees, and agents from any and all claims, demands, losses, liens, liabilities, penalties, fines, lawsuits, and other proceedings and all judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) resulting from death or bodily injury to any person or damage or destruction to a third party or third parties to the extent caused by any negligent act and/or omission of Site Operator, its officers, employees, and agents, arising out of the performance of this Agreement. To the extent of any concurrent negligence between SSC and the Site Operator, the Site Operator's obligations under this paragraph shall only extend to its share of negligence or fault.

(c) Nothing contained in this Section or this Agreement shall be construed to create a liability or a right of indemnification in any third party.

13.0 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Further, SSC agrees that it shall not discriminate against any person on the grounds of race, creed, color, religion, national origin, sex, sexual orientation, age, marital status, political affiliation or belief, or the presence of any sensory, mental, or physical handicap in violation of the Washington State Law Against Discrimination (Chapter 49.60 RCW) or the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) or any other applicable state, federal or local law, rule or regulation.

14.0 Notice. Any notice required or otherwise given pursuant to this Agreement shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered overnight delivery service to:

Swanson Services Corporation
Charles L. Swanson III, Vice President
2115 63rd Avenue East
Bradenton, Florida 34203

Kittitas County Corrections Center
205 W 5th Ave., Ste. 1/Jail
Ellensburg, WA 98926

15.0 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of the Agreement. This Agreement may be modified in writing and must be signed by both SSC and Site Operator.

16.0 Venue. In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Kittitas.

17.0 Default. In the event SSC has failed to perform any of its obligations under this Agreement within the time set forth, then the Site Operator may, by depositing written notice to SSC as per Section 14, terminate the Agreement as laid-out in Section 5 and at the Site Operator's option, obtain performance of the work elsewhere.

18.0 Severability. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

19.0 Public Disclosure. This Agreement is subject to public disclosure laws.

20.0 Waiver. Waiver of any breach or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No terms or conditions of this Agreement shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. A party's failure or delay to insist upon strict performance of any of the provisions of this Agreement or to exercise any rights or remedies under this Agreement shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon any such provisions, rights or remedies in that or any other instance; rather the same shall be and remain in full force and effect.

21.0 Independent Contractor. SSC's services shall be furnished as an independent contractor and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant.

SSC is not entitled to any Site Operator benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to Site Operator employees.

SSC will defend, indemnify and hold harmless the Site Operator, its officers, agents or employees from any loss or expense, including but not limited to settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph.

22.0 Remedies. The rights and remedies of the parties set forth in any provision of this Agreement are in addition to and do not in any way limit any other rights of remedies afforded to the parties by any other provisions of this Agreement or by law.

23.0 Expiration/Termination of Agreement and Removal of Kiosk. Upon the expiration or termination of this Agreement the Kiosk shall be removed from the Site Operator's premises at the cost of SSC. Removal may be stopped if the right to placement of the kiosk is extended by a new written agreement between the parties.

24.0 Insurance. SSC shall secure and maintain in effect at all times during term of this Agreement such insurance as will protect SSC and its Additional Insured's from all claims, losses, harm, costs, liabilities, damages and expenses arising out of personal injury (including death) or property damage that may result from performance of this Agreement, whether such performance is by SSC or any of its agents.

All insurance shall be issued by companies admitted to do business in the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports unless otherwise approved by the Site Operator. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

SSC shall provide proof of insurance for:

1) Commercial General Liability Insurance.
   - Coverage limits not less than:
     - $1,000,000 per occurrence
     - $2,000,000 general aggregate
     - $1,000,000 products & completed operations aggregate
     - $1,000,000 personal and advertising injury, each offense
   - Certificate Holder – Kittitas County
   - The Certificate must name the Site Operator as additional insured as defined in the Agreement
   - Thirty (30) days written notice to the Site Operator of cancellation of the insurance policy.

2) Stop Gap/Employers Liability.
   - Coverage limits not less than:
     - $1,000,000 each accident
     - $1,000,000 disease – policy limit
     - $1,000,000 disease – each employee
   - Thirty (30) days written notice to the Site Operator of cancellation of the insurance policy.

3) Commercial Automobile Liability Insurance.
   - Automobile Liability for owned, non-owned, hired, and leased vehicles, with an MCS 90 endorsement and a CA 9946 endorsement attached if 'pollutants' are to be transported.
   - Coverage limits not less than:
     - $1,000,000 combined single limit
   - Thirty (30) days written notice to the Site Operator of cancellation of the insurance policy.

4) Excess or Umbrella Liability.
   - The SSC shall provide Excess or Umbrella Liability coverage at limits of $1,000,000 per occurrence and $2,000,000 annual aggregate. This Excess or Umbrella Liability coverage shall apply, at a minimum, to both the Commercial General and Auto Insurance policy coverage.
   - This requirement may be satisfied instead through the SSC's primary Commercial General and Automobile Liability coverage, or any combination thereof.

5) Workers' Compensation.
   - Workers' Compensation in amounts required by law.

SSC shall furnish the Site Operator a certificate of insurance with Endorsement as evidence that policies providing insurance required by this Agreement are in full force and effect.

The SSC shall assume full responsibility for all loss or damage from any cause whatsoever to any SSC-owned tools, machinery, equipment, or motor vehicles owned or rented by the SSC, or the SSC's agents, suppliers or contractors.

The SSC shall have sole responsibility for determining the insurance coverage and limits required, if any, to be obtained by subcontractors, which determination shall be made in accordance with reasonable and prudent business practices.

NOTE: No contract shall form until and unless a copy of the Certificate of Insurance with Endorsement, properly completed and in the amount required, is attached hereto.

25.0 Industrial Insurance Waiver. With respect to the performance of this Agreement and as to claims against the Site Operator, its Additional Insured's, officers, agents and employees, SSC expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this agreement extend to any claim brought by or on behalf of any employee of the SSC. **This waiver is mutually negotiated by the parties to this Agreement.**

26.0 SSC Commitments, Warranties and Representations.
SSC represents and warrants to the Site Operator as follows:

26.1 SSC is duly incorporated, validly existing and in good standing under the laws of the State of Washington, and has all requisite corporate power and authority to enter into and to perform its obligations under this Agreement.

26.2 SSC has the authority to execute this Agreement, to make the representations and warranties set forth in it and to perform the obligations of SSC under this Agreement in accordance with its terms.

26.3 This Agreement has been validly executed by an authorized representative of SSC and constitutes a valid and legally binding and enforceable obligation of SSC.

26.4 SSC has or will obtain prior to the commencement date such licenses, permits and other authorizations from federal, state and other governmental authorities, as are necessary for the performance of its obligations under this Agreement.

26.5 SSC is not in violation of any applicable law, ordinance or regulation the consequence of which will or may materially affect SSC's ability to perform its obligations under this Agreement. SSC is not subject to any order or judgment of any court, tribunal or governmental agency which materially and adversely affects its operations or assets in the State of Washington, or its ability to perform its obligations under this Agreement.

26.6 None of the representations or warranties in this Agreement, and none of the documents, statements, certificates or schedules furnished or to be furnished by SSC pursuant hereto or in connection with the performance of the obligations contemplated under this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements of fact contained therein not misleading.

27.0 Headings. The headings of sections and paragraphs of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or paragraphs.

IN WITNESS WHEREOF, the parties have executed this Agreement this 1 day of JUNE 2011.

APPROVED:

SWANSON SERVICES CORPORATION

Eugene Shleyzer
Signature of Signatory
(Date 07/11/11)

Eugene Shleyzer
Print Name of Signatory
Eugene Shleyzer, Internal Auditor

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

Paul Jewell, Chair

Alan Crankovich, Vice-Chair

Obie O'Brien, Commissioner

COUNTY COMMISSIONERS SEAL KITTITAS COUNTY WASHINGTON

Attest:

Mandy Robinson
Clerk of the Board – Deputy

Approved as to Form:

By: 5/12/11
Deputy Prosecuting Attorney

SSC Address:

2115 63rd Avenue East
Bradenton, Florida 34203

County's Address:

Kittitas County
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Project Contact:
Charles L. Swanson III, Vice President

Project Contact: