



## SERVICES AGREEMENT

This Services Agreement is made between ERAD Group, Inc. ("EGI") and Story County Sheriff's Office ("Agency").

### 1. Introduction.

Agency will use EGI's FCIS software ("Product") to access the client processing service described herein ("Investigative Processing Service") in order to: (i) utilize geo-location information to identify potential leads; (ii) determine relevant issuer and processor information from payment cards; (iii) identify the monetary amount of funds stored on prepaid access cards and other prepaid access devices; and (iv) freeze and liquidate funds on prepaid access cards, prepaid access devices, and debit cards for subsequent deposit to an authorized depository account owned and controlled by Agency.

### 2. Term.

This Agreement is effective as of 3/15/2023, ("Agreement Effective Date"), and shall remain in effect for an initial period of One (1) year ("Initial Period"). After the Initial Period, this Agreement shall be extended automatically for successive One (1) year periods (each a "Renewal Term"). Either party may terminate this Agreement as of the end of the then-current term by giving written notice at least ninety (90) days prior to the end of the then-current term. The Initial Term and all Renewal Terms shall be referred to as the "Term."

### 3. Fees.

Agency shall pay EGI the following fees:

Annual Enterprise License (up to 20 Users)	\$ 2,400.00
Additional 10 Users	\$500.00/year
Prepaid Card Liquidation Processing Up To \$10,000.00 Per Year	Included
Additional Prepaid Card Liquidation Fee	6% of Liquidated Amount

#### EGI Pass-Through Fees

Agency must pay any fees, anticipated returns, fines or other third party charges associated with use of the Product (collectively, "Pass-Through Fees"), including, disputes, chargebacks chargeback fees, retrievals and fines.

### 4. Investigative Processing Service. Agency shall use the Product to access the Investigative Processing Service.

***By signing below, you agree to the terms of this Agreement and the ERAD Services General Terms & Conditions version 3.1.1 incorporated herein by reference.***

#### **Story County Sheriff's Office**

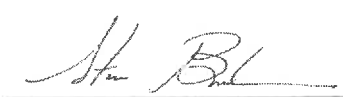
1315 South B Avenue  
Nevada, IA 50201  
Tel: (515) 382-7462

#### **ERAD Group, Inc.**

5301 Alpha Road, Suite 80-17  
Dallas, TX 75240  
Tel: (571) 207-3723

  
Paul H. Fitzgerald  
Sheriff

Date

  
Steve Beckerman  
Chief Operating Officer

2/13/2023

Date

\_\_\_\_\_  
Story County Board of Supervisors      Date



1. **Introduction.** EGI and Agency have entered into a Services Agreement (the "Agreement") for an Investigative Processing Service. These General Terms & Conditions are incorporated into the Agreement to address certain third-party matters and other particulars regarding use of the Investigative Processing Service (the "Product"). Defined terms denoted by their initial capitalization shall have the meanings assigned them in the Agreement unless defined herein to the contrary.

2. **Product Use.**

2.1 EGI shall (i) provide Agency with access to and use of Product in accordance with EGI's most current documentation and manuals for that Product (collectively, "Specifications"); (ii) provide Agency with standard reporting, if any, associated with Product usage; and (iii) provide each Product in accordance with all laws and rules applicable to EGI as a provider of those Products. EGI may modify Products from time to time so long as those changes do not prevent EGI from meeting its obligations to Agency.

2.2 Agency shall: (i) comply with all laws and rules associated with its use of a Product, including those that relate to error resolution, and shall comply in full at all times with all payment card rules and regulations, including but not limited to all cardholder and customer data security and storage requirements which, for Visa, MasterCard and American Express, can be found at:

<https://usa.visa.com/dam/VCOM/download/about-visa/visa-rules-public.pdf>

<http://www.mastercard.com/us/merchant/support/rules.html>

[https://icm.aexp-static.com/content/dam/qms/en\\_us/optblue/us-moq.pdf](https://icm.aexp-static.com/content/dam/qms/en_us/optblue/us-moq.pdf).

(ii) provide any information, data or documents necessary for EGI to provide a Product (collectively, "Data") in accordance with the corresponding Specifications; (iii) not attempt to gain unauthorized access to any system or network operated by, or on behalf of, EGI; (iv) utilize and access each Product solely in accordance with the Agreement and Specifications; (v) use each Product solely for its own internal business purposes; (vi) take such measures that EGI deems reasonably necessary to prepare for proper use of a Product; (vii) cooperate and assist in the identification of any unauthorized use of a Product and the detection of security violations; and (viii) be solely responsible for the consequences of, reimburse EGI for all costs, losses and damages associated with, and resolve at its own expense, any unauthorized use of a Product or security violations committed by Agency.

2.3 Should Agency fail to pay any amounts due in a timely manner, EGI may terminate access to the Products until Agency pays any balance owing in full, and Agency releases EGI and its employees, agents, and contractors from any and all liability resulting from any cessation of services as a result of failure to pay in a timely manner as provided in this paragraph.

3. **Data Transmission, Security and Contingency Planning.**

3.1 Agency shall be solely responsible for the transmission of Data at its own expense, and shall bear any risk of loss resulting from such transmission. In the case of electronic transmission, Data will not be deemed received until receipt is actually confirmed by EGI. If Agency directs EGI to provide Data to a third party, regardless of whether Agency provides EGI with written authorization to do so, shall bear all risk of loss and liability associated with such transmission or access. In addition, Agency shall defend, hold harmless, and indemnify (to the extent permitted by law) EGI from any claims resulting from the third party's access or use of the Data.

3.2 Agency acknowledges the inherent risks associated with conducting business over a public medium like telephone lines, wireless networks and the internet. EGI will use reasonable commercial efforts to protect the security of Data transmitted by Agency, but does not guarantee the ultimate security of that Data.

4. **Limited Warranty.** Each party represents and warrants that it has the corporate authority to enter into and perform under the Agreement, without violation of any of its obligations to third parties. EGI warrants to Agency that it will provide the Products in accordance with this Agreement and the Specifications. In the event that there is a material failure of any Product to substantially comply with EGI's most current and applicable Specifications for that Product ("Defect") EGI may either: (i) repair or replace the Product so that it conforms to the corresponding Specifications; or (ii) terminate the Agreement and refund any pre-paid fees pertaining to that Product for the time period following the Defect. EXCEPT FOR THE EXPRESS WARRANTIES STATED HEREIN, EGI DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES ON THE EGI PRODUCT AND ANY OTHER SERVICES FURNISHED HEREUNDER, INCLUDING WITHOUT LIMITATION ALL IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. Agency is fully responsible, and EGI will have no liability or responsibility hereunder, for claims beyond EGI's above warranty obligation to Agency or any payment fraud or other risk decisions made by Agency.

5. **Disclaimer.** Agency has independently verified that all Products purchased satisfy its needs and requirements. Use of any Product presents risk of errors, omissions, delays and losses, including the inadvertent loss or misstatement of Data. Agency is solely responsible for all results achieved through use of the Products. Agency shall also be solely responsible for ensuring that its employees and other representatives comply with all rules and procedures set forth in any training manual or other document, guide or literature available from EGI, including those that pertain to participation in an electronic funds network or card association.

6. **Third Party Services.** As an accommodation to Agency, EGI may permit access to or interconnection with a product or service provided by a third party (each, a "Third Party Service"). Third Party Services are not provided by EGI, and Agency may be required to enter into independent agreements for those products directly with the third party provider. As a result, Agency releases and forever discharges EGI from any liability whatsoever associated with, or arising out of, any Third Party Service. EGI may: (i) bill Agency for use of a Third Party Service; and/or (ii) collect amounts owed in connection with a Third Party Service.

7. **Confidentiality and Privacy.** To the extent permitted by law, each party shall treat information received from the other party that is designated as confidential ("Confidential Information") as a trade secret and strictly confidential. EGI designates the Products and all information and documentation relating to any Product, together with the financial terms of the Agreement, as its Confidential Information. Agency designates its nonpublic personal information (NPI) as confidential. Each party shall: (i) restrict disclosure of the other party's Confidential Information to employees and agents solely on a "need to know" basis in order to perform obligations and/or exercise rights under the Agreement; (ii) advise its employees and agents of their confidentiality obligations; (iii) use the same degree of care to protect the other party's Confidential Information as it uses to safeguard its own Confidential Information of similar import; and (iv) notify the other party of any unauthorized possession or use of its Confidential Information as soon as possible upon receiving notice of same. Notwithstanding the foregoing, neither party shall be obligated to preserve the confidentiality of any information that: (a) was previously known; (b) is a matter of public knowledge; (c) was or is independently developed; (d) is released for disclosure with written consent; or (e) is received from a third party to whom the information was disclosed without restriction. Disclosure of Confidential Information shall not be precluded if the disclosure is: (1) required by law; or (2) is in response to a valid order of a U.S. court or other governmental body, provided the receiving party gives written notice to the providing party and allows the providing party a reasonable opportunity to obtain a protective order requiring the information to be used only for the purpose set forth in the original order. EGI may use the information it receives from Agency relating to transactions for any of its products or services so

long as it complies with its obligations as a third party service provider with respect to NPI under the Gramm-Leach-Bliley Act (Pub. L. 106-102). Upon termination of the Agreement for any reason: (x) Agency shall either return or destroy all of EGI's Confidential Information relating to the corresponding Product; and (y) EGI shall destroy any Agency Confidential Information received as a consequence of the Product unless, prior to such termination, Agency furnishes EGI with written instructions for the disposition of such items and pays any associated fees.

8. **Specifically Removed.**

9. **Relationship.** EGI is an independent contractor. Neither EGI nor any of its representatives are employees, partners or joint ventures of Agency. EGI has the sole obligation to supervise, manage, contract and direct the performance of its obligations under the Agreement. EGI reserves the right to determine who will be assigned to perform its obligations, and to make replacements or reassignments as it deems appropriate.

10. **Intellectual Property.** Agency is not acquiring any copyright, trade secret, patent or other intellectual property right in the Products, or in any related data, software, design, code, program or other item provided or owned by EGI, and EGI shall own all such rights exclusively. Agency shall not alter, obscure or revise any proprietary, restrictive, trademark or copyright notice included with, or affixed or displayed by a Product. EGI will retain all intellectual property rights relating to the Products and Specifications, including all improvements, modifications, translations and derivative works thereof ("EGI IP"). Agency shall use the Products only for their intended purposes for its internal business purposes.

11. **Mutual Indemnification.** To the extent allowed by law, each party hereto shall indemnify, hold harmless and defend, to the extent legally permissible, the other and its officers, employees, directors and shareholders, in their individual capacities or otherwise, from and against any and all claims, costs, or allegations ("Losses") associated with third party claims arising out of: (i) its acts or omissions; (ii) its use of Products or Third Party Services; (iii) inaccurate or incomplete Data; (iv) its failure to comply with applicable laws, regulations, or rules; (v) its failure to comply with the terms of any Third Party Service agreement; (vi) any claim of infringement of intellectual property rights against it; (viii) any action that is asserted against it relating to a violation of any provision of the Bank Secrecy Act (BSA) regarding disclosure of private information, and (vii) any other third party claims, actions or suits against it. Nothing herein shall be construed to require either party to indemnify the other from that party's own negligence.

12. **Limitation of Liability.** Under no circumstances shall EGI be liable for any Losses that are not brought to its attention by Agency in writing within thirty (30) days of the earlier of: (i) the date of actual discovery; or (ii) the date they should have been discovered through the exercise of reasonable diligence. No claim arising out of the Agreement may be asserted by Agency more than one (1) year following the date it was discovered or should have been discovered through the exercise of reasonable diligence. EGI's total liability is limited in all cases, in the aggregate, to the amount of fees actually paid by Agency and retained by EGI for the corresponding Product during the three (3) months preceding the first such claim. EGI shall not be liable for any indirect, incidental, consequential, special, delay or punitive damages whatsoever (including any damages for loss of business profits, business interruption, loss of information or other pecuniary loss) arising out of the Agreement, even if EGI was advised of the possibility of such damage.

13. **Termination and Additional Remedies.**

13.1 Either party may terminate the Agreement on thirty (30) days advance written notice if the other party fails to cure a material breach within thirty (30) days of receiving written notice to do so. EGI may also terminate this Agreement if in EGI's reasonable belief: (i) Agency fails

to utilize the Product in a lawful manner; (ii) Agency uses the Product for a purpose or in any fashion that is inconsistent with the express provisions of the Agreement; or (iii) in the event sufficient funds are not budgeted and appropriated by Agency.

13.2 Due to the likelihood of irreparable injury, each party shall be entitled to an injunction prohibiting any breach of the confidentiality and intellectual property obligations of the Agreement by the other party without requirement of posting of bond.

14. **Miscellaneous.**

14.1 This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

14.2 Agency submits to the jurisdiction of, and the Agreement shall be governed by the State and federal laws applicable in Iowa. Venue for any action, claim or controversy arising out of the Agreement shall be in a state court of competent jurisdiction over Story County, Iowa. The prevailing party in any such action shall be entitled to its reasonable attorney's fees, costs and expenses.

14.3 Neither party shall have waived its rights under the Agreement absent a specific writing to that effect signed by the party to be charged. No waiver of a breach shall constitute a waiver of any prior or subsequent breach.

14.4 EGI shall not be liable for any loss, damage or failure due to causes beyond its control, including nuclear detonations, strikes, riots, earthquakes, epidemics, terrorist actions, wars, fires, floods, weather, power failure, telecommunications interruption, the failure or closure of a financial institution, acts of God or any other failure, interruption or error not directly caused, or reasonably anticipated, by EGI.

14.5 If there is a conflict between the Agreement and any present or future law, the part of the Agreement that is affected shall be curtailed only to the extent necessary to bring it within the requirements of that law.

14.6 All notices given in connection with the Agreement must be in writing and shall be deemed received forty-eight (48) hours after deposit in the mail, postage prepaid, or if given by other means, upon actual receipt. Notices shall be delivered to the appropriate party at its address set forth in the Agreement, or, in the alternative, in the case of notices to Agency, the same address as invoices.

14.7 All fees, expenses and other amounts charged under the Agreement are stated and invoiced net of applicable taxes and similar charges. Agency shall be solely responsible for any taxes or similar charges arising out of the Agreement, excluding EGI's income taxes. Agency shall also be solely responsible for assessing and remitting payment of such items to the appropriate authorities. If EGI is ever required by law to collect a tax or similar charge from Agency, or if Agency is ever required by law to withhold such an amount from any payment due to EGI, the invoice shall be grossed-up as necessary to net EGI the original fee, expense or other amount, and Agency shall pay the grossed-up amount within the time prescribed for the payment of fees.

14.8 Agency shall pay EGI a late fee equal to the lesser of one and one-half percent (1½%) per month or the maximum allowed by law, for any amount remaining unpaid for more than ten (10) days after becoming due. EGI shall have the right to utilize any amounts owed to Agency to pay or reimburse EGI for any amounts owed by Agency

14.9 Except as otherwise indicated, the Agreement may only be modified by written agreement of the parties. Sections 4, 5, 7, 11 thru 14 shall survive any termination of the Agreement.