



REQUEST FOR BOARD ACTION

ITEM NO. 8.

DATE OF REQUEST: February 12, 2009

REQUESTED BY: Faye Teachey Prevatte, Register of Deeds

SHORT TITLE: Resolution Authorizing a 5 year Lease from Inttek, Internet Technologies, Inc. for Upgrading Website Backup and all Office Technology from Recording Instruments to Certified Copies of Vital Records.

BACKGROUND: The Register of Deeds Office is requesting this action in order to bring Pender County in line with what the State of North Carolina mandates and to help the people of Pender County more efficiently.

Inttek, Internet Technologies, Inc. is the firm selected by the Register of Deeds Office. It is one of 3 companies in the state that is in total compliance with the State of North Carolina and is endorsed by Elaine Marshall, our Secretary of State. This program will replace 4 vendors that we are presently using that are outdated.

SPECIFIC ACTION REQUESTED: (The Board of Commissioners are requested to approve a purchase order to Inttek, Internet Technologies, Inc. in the amount of \$22,000.000 for a one-time setup and data conversion feed.

This money is in our 08/09 budget and would come out of the AE&P fund.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

RS
Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that

a 5 year lease is authorized to Inttek, Internet Technologies, Inc. The County Manager is authorized to execute any and all documents necessary to implement this resolution.

49-404500 Contracted Services

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Tate ___ Brown ___ Blanchard ___ Rivenbark ___ Williams ___

Jimmy T. Tate, Chairman 3/2/09
Date

ATTEST 3/2/09
Date

Agreement between the Pender County Register of Deeds Office and Internet Technologies, Inc. for Customization, Installation, Training, Support and Sixty Month Lease of the RecordingPRO workflow automation system

The State of North Carolina, County of Pender. This agreement dated _____ (agreement acceptance date), is made between Internet Technologies, Inc., of 330 Shipyard Blvd., Wilmington, NC 28412; herein know as INTTEK, and: Pender County Register of Deeds located at: 300 E Fremont St, Burgaw, NC 28425, herein know as CUSTOMER.

This agreement covers INTTEK providing the customization, installation, training, support and sixty (60) month lease of the RecordingPRO back-office workflow automation system, and service contract for all related hardware, to CUSTOMER. The lease will begin on the first day of live operation of the system. The projected "first day of live operation" is: _____

DURING THE TERM OF THE AGREEMENT INTTEK WILL PROVIDE CUSTOMER WITH THE FOLLOWING

- (1) Lease of the RecordingPRO back-office workflow automation system as defined in Appendix (A). As noted in Appendix (A) the RecordingPRO system meets current North Carolina Recording requirements and will be maintained to address and meet future requirements. A proposed delivery schedule is provided in Appendix (G). A specific checklist of the system requirements that have been mutually agreed upon is contained in Appendix (H). This lease allows CUSTOMER use of the software systems, herein defined hardware, training and technical support. As part of this Lease, CUSTOMER agrees to the software license and acceptable uses as listed in Appendix (B).
- (2) Data conversion from the previous electronic recording system format to the current RecordingPRO database format. Analysis of the converted data and comparison of the converted data against the data in the previous electronic recording system to verify the integrity and accuracy of the data. The specific method used for data comparison and mutual statement of understanding is detailed in Appendix (C).
- (3) Installation of all leased hardware and software defined within this agreement. A listing of additional hardware that may be purchased by CUSTOMER from INTTEK or they may provide themselves is also provided in Appendix (D).
- (4) Onsite training of CUSTOMERS staff, and CUSTOMER'S public users. Details of the training schedules are included in appendix (E).
- (5) Ongoing support of the RecordingPRO software system and server. Details of the support terms are included in Appendix (F).

PAYMENT FOR EQUIPMENT LEASE AND SERVICES

In exchange for the herein-defined Equipment Lease and Services, CUSTOMER agrees to pay INTTEK a one time setup charge, and monthly service payments as defined below:

- (1) Payment of RecordingPRO Server setup and installation fee of \$22,000.00. This payment is due on the signing of this agreement. Details of the RecordingPRO Server setup and installation are defined in Appendix (D).
- (2) A monthly service payment of \$2500.00, beginning on the first day of live operation of the system and continuing for 60 months from that date.

Payment for the (1) monthly service charge and as long as in effect, is due on the first (1st) of each month of the sixty (60) month term and is considered past due on the tenth (10th) day after the beginning of each respective month.

DEFINITION OF CUSTOMER EXPECTATIONS RELATED TO THE RECORDINGPRO SYSTEM:

Prior to signing agreement, a detailed description will be prepared listing the specific requirements of the Pender County Register of Deeds (CUSTOMER) in relation to the services and features the RecordingPRO will offer. This description will list the workflow processes for all tasks and activities the RecordingPRO system will be involved with. This workflow statement includes a check-list of requirements will be created. This document will be included within this agreement as Appendix (H) and will provide a checklist of all previously mentioned requirements.

SYSTEM DELIVERY SCHEDULE:

System installation, Staff and Public training will be detailed in the RecordingPRO Project Installation plan that is included in Appendix (G)

MAINTENANCE AND SERVICE CHARGE ADJUSTMENTS:

Beginning at the start of the LAUNCH DATE and continuing through the remaining term of this agreement, INTTEK will provide maintenance and support as defined in Appendix (F).

If there is failure due to defects in INTTEK'S equipment or software (exception in the case of fire, flood, or other act of God as defined in Appendix F), and this failure results in a critical disruption of the CUSTOMER'S service (a critical disruption being defined as an event that prevents the Register of Deeds Office from performing a key task, or tasks, required as part of their operational requirements definition by the State of North Carolina), the following billing adjustments will be made: CUSTOMER will not be required to pay the monthly service charge until CUSTOMERS service is restored to normal operation. Upon restoration to normal function, CUSTOMER will pay the months service charge as defined above.

STATEMENT OF INSURANCE COVERAGE:

At its own expense, CUSTOMER shall provide and maintain the following insurance: (a) insurance against the loss or theft of or damage to the equipment for the greater of the stipulated loss value (equivalent to the setup charge defined above) or full replacement value thereof, naming CUSTOMER as a loss payee; and (b) public liability and third party property damage insurance, naming CUSTOMER as an additional insured.

Taxes

INTTEK shall be responsible for payment of all sales taxes related to hardware and applicable software detailed within this agreement.

Personal Property; Liens and Encumbrances: Title

The Equipment defined in this agreement shall at all times remain personal property, notwithstanding that the equipment, or any part thereof, may be (or becomes) affixed or attached to real property or any improvements thereon. Except for the interest of INTTEK, CUSTOMER shall keep the Equipment free and clear of all levies, liens and encumbrances of any nature whatsoever. Except as expressly set forth in this Agreement, the Equipment shall at all times remain the property of INTTEK and CUSTOMER shall have no right, title or interest therein.

Termination of Agreement:

WITH THE TWO EXCEPTIONS BELOW, THIS AGREEMENT SHALL BE A NON-CANCELABLE NET LEASE, AND LESSEE AGREES THAT IT HAS AN UNCONDITIONAL OBLIGATION TO PAY ALL RENTAL PAYMENTS AND OTHER AMOUNTS WHEN DUE. LESSEE IS NOT ENTITLED TO ABATE OR REDUCE RENTAL PAYMENTS OR ANY OTHER AMOUNTS DUE, OR TO SET OFF ANY CHARGES AGAINST THOSE AMOUNTS. LESSEE IS NOT ENTITLED TO RECOUPMENTS, CROSS-CLAIMS, COUNTERCLAIMS OR ANY OTHER DEFENSES TO ANY RENTAL PAYMENTS OR OTHER AMOUNTS DUE HEREUNDER, WHETHER THOSE DEFENSES ARISE OUT OF CLAIMS BY LESSEE AGAINST LESSOR, SELLER, THIS AGREEMENT, ANY SCHEDULE OR OTHERWISE. NEITHER DEFECTS IN EQUIPMENT, DAMAGE TO IT, NOR ITS LOSS, DESTRUCTION OR LATE DELIVERY SHALL TERMINATE THIS AGREEMENT OR ANY SCHEDULE, OR AFFECT LESSEE'S OBLIGATIONS HEREUNDER. UNLESS LESSEE'S OBLIGATION TO PAY RENTAL PAYMENTS AND OTHER AMOUNTS HAS BEEN TERMINATED PURSUANT TO THE EXPRESS TERMS OF THIS AGREEMENT, ALL RENTAL PAYMENTS AND OTHER AMOUNTS SHALL CONTINUE TO BE DUE AND PAYABLE HEREUNDER.

EXCEPTION # ONE (1) TO ABOVE NON-CANCELABLE NET LEASE. If there is a failure due to defects in INTTEK'S equipment or software as defined within this agreement (exception in the case of fire, flood, or other act of God as defined in Appendix F), and this failure results in the complete disruption of the CUSTOMER'S service, and INTTEK is not able to resolve this issue within 30 days of the event, CUSTOMER may terminate the remainder of the service agreement as of the 30th day from the documented beginning of the incident. In this case, CUSTOMER will not be responsible for any additional monthly service charges, unless they elect to continue using the system after it has been restored. In this case the agreement will remain in force for the duration of the term. Complete disruption of CUSTOMERS service is defined as the complete loss of ability for CUSTOMER to perform all of the basic functions required to maintain a Register of Deeds Office, as defined by North Carolina Statutes. In the event of a service failure of this or any other type, CUSTOMER agrees to contact INTTEK within one business day and inform them of this in writing.

EXCEPTION # TWO (2) TO ABOVE NON-CANCELABLE NET LEASE. Cancellation due to NON-APPROPRIATION OF FUNDS. It is CUSTOMERS intention to remit to INTTEK all Lease Payments and other payments for the full TERM of this agreement if funds are legally available. In the event that CUSTOMER is not granted an appropriation of funds at any time during the TERM of this agreement, and the following conditions are met, this agreement may be canceled as of the last day of the fiscal year of funding: (a) CUSTOMER agrees to make timely requests and all other required steps for the appropriation of funds required for this agreement. Further, CUSTOMER will make every effort to ensure funds are appropriated. (b) During the TERM of this agreement, CUSTOMER shall not enter into any agreement (that uses funds that are subject to CUSTOMERS control) for services, hardware lease, and or benefits similar to those of this agreement, without first paying all required charges related to this agreement. (c) In the event that CUSTOMER does contract for services, hardware lease, and or benefits similar to those of this agreement without paying INTTEK, all funds for that contract shall be considered to have been available to CLIENT for purposes of compliance set forth in this agreement. (d) If funds are not available to fund CLIENTS obligations to this agreement, despite CLIENTS best efforts, CLIENT shall notify INTTEK of the situation and provide certified records detailing the reason for unavailability of funds.

Limitation of Liability

INTTEK shall not be liable for any liability, damage, claim, expense, or loss due to or related to this Agreement or the provision of the Service or equipment, however caused, whether grounded in contract, tort (including negligence) or theory of strict liability. The Parties agree to work in good faith to implement the purposes of this Agreement, but recognize that the services to be provided by INTTEK could not be made available under these terms or similar terms without substantial increase in cost if the Parties were to assume a greater degree of liability to each other.

CUSTOMER shall indemnify, hold harmless, and, if so requested by INTTEK, defend INTTEK against all claims (Claims) directly or indirectly arising out of or connected with the CUSTOMER'S STAFF improperly or incorrectly utilizing the RecordingPRO system (wrongful acts, errors or omissions).

Surrender; Extension of Term

Unless CUSTOMER renews the TERM pursuant to the agreement, INTTEK shall, at its expense, de-install, inspect and properly pack the Equipment; and return the Equipment at the expiration of the Term, free of all liens and rights of others, by delivering it on board such common carrier as INTTEK may specify with freight prepaid to any destination within the United States of America specified by INTTEK. The Equipment shall be accompanied by an original copy of the relocation inventory or other applicable form completed by the agent performing the de-installation. If INTTEK so requests, shall have the right to enter upon any premises where Equipment may be located to perform any of CUSTOMER'S tasks noted above in this agreement. CUSTOMER agrees that the Equipment, when returned to INTTEK, shall be in the same condition as when delivered to CUSTOMER, reasonable wear and tear excepted, and certified as being eligible for the manufacturer's generally available maintenance contract at then prevailing rates, without INTTEK incurring any expense to repair, rehabilitate or certify such Equipment (CUSTOMER shall be liable for all costs and expenses INTTEK incurs to place the Equipment in such condition). If requested by INTTEK, CUSTOMER, at its expense, shall store the Equipment on its premises for a reasonable period, not to exceed ten (10) business days during which period the Equipment shall be subject to all of the terms and conditions hereof, except for the obligation to make Rental Payments. In all instances where CUSTOMER is returning Equipment to INTTEK, CUSTOMER shall give INTTEK written notice thereof in accordance with the terms of the agreement. If CUSTOMER fails to provide the aforementioned notice or return the Equipment to INTTEK in the time and manner provided above, the Term shall be extended in accordance with the terms of the agreement. At the end of this agreement, CUSTOMER has the option to renew this agreement and the Terms and conditions shall be agreed upon in writing at that time. Further, until a renewal agreement is made, all services, hardware and software lease shall remain the same as this agreement and continue on a month to month basis until the new renewal agreement is established.

Events of Default

Any of the following shall constitute an Event of Default under this Agreement and all Schedules: (a) CUSTOMER fails to pay any Rental Payment or any other amount payable to INTTEK hereunder within 10 days after its due date; or (b) CUSTOMER fails to perform or observe any other representation, warranty, covenant, condition or agreement to be performed or observed by CUSTOMER hereunder or in any other agreement with INTTEK, or in any agreement with any other person that in INTTEK'S sole opinion is a material agreement, and CUSTOMER fails to cure any such breach within 10 days after notice thereof; or (c) any representation or warranty made by CUSTOMER hereunder, or in any other instrument provided to INTTEK by CUSTOMER, proves to be incorrect in any material respect when made; or (d) CUSTOMER makes an assignment for the benefit of creditors, whether voluntary or involuntary; or (e) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against CUSTOMER or CUSTOMER takes any action to authorize any of the foregoing matters; or (f) CUSTOMER becomes insolvent or fails generally to pay its debts as they become due, the Equipment is levied against, seized or attached, or CUSTOMER seeks to effectuate a bulk sale of CUSTOMER'S inventory or assets; or (g) CUSTOMER voluntarily or involuntarily dissolves or is dissolved, or terminates or is terminated; or (h) any guarantor under this Agreement is the subject of an event listed in clauses (b) through (g) above; or (i) any letter of credit required pursuant to any Schedule is breached, canceled, terminated or not renewed during the Term of any such Schedule.

In the event of failure of software or hardware provided as part of this agreement, it will be repaired, replaced, or in whatever manner needed to make functional within the response time as defined in Appendix (F).

Remedies

If an Event of Default occurs, INTTEK may, in its sole discretion, exercise one or more of the following remedies: (a) terminate this Agreement or any or all Schedules; or (b) take possession of, or render unusable, any Equipment wherever the Equipment may be located, without demand or notice, without any court order or other process of law and without liability to CUSTOMER for any damages occasioned by such action, and no such action shall constitute a termination of any Schedule; or (c) require CUSTOMER to deliver the Equipment at a location designated by INTTEK; or (d) declare the INTTEK'S Return for each agreement due and payable as liquidated damages for loss of a bargain and not as a penalty and in lieu of any further Rental Payments under the agreement; or (e) proceed by all damages and expenses incurred by INTTEK by reason of any Event of Default; or (f) terminate any other agreement that INTTEK may have with CUSTOMER; or (g) exercise any other right or remedy available to INTTEK at law or in equity provided. However, during the first 60 (sixty) days of the default CUSTOMER shall have right to use equipment, software and related services at CUSTOMER'S location but receive no support or maintenance until default is resolved. Also, CUSTOMER shall pay INTTEK all costs and expenses (including legal fees and costs and fees of collection agencies) incurred by INTTEK in enforcing any of the terms, conditions or provisions of this Agreement. Upon repossession or

surrender of any equipment, INTTEK shall lease, sell or otherwise dispose of the Equipment in a commercially reasonable manner, with or without notice and at public or private sale, and apply the net proceeds thereof (after deducting all expenses (including legal fees and costs) incurred in connection therewith) to the amounts owed to INTTEK hereunder; provided, however, that CUSTOMER shall remain liable to INTTEK for any deficiency that remains after any sale or lease of such Equipment. CUSTOMER agrees that with respect to any notice of a sale required by law to be given 10 days' notice shall constitute reasonable notice. These remedies are cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time.

Assignment by INTTEK

INTTEK will retain the right to sell or transfer this contract to other agents. However, prior to doing this, INTTEK agrees that a separate agreement will be made stating that the agent this contract is transferred to will be fully-qualified to continue support and maintenance for the RecordingPRO system.

Assignment or Sub-lease by CUSTOMER

WITHOUT INTTEK'S PRIOR WRITTEN CONSENT, CUSTOMER SHALL NOT ASSIGN THIS AGREEMENT OR ANY SCHEDULE OR ASSIGN ITS RIGHTS IN OR SUBLET THE EQUIPMENT OR ANY INTEREST THEREIN; provided, however, that CUSTOMER may sublease or assign a Schedule to an affiliate or a wholly-owned subsidiary of CUSTOMER if: (a) CUSTOMER and such sub-CUSTOMER or assignee execute and deliver to INTTEK a writing (to be provided by INTTEK) whereby the sub-CUSTOMER or assignee agrees to assume joint and several liability with CUSTOMER for the full and prompt payment, observance and performance when due of all of the obligations of the CUSTOMER under such Schedule; and (b) INTTEK consents to such sublease or assignment, which consent shall not be unreasonably withheld. In no event, however, shall any such sublease or assignment discharge or diminish any of CUSTOMER'S obligations to INTTEK under such Schedule.

Survival; Quiet Enjoyment

All representations, warranties and covenants made by CUSTOMER hereunder shall survive the termination of this Agreement and shall remain in full force and effect. All of INTTEK'S rights, privileges, and indemnities, to the extent they are fairly attributable to events or conditions occurring or existing on or prior to the termination of this Agreement, shall survive such termination and be enforceable by INTTEK and any successors and assigns. So long as no Event of Default exists, and no event has occurred and is continuing that with notice or the lapse of time or both would constitute an Event of Default, neither INTTEK nor any Assignee will interfere with CUSTOMER'S quiet enjoyment of the Equipment.

No Waiver; INTTEK Approval

Any failure of INTTEK to require strict performance by CUSTOMER, or any written waiver by INTTEK of any provision hereof, shall not constitute consent or waiver of any other breach of the same or any other provision hereof. Neither this Agreement nor any other Fundamental Agreement shall be binding upon INTTEK unless and until executed by INTTEK.

Choice of Law

THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NORTH CAROLINA.

Extension of services:

At the end of this agreement, it may be renewed as defined in the preceding section: SURENDER; EXTENSION OF TERM.

This instrument, and appendices (A, B, C, D, E, F, G, and H) referenced within (consisting of 14 total pages), represents the entire agreement of the parties and there are no representations not stated herein, and this agreement may only be modified by a writing executed by both parties hereto.

Internet Technologies, Inc. (herein know as INTTEK):

BY: _____ Date: _____
Paul Stephen McGough, Vice President, Internet Technologies, Inc.

CUSTOMER: PENDER COUNTY BOARD OF COMMISSIONERS

BY: _____ (SEAL) Date: _____
_____, Chairperson

ATTESTED BY:

_____ (SEAL)
_____, Clerk

I, a notary public of the County and State aforesaid, certify that Paul Stephen McGough, a Vice President of Internet Technologies, Inc. (herein known as INTTEK) personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp or seal, this the _____ day of _____.

Notary Public (SEAL)

My Commission Expires: _____

STATE OF NORTH CAROLINA, COUNTY OF PENDER

I, a notary public of said County and State do hereby certify that _____ personally appeared before me this day and acknowledged that he is Chairman of the Pender County Board of Commissioners, a body politic, and that by authority duly given and as the act of the board, the foregoing instrument as signed in its name by its chairman, sealed with its corporate seal and attested by _____ as its Clerk.

Witness my hand and official stamp or seal, this _____ day of _____.

Notary Public (SEAL)

My Commission Expires: _____

This agreement has been pre-audited as prescribed by the Local Government Budget and Fiscal control act of North Carolina.

Signed: _____ Date: _____

Definition of the RecordingPRO back-office workflow automation system included in this lease

This lease includes the following:

- One (1) site license of the standard RecordingPRO System back-office workflow automation system NOTE: this site license includes utilization of up to three (2) Recording, (3) Indexing and twelve (12) public research stations.
- One (1) high performance, network server as defined in Appendix (D) as well as use of off site Internet Server for public record search and remote data backup.
- Onsite training of CUSTOMERS staff, and CUSTOMERS public users. Details of the training schedules are included in appendix (E).
- Ongoing support of the RecordingPRO system. Details of the support terms are included in Appendix (F).
- Licensing and support for additional software developed by INTTEK to support the current and upcoming North Carolina Standards for E-Recording. Please note that this does not include purchase of software, licensing or service contracts required by third party vendors, if their use is required as part of the North Carolina Standard.

General definition of the RecordingPRO back-office workflow automation system software:

The RecordingPRO back-office workflow automation system is a back-office workflow automation system for North Carolina Register of Deeds, and is designed to meet all current North Carolina Recording Standards, as well as any upcoming State mandated changes in Standards.

When future changes in the North Carolina Recording standards occur, they will be included in the system in one of the two ways:

(1) if the change is minor, it will be included as part of the lease agreement with no additional charge.

(2) in the unlikely event that the change is significant, all Registers will be contacted and informed of the projected cost for developing software to address the change. The labor required for development will be divided equally among all Registers (clients with RecordingPRO installations). The charge will only be for development time of the new software, not for integrating the new software into the existing system.

The System is designed to run from a central server and provide access to both CUSTOMERS Authorized Staff and Public Users via a standard web browser interface and related support hardware. Supported web browsers are Internet Explorer 6 or above, Netscape 4.7 or above, Mozilla 1.5 or above or Firefox 1.04 or above.

This System installation includes support for network-boot workstations. CUSTOMERS workstations need to be network-boot compatible. CUSTOMERS workstations are attached to the network the System Server is on and receive all their Operating System and application data from the system server via the network. This capability significantly improves ease of overall workstation maintenance and system availability.

An overview of hardware used for this system is as follows:

System Server - provided by INTTEK in this agreement:

All software for the below mentioned hardware, including operating system and application software (including web browsing software), is provided via the network-boot option mentioned above.

Up to 2 Scan / Recording Workstations, provided INTTEK, which include:

24" LCD Monitor

Netboot Computer w/ 2.4 GHZ AMD (or equiv) CPU and min of 1GB RAM

Fujitsu fi-520 C Scanner

Cash Drawer

STAR Receipt Printer w/ copy take up roller

Zebra TPL 2844 Thermal Label Printer

Image Printer (any HP or similar laser printer)

Up to 3 Index Workstation, provided by INTTEK, which include:

24" LCD Monitor

Netboot Computer w/ 2.4 GHZ AMD (or equiv) CPU and min of 1GB RAM (or equivalent)

Up to 12 End User System Access Workstations, provided by CUSTOMER, which include:

Note: CUSTOMER will print and scan maps and other large format scanning using a separate, pre-existing system maintained by

CUSTOMER. This pre-existing scanner system is compatible with RecordingPRO system without modification.

After contract has been accepted, a listing of hardware provided by CUSTOMER will be created and maintained by both INTTEK and CUSTOMER. Any hardware changes made must be approved by INTTEK.

The RecordingPRO back-office workflow automation system includes the following functional areas. Please note this is a summary.

Document Probate, Receiving, Indexing, and Warranting, Workflow processing:

Document Receiving and Processing

Deed, and Related Instrument validation, acceptance, and processing (including).

Vital Records validation, acceptance, and processing (includes, Birth Certificate, Death Certificate, Marriage Applications)

Map validation, acceptance, and Processing

Billing and receipting for above mentioned documents

Public Display of Status of Received Documents on overhead monitors in the Recording Room

System Administration:

Data Administration

Verification of days (time periods) warranted data and submission for end user access.

Creation of "Day", "Month", and "Year" books

Internal Report Generation:

Employee account administration:

Employee print administration:

Administrative Services for Public Users:

Printing and creation of Certified Documents for Public Users (Performed by CUSTOMER'S Staff)

End User Account Administration (Performed by CUSTOMER'S Staff)

End User Data Access

End User Print Services

End User (PIN) draw down accounts for print services, etc.

Support for upcoming North Carolina standards for Electronic Recording:

When the standards are approved for Electronic Recording of documents in North Carolina, the RecordingPRO system will be modified to support these standards as part of it's core system.

Appendix (B)

Software License Agreement

Internet Technologies, Inc. (herein known as "INTTEK") agrees to license its RecordingPRO back-office workflow automation software (herein known as "Software") to the Pender County Register of Deeds Office (herein known as "CUSTOMER") under the following terms and conditions:

CUSTOMER shall provide compensation as defined previously in this Agreement to INTTEK for use this License during the term of the agreement. As part of this agreement INTTEK shall grant one agency-wide site license of Software to be used by CUSTOMER on INTTEK approved hardware. This license grants to CUSTOMER the right to use one copy of this Software at CUSTOMER'S business location during the term of this agreement. CUSTOMER may also make one copy of the Software solely for backup or archival purposes. Written materials - both in print and electronic - accompanying the Software may be copied by CUSTOMER solely for use in connection with authorized use of the Software. Upon termination or expiration of this of this agreement, CUSTOMER agrees to return all materials, and copies of any materials they have made, included in this lease to INTTEK.

INTTEK approved hardware shall either be at INTTEK'S location, CUSTOMER'S location, or a mutually agreed upon alternate location.

It is understood and agreed that INTTEK shall retain all title, ownership and intellectual property rights, including copyrights, in and to the Software and all subsequent copies regardless of the form or media. This license confers no title or ownership in the Software and should not be construed as a sale of any right in the Software.

CUSTOMER agrees not to distribute, rent, lease, loan or resell the Software. CUSTOMER agrees not to allow any personnel within or outside their organization to study, de-compile, reverse engineer, copy, decrypt or in any other way analyze or create derivative works of the Software and/or Software Source Code without receiving approval in writing from an authorized Corporate Officer of INTTEK. This license can only be transferred to a third party if the Third Party agrees in writing, to be bound by all terms and conditions stated in this license agreement. INTTEK must be notified and receive signed license transfer agreement before license is transferred. INTTEK will provide License Transfer Agreement documentation for Third Party to sign. This document will state the Third Parties willingness to comply with all terms and conditions found in this current license agreement.

Services or software upgrades provided by INTTEK to CUSTOMER, if any, are not covered by this license. Any such services and upgrades, and the cost thereof, shall be covered by a separate agreement.

Appendix (C)

Procedure for analysis, conversion and migration of Pender County Index Data from its previous RecordingPRO electronic format to the format used with the new RecordingPRO System.

Upon completion of the data conversion, INTTEK will provide CUSTOMER with a document detailing the procedures used in the data conversion and verification. In the event that any errors were found, they will be manually corrected and logged in this report.

INTTEK will then certify and warrant that for the time period defined below, the index data has been converted from the previous RecordingPRO system to the new RecordingPRO system accurately. Specifically, this certification and warranty is for the accurate conversion of data from the previous RecordingPRO system to the new RecordingPRO system. This is not a guarantee of the correctness of the previous data. While every reasonable attempt will be made to confirm the data accuracy, it is mutually agreed that the accuracy of the converted data is dependent on the accuracy of the original data. INTTEK is not certifying or making any statements in regard to the accuracy of the original data.

The period for certification and warranty of the previously mentioned RecordingPRO data conversion will run for the duration of this agreement.

Further, INTTEK will certify that once converted, CUSTOMER'S data will be stored in a documented, industry standard relational database format.

Appendix (D)

Hardware listing for the server to be used for running the RecordingPRO System

Note: in the event that at the time of signing this contract, more advanced or computationally superior hardware becomes available, if mutually agreed by INTTEK and CUSTOMER, this hardware may be substituted in place of the below listed hardware.

- (1) Tyan Thunder 2-way Motherboard for AMD Opteron CPU's
- (2) AMD Dual-Core Opteron Processors (this provides four actual CPU's)
- (4) Gigabytes ECC SDRAM Memory
- (2) 250GB SATA Hard Drives in RAID1 configuration (approximately 250GB usable space for Operating System)
- (2) 1.5 TB SATA Hard drives in RAID1 configuration (approximately 1.3 TB usable space for scanned image archive)

(1) Hot swap drive cage

Server Case and power supply

Dual Gigabit ethernet adapters

External USB connections for optional attachment of external drives

CD/DVD Burner

Mouse

Keyboard

LCD Monitor

(2) Scan / Recording Workstations including:

24" LCD Monitor

Netboot Computer w/ 2.4 GHZ AMD (or equiv) CPU and min of 1GB RAM

Fujitsu fi-520 C Scanner

Cash Drawer

STAR Receipt Printer w/ copy take up roller

Zebra TPL 2844 Thermal Label Printer

Image Printer (any HP or similar laser printer)

KVM Switch

(3) Index Workstations including:

24" LCD Monitor

Netboot Computer w/ 2.4 GHZ AMD (or equiv) CPU and min of 1GB RAM (or equivalent)

KVM Switch

(1) 42" LCD monitor plus netboot PC applicane

(1) 24 Port Network switch and related network equipment (cable, etc.)

(1) Network Router

(1) use of Off Site Server for Public Records Search, as well as index and image archival.

If desired, an additional server identical to the one defined above can be purchased and be stored either onsite or offsite at an INTTEK-approved remote location. This will expedite recovery in the event of a catastrophic failure of the primary server. Please note that this additional server is not included in this agreement.

Appendix (E)

Details of the training schedules for use of the RecordingPRO system both by CUSTOMERS Staff and non-staff system Public Users.

The below mentioned training sessions will be done at CUSTOMERS Office or location approved by CUSTOMER and INTTEK.

There will be (4) 2-hour training sessions for CUSTOMERS STAFF prior to the LIVE OPERATION DATE of the system

There will be (4) 2-hour training sessions for CUSTOMERS STAFF after the LIVE OPERATION DATE of the system

There will be (4) 2-hour training sessions for CUSTOMERS PUBLIC USERS prior to the LIVE OPERATION DATE of the system

There will be (4) 2-hour training sessions for CUSTOMERS PUBLIC USERS after to the LIVE OPERATION DATE of the system

Beginning on the system LAUNCH DATE and continuing for five (five) business days after, INTTEK will provide one (1) onsite engineer and one (1) additional training support person for 8 hours each day (during normal business operation) for additional onsite training and technical support for both CUSTOMERS STAFF and CUSTOMERS PUBLIC USERS.

Additionally, during the course of this agreement, INTTEK will provide an informal training program to CUSTOMERS IT STAFF. The goal of this program is too as quickly as possible, familiarize the IT STAFF with the general operations and maintenance of the RecordingPRO system. Training may be done either in class format or online, whichever INTTEK deems more effective.

Appendix (F)

Details of the ongoing RecordingPRO System software support and maintenance program.

Hardware and Software Systems covered in this agreement:

Maintenance includes all functional aspects of the RecordingPRO software system, as well as the RecordingPRO Server included in this lease.

Maintenance does not include additional hardware purchased by CUSTOMER to be used with this system. This includes all hardware related to Recording, Indexing and public research stations.

Maintenance does not include preexisting hardware that is property of CUSTOMER, or hardware provided by INTTEK under other leases or agreements.

Maintenance does not include any "consumable" items related to hardware provided by INTTEK. This includes, but is not limited to: laser printer toner cartridges, laser printer replacement roller and or fuser kits, scanner roller kits, paper for laser printers, etc.

This agreement does not cover any damages or service interruptions caused by CUSTOMER using or modifying the software or hardware in a way that is not authorized by INTTEK.

In the event that there is a hardware failure, CUSTOMER will contact INTTEK. INTTEK will evaluate and determine, the nature of the failure. If the failure is related to CUSTOMERS hardware, INTTEK will advise CUSTOMER on the recommended solution to resolve the problem.

Integration of current CUSTOMER BACKUP SYSTEMS with the new RecordingPRO system:

This agreement includes configuration of the CUSTOMERS existing data backup system to backup all RecordingPRO software, databases and scanned images.

Repairs; Use; Location; Labels

INTTEK shall: (a) at its own expense, keep the Equipment in good repair, condition and working order and maintained in accordance with the manufacturer's recommended engineering and maintenance standards; (b) use the Equipment lawfully and exclusively in connection with its business operations and for the purpose for which the Equipment was designed and intended; and (c) without CUSTOMER'S prior written consent, not move the equipment from the equipment location. INTTEK shall provide labels stating that the equipment is owned by INTTEK.

Maintenance; Inspection; Alterations

At its own expense, INTTEK shall: (a) enter into and maintain a maintenance agreement for the Equipment with the manufacturer or other party acceptable to CUSTOMER; (b) maintain the Equipment in the same condition as when delivered, subject only to ordinary wear and tear, and in good operating order and appearance; (c) make all alterations or additions to the Equipment that may be required or supplied by the seller, the manufacturer or which is otherwise legally necessary; and (d) make no other alterations or additions to the equipment (except for alterations or additions that will not impair the value or performance of the Equipment and that are readily removable without damage to the Equipment). Any modifications, alterations or additions that INTTEK makes to the Equipment shall become INTTEK'S property and shall also be deemed to be Equipment. Upon request, CUSTOMER, or any party designated by CUSTOMER, shall have the right to inspect the Equipment and INTTEK'S applicable maintenance agreement and records at any reasonable time.

Maintenance will include labor and travel charges associated to the following:

Remote automated system monitoring to verify normal operation of applicable hardware and software

Periodic on site visits for to review hardware and system status

Periodic disaster recovery reviews to ensure backup and restoration systems are working normally

24/7 on site support for emergency calls INTTEK will keep at least one engineer on call and accessible via cell phone

Note:

Additional hardware or software added after this agreement is not included in this agreement, and will be negotiated separately. This agreement does not include support or consulting that is not related to maintenance of hardware or software included in this agreement.

Statement of mutual understanding related to Maintenance provided by Internet Technologies, Inc.

It is understood that Internet Technologies, Inc. will make every reasonable effort to maintain the normal operation of the above mentioned systems. In the event of a critical hardware or software failure due to defects in INTTEK'S hardware or software, engineers will attempt to restore the system and or data as quickly as possible. However, Internet Technologies, Inc. nor any of its agents shall not be held liable for any system outages.

In the case of vandalism, theft, fire, flood, or other acts of God, INTTEK will make every reasonable effort to restore normal opera-

tion of the above mentioned systems as quickly as possible, however it is understood that in such cases, additional time may be required to restore systems. Further, in the case of the above mentioned acts of God, hardware, software and any related replacement labor shall be the responsibility of CUSTOMER.

Appendix (G) PROPOSED SYSTEM DELIVERY SCHEDULE: (please note that this schedule may need to be adjusted)

1st Week of _____ 2009:

Review hardware requirements for CUSTOMERS office.

Perform network tests

Verify net boot capability of workstations

CUSTOMER or INTTEK (depending on what is preferred) will order any needed additional hardware (cash drawers, etc.)

Create inventory spreadsheet of hardware that will be used in office (both that provided by INTTEK and CUSTOMER)

2nd Week of _____ 2009: (assuming contract is signed in _____)

Modification of RecordingPRO system to meet CUSTOMERS requirements

3rd Week of _____ 2009:

Modification of RecordingPRO system to meet CUSTOMERS requirements

4th Week of _____ 2009:

Deliver new RecordingPRO back office Server

Conversion of CUSTOMERS single page ".tiff" files to multi-page ".pdf" files representing the entire instrument.

Note: CUSTOMER will receive a listing of page ranges in the multi-page ".pdf" files (for instruments prior to the original INTTEK installation) that may need to be reviewed, after input from CUSTOMER any needed corrections will be made to the ".pdf" files.

2nd Week of _____ 2009:

Modification of RecordingPRO system to meet CUSTOMERS requirements

3rd Week of _____ 2009:

Modification of RecordingPRO system to meet CUSTOMERS requirements

(2) 2-hour training sessions for CUSTOMERS STAFF prior to the LIVE OPERATION DATE of the system

4th Week of _____ 2009:

(2) 2-hour training sessions for CUSTOMERS STAFF prior to the LIVE OPERATION DATE of the system

(4) 2-hour training sessions for CUSTOMERS PUBLIC USERS prior to the LIVE OPERATION DATE of the system

Weekend of 4th week of _____ 2009:

Run final data transfer from old recording server to new RecordingPRO back office Server

Modify old recording server so that it will become new RecordingPRO Internet server

After testing, shut down old Internet server and replace with new RecordingPRO Internet server

1st Week of _____ 2009:

(4) 2-hour training sessions for CUSTOMERS STAFF after the LIVE OPERATION DATE of the system

(4) 2-hour training sessions for CUSTOMERS PUBLIC USERS after to the LIVE OPERATION DATE of the system