EXHIBIT 7

You've Got Mail:
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Washoe County (NV) Contract with JEMCORE

PRISON
POLICY INITIATIVE

01/22/2013

INMATE COMMISSARY EQUIPMENT AND ACCOUNTING SYSTEM SERVICE AGREEMENT

This Inmate Commissary Equipment and Accounting System Service Agreement ("Agreement") is made by and between JEMCOR, Inc., having its principal place of business at 2424 Pinercrest Drive, Santa Rosa, CA 95403 ("Company") and Washoe County by and through the Washoe County Sheriff's Office (WCSO), with an address at 911 Parr Blvd., Reno, NV, 89512 ("Premise Provider").

1. Scope and Intent: Premise Provider authorizes Company the exclusive right to install and service an inmate accounting system known as the "Lockdown" Program at the Washoe County Detention Facility (WCDF) for the management and operation of inmate trust accounts. Premise Provider also authorizes Company the exclusive right to install computer kiosk stations and maintain an Internet website for use by inmate family and friends to deposit monies into inmate trust accounts or to purchase (when available) limited approved commissary items (Internet website). Finally, Premise Provider authorizes Company the exclusive right to install housing unit kiosks for use by inmates to verify their trust account balance as well as to order the full range of approved commissary items. The commissary product vendor retains the exclusive right to provide all approved commissary products including food, non-alcoholic beverages, toiletries, clothing, "specialty packages", indigent items, and such other merchandise as may be approved for such sale by Premise Provider.

2. Term: This Agreement shall be in effect commencing March 1, 2013 and ending on February 29, 2016. Upon mutual concurrence, this Agreement may be renewed for two (2) additional two (2) year terms based upon prior performance, negotiations of service delivery, and commissions and/or fees required for the subsequent extension. The WCSO Commissary Board of Directors reserves the right to negotiate services, commissions, fees, and any other pertinent contractual conditions with the Company.

3. Equipment and Systems: This Agreement applies to the installation and maintenance of all equipment and software furnished by Company as listed on Exhibit "A" at the time of execution of the Agreement or during the term of this Agreement, whether new or renovated, located at Premise Provider.

a. Company shall provide the computer technology; equipment and systems including hardware, software, cables, switches, power strips; and installation, repair and maintenance that are necessary to provide service required by this Agreement. Company shall use open architecture and standard Windows-based operating systems such as XP. Additionally, Company shall be responsible for all costs associated with equipment procurement, licensing, installation, repair and maintenance, upgrading, relocation, replacement or removal. The Company reserves the right to augment, upgrade, replace or remove approved equipment due to malfunctions, increased or insufficient utilization, or due to vandalism. However, **prior** to implementing any of these actions, the Company agrees to coordinate timing and receive approval from the Premise Provider. The Premise Provider may not disconnect, move, or make alterations or attachments to the Company's equipment provided under this Agreement, unless otherwise mutually agreed upon by all parties. Title to equipment and software provided by Company shall be and remain vested in Company during the term of this Agreement. Company equipment shall be removed from the WCDF by Company upon expiration or

termination of this Agreement. However, Company shall ensure the "Lockdown" accounting software program is "left behind" to allow Premise Provider the ability to view and print all inmate data and history generated during the life of this Agreement and any extensions.

(1) The Company and its insurers, if any, shall relieve Premise Provider of all risks of loss or damage to Company-provided equipment during the periods of transportation, installation, and operation of the equipment. However, Premise Provider shall be responsible for loss or damage to Company-provided equipment in its possession caused by fault or negligence of Premise Provider or its employees. Premise Provider shall endeavor to minimize damage or loss of Company equipment by inmates or facility visitors; however, shall **not** be responsible for any loss or damage to equipment in its possession (such as housing unit kiosks or computer kiosk stations) caused by inmate or facility visitor vandalism. In the event of a criminal conviction of inmate destruction of property or related offenses, restitution will be requested on behalf of Company.

(2) Equipment and software repairs as required shall be completed within (24) hours of notification during normal business hours (Monday – Friday excluding Washoe County Holidays from 0800 - 1700). Company shall provide Premise Provider with an escalation plan to handle repair and other customer service issues. This plan shall provide names and phone numbers of repair technicians, supervisors, and account executives that Premise Provider may contact when unable to locate primary repair staff or when primary repair staff has been unable to resolve the problem to the satisfaction of Premise Provider.

b. Company shall provide two (2) computer kiosk stations. One will be located in the WCDF entrance foyer located at 911 Parr Blvd. and the other to be located in the WCDF Video Visitation area. These kiosks shall provide the following characteristics:

(1) Allows inmate families and friends to deposit monies to inmate accounting system using cash or ATM/Credit Cards.
(2) Offers touch screen technology.
(3) Provides an Order or Deposit Receipt.
(4) Tamper-resistant.
(5) Provides a design and construction approved by the WCSO, prior to installation.
(6) Emergency trouble number must be listed on the kiosk for customer use.
(7) Have a built-in electronic system that signals the Company's office directly when malfunctions occur, with 24/7-repair/maintenance capabilities (when available).
(8) ADA compliant.
(9) Payment Card Industry (PCI) compliant.
(10) Bi—Lingual English/Spanish operation.
(11) Easy to use and customer friendly.
(12) Requires a vendor-provided and vendor-maintained Uninterrupted Power Supply for each kiosk at no cost to the Premise Provider.

c. Company shall provide twenty-five (25) inmate housing unit kiosks that provide the following characteristics:

(1) Offers all approved commissary products and prices for sale and delivery to inmates at the WCDF.

(2) Tamper resistant
(3) Securely mounted
(4) Offers touch screen technology.
(5) Requires inmate identification for operation.
(6) Allows access to the inmate accounting system to determine funds availability.
(7) Has the ability to scan a barcode identification bracelet
(8) Has the ability to accept inmate requests and/or grievances for processing by WCSO.
(9) Can display inmate orientation handbooks or material.
(10) Capable of receiving and responding to E-mail messages from family and/or friends. System must not allow inmates the ability to initiate E-mails on their own (only allows responding to received messages). System must allow incoming message review by WCDF staff **prior** to inmate delivery and outgoing message review after response has been transmitted.
(11) ADA compliant.
(12) PCI compliant.
(13) Bi-Lingual English/Spanish language operation.
(14) Easy to use and be customer friendly.

d. Company shall provide a computer, monitor, printer and money counting machine to be located in the WCDF Intake Area. This machine will be capable of handling both coin and paper US currency. The accounting system will produce a three (3) copy receipt. Deposits will be automatically transmitted from the Intake computer to an inmate trust account.

e. Company shall provide an Internet website (www.JailATM.com) that provides the following characteristics:

(1) Offers a limited commissary ordering capability for specialty packages (i.e., welcome hygiene kits or holiday kits) approved by Premise Provider.
(2) Allows inmate family and friends to deposit monies to the inmate accounting system on-line using credit/debit cards.
(3) Provides an order or deposit receipt.
(4) Allows family/friends to send E-mail messages to inmates from any computer with Internet access.
(5) PCI compliant.
(6) Bi-Lingual English/Spanish language operation.
(7) Easy to use and be customer friendly.

f. Company shall provide the "Lockdown" Program inmate accounting system that is configurable to the needs of Premise Provider and that provides an accurate and real-time accounting of Internet or computer kiosk station deposits; Internet (when available) or housing unit commissary orders; commissary credits or refunds; and balances for each inmate accessible through housing unit kiosks or through the inmate telephone system.

(1) This system shall interface with the WCDF Corrections Management System which is supported by county technology services to obtain inmate demographic data such as names, jail identification numbers, housing unit assignments, release dates, participation codes (commissary restrictions based upon housing unit assignments), meal codes (diabetic restrictions), etc. This system shall also interface with the inmate telephone system to allow inmates to use inmate telephones to determine their account balance and to purchase "telephone time".

Finally, this system shall interface with the commissary product vendor to allow transferring of inmate demographic data as well as commissary orders that provide inmate names, jail identification numbers, product descriptions, quantities, prices, vendor item codes, etc. This interface shall consist of a flat text file that is uploaded to a secure server that allows the commissary product vendor to download and process orders for delivery to the WCDF. The commissary product vendor shall also use this interface to upload order confirmations and credits to allow updating of the inmate accounting system. Company shall be responsible for all costs associated with any required interface. To determine WCDF Corrections Management System technical interface requirements and costs, Company must contact Research and Development at 775-321-4934 or via E-mail sheriff-researchanddevelopment@washoecounty.us.

(2) This system shall have the capability to provide Premise Provider with daily, weekly, and/or monthly usage and sales activity reports that captures orders placed via the housing unit kiosks or the Internet (when available).

(3) This system shall have the capability to provide Premise Provider with daily, weekly, and/or monthly deposit reports that capture deposits placed via computer kiosk stations or the Internet.

(4) This system shall provide a customizable general ledger capability with a full double-sided entry system and a reconciliation process that ensures a simple and accurate balancing process.

(5) This system shall allow for the restriction of commissary items based upon inmate account balances, weekly inmate dollar limitations (currently $75/week/inmate not including the purchase of "telephone time"), inmate classification, housing unit assignment, or for other reasons.

(6) This system shall allow the capture of fees associated with kiosk and Internet deposit transactions, "telephone time" transactions, and inmate E-mail transactions.

(7) This system shall have the capability of generating various management and accounting reports that meet the needs of Premise Provider. Company shall provide software assistance, if required, to allow this system to generate customized reports and to allow reports to be sent to a printer or screen and/or to export them to Excel or text files. Customized reports shall be provided at no cost to Premise Provider.

(8) Company shall provide system upgrades at no cost to Premise Provider during the life of the Contract and any extensions.

4. <u>Company Responsibilities:</u>

a. Prior to Contract award, Company shall provide Premise Provider with a single point of contact for all matters relating to this Agreement. In the event of a problem or potential problem that could impact the quality or quantity of work, services, or level

of performance under this Agreement, the Company shall notify Premise Provider within the timeframes discussed in Section 3.a.(2).

b. Company shall comply will all laws, regulations, codes, and rules of proper governmental authority in connections with the installation, maintenance, and use of equipment and the inmate accounting system. The Company shall pay all costs (including any fees and charges) associated with furnishing, installing, licensing, repairing, upgrading software as needed or available, and removing all equipment upon expiration or termination, for equipment and software required to implement this Agreement.

(1) Company shall provide initial training for all designated Premise Provider personnel prior to commencement of this Agreement and up to four (4) hours per quarter of additional training or accounting software work at no cost to Premise Provider. Cost for training or correction of client-created accounting problems that will exceed four (4) hours per quarter shall be negotiated on a case-by-case basis. County technology service personnel in conjunction with JEMCOR technology staff shall determine whether inmate accounting system problems are client-created or not.

c. Company shall provide debit release cards at no cost to Premise Provider. These cards will be used by custody staff to electronically transfer unused inmate trust fund balances as well as unused "telephone time" at time of inmate release. System must also allow for the printing of inmate checks or cash payouts.

d. Company shall comply with all WCSO rules, regulations, directives, and bulletins, including dress code. Company staff shall not fraternize with inmates or otherwise engage in activities with inmates that could disrupt WCDF operations.

(1) Company staff that will have contact with inmates or will be allowed into secure area(s) of the WCDF may be required to attend WCDF orientation classes within sixty (60) days of contract commencement. Orientation classes are approximately eight (8) hours in duration, and held at the WCDF. Attendance is required only for staff who would be on the premise long term, not for short duration tasks.

e. Company shall pay all federal, state, and local taxes which may be assessed against Company's equipment or software while in or upon the Premise Provider, as well as all federal, state, and local taxes assessed in connection with the operation of its services upon the Premise Provider.

f. Company shall ensure privacy protection of inmate commissary data and shall notify Premise Provider in writing if any data breach should occur.

5. <u>Premise Provider Responsibilities:</u>

a. Prior to Contract award, Premise Provider shall designate an individual as the primary point of contact for all matters relating to this Agreement.

b. Premise Provider shall provide at its expense suitable facility space, electrical utilities, network and/or utility outlets and interior data lines as necessary for mutually agreed upon technology applications at the WCDF.

c. Premise Provider shall be solely responsible for the operation and management of the inmate accounting system.

d. Premise Provider shall provide reasonable access to its respective facilities without charge or prejudice to Company employees or representatives, patrons, or consignees. However, all Company employees who will have contact with inmates or who will be allowed access to secured areas shall be required to submit to a criminal background check that may include drug testing. Premise Provider shall have the sole discretion to determine security acceptability of all Company personnel at any time during the contract period. Company employees found to be an unacceptable security risk in the sole judgment of the Premise Provider, will be denied access to the WCDF. Denial of access can be done without prior notice to the Company or the affected Company employee. Past history does not necessarily preclude someone from working in the WCDF. Once cleared through the background process, Company personnel shall be required to wear ID badges provided by Premise Provider at all times while on site at the facility.

(1) WCSO reserves the right to search any person, property, or article entering the WCDF.

6. Compensation (Commissions and Fees): Company shall be paid a commission of six (6) percent of net commissary sales during the period March 1, 2013 through February 29, 2016. If a contract extension is mutually approved by the Company and the Premise Provider, the commission paid during the extension period shall be determined through a negotiated process. Net commissary sales are defined as total gross sales from the sale of all approved commissary products less applicable sales tax and sales of non-commissionable products. Non-commissionable products include postage stamps and stamped envelopes.

a. Company is authorized to charge customer fees for use of computer kiosk stations and the Internet website or for inmates who purchase "telephone time". Company may charge a $2.50 cash transaction fee and a 10% credit/debit card transaction fee for kiosk and website use and a $1.50 fee for each inmate "telephone time" order. Company is also authorized to receive a fee for inmate E-mail messages. Inmates will be charged $.55 per message of which $.45 will be paid as a fee to Company and $.10 will accrue to Premise Provider. These fees may not be increased without the **prior** written approval of Premise Provider. Increasing these fees without **prior** authorization shall result in the Company receiving a performance deficiency letter due to breach of contract. Additionally, a fine of $500 will be assessed and applied against future commissions owed to Company. A subsequent similar breach of contract shall result in a performance deficiency letter, a $500 fine, and possible termination of contract.

7. Commissary Activity/Commission/Fee Reports, Billing, & Payment: Company shall assist Premise Provider in developing summary reports that include, but are not limited to the following items:

- reports that detail commissary sales by inmates and purchases made from outside the facility (via kiosk or Internet or any other means) and any applicable credits;
- E-mail message usage
- Telephone time sales and applicable credits;
- All reports must be sufficiently detailed to provide financial information to verify commissions, usage and fees charged and paid. In the event, that Premise Provider finds the information provided by Company to be insufficient, the parties agree to develop further reports and/or any other necessary documentation.

Company shall initiate one daily ACH transmittal for all debit card release transactions. Premise Provider shall have access to Company reports to verify daily transmittal.

In the event of a discrepancy in any financial statements and/or reports, the parties agree to use reasonable efforts to resolve the discrepancy in a timely manner, which time shall in any event not exceed thirty (30) days from the initial written notice of discrepancy. Any discrepancies noted shall be sent to: Sheriff-Detention-Accounting@washoecounty.us

8. Records, Audits, & Confidentiality: The Company shall maintain records sufficient to permit proper verification of all deposits and commissary sales including any adjustments such as refunds. Additionally, the Company's records must be sufficient to accurately determine commissions or fees due Company. Company shall maintain applicable records for at least six (6) years from the date of termination of this Agreement, including any extensions, or for such longer period of time required by law.

a. Company shall permit the Premise Provider, Washoe County, State of Nevada, or a designated representative from such entities, upon written notification, to inspect and audit its records and books relative to this Agreement at any time during normal business hours, under reasonable circumstances with a minimum five (5) days advance notice, and to copy and/or transcribe information that the Premise Provider requires to verify commissary sales, deposits, commissions, fees, and related financial information. Premise Provider shall conduct an annual audit for each full contract year (partial contract year in the event of early termination). Audits shall be conducted by a Certified Public Accountant in accordance with all applicable standard accounting practices and principles. The cost of all audits shall be the responsibility of Premise Provider and paid for from the Inmate Commissary Fund. In the event the Company goes out of existence, the Company shall turn over to the Premise Provider all of its records relating to this Agreement to be retained by the Premise Provider for the required period of time.

b. NRS 239.010 requires that all books and records of a governmental entity, the contents of which are not declared by law to be confidential, must be open at all times during business hours for inspection by any person and may be copied. NRS 332.061 states that proprietary information is not public. NRS 332.025(5) defines proprietary information as follows:

(1) Any trade secret or confidential business information that is contained in a bid submitted to a governing body or its authorized representative on a particular contract.

(2) Any other trade secret or confidential business information submitted to a governing body or its authorized representative by a bidder and designated as proprietary by the governing body or its authorized representative.

(3) As used in this subsection, "confidential business information" means any information relating to the amount or source of any income, profits, losses, or expenditures of a person, including data relating to cost, price, or the customers

of a bidder which is submitted in support of a bid. The term does not include the amount of a bid submitted to a governing body or its authorized representative.

c. The parties may make disclosures as required by law as long as, before any disclosure, the party subject to the disclosure requirement promptly notifies the other party of the requirement and allows the other party the opportunity to oppose the disclosure. Neither party will be obligated to keep confidential the other's information to the extent it was known to that party prior to the date of this Agreement without any obligation or request for confidentiality, is or becomes publicly known through no wrongful act of the party, is rightfully received from a third party who has no confidentiality obligation with respect to the information, is developed independently by the party (and this can be verified) or is required by order during the course of a judicial or regulatory proceeding or as required by a governmental authority. The parties agree not to photocopy or otherwise duplicate any confidential information without the express written consent of the other party. Each party's confidential information shall remain the exclusive property of the party and shall be returned by the party to the other party upon termination or expiration of this Agreement.

9. Termination: Either party may terminate this Agreement without cause or penalty upon providing the other party not less than sixty (60) days written notice of termination by registered or certified mail, return receipt requested. In the event any party shall be in breach or default of any terms, conditions, or covenants of this Agreement and such breach or default shall continue for a period of thirty (30) days after providing a written performance deficiency notice thereof to any party by the other, then in addition to all other rights and remedies of law or equity or otherwise, the offended party shall have the right to cancel this Agreement without charge or penalty.

a. Premise Provider shall reserve the right to cancel this Agreement for cause, and without prior notice, on evidence that the Company shall be adjudicated as bankrupt, or is in receivership, or has made an assignment to creditors of the Company, or on evidence of any other indication that the financial situation of the Company shall preclude the ability of Company to continue to provide services as agreed upon.

b. Premise Provider may immediately cancel this Agreement if Company suffers a loss of insurance coverage as identified in Sections 14-23 of this Agreement. Company shall agree to provide Premise Provider with notification of any pending cancellation of insurance coverage within forty-eight (48) hours of receipt of such notice.

c. Premise Provider may immediately cancel this Agreement if Company shall come under criminal indictment. If an individual attorney(s) of the Company comes under criminal indictment, he or she shall be precluded from performing under this Agreement.

d. Upon termination of this Agreement, the Company shall be allowed to remove any equipment or software owned by Company that is physically located at the WCDF.

e. The termination of this Agreement shall not affect the rights, privileges, liabilities, and/or responsibilities of the parties as they exist as of the effective date of termination and the parties shall cooperate fully with each other during the term of the Agreement and subsequent to the termination in order to ascertain and satisfy the liabilities of either party to the other.

10. Assignment: This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns, including any new administration or head of Premise Provider; provided, however that neither party shall assign this Agreement or any interest in it without the other's written consent. Company shall notify the Premise Provider in writing within thirty (30) days of any planned assignment.

11. Independent Contractor: The Company acknowledges that it is an independent contractor and that nothing contained in this Agreement or the relationship of the parties is intended to or shall create a partnership or joint venture or agency relationship of any kind between the parties. This Agreement shall not be construed as a contract or agency of employment. Company shall be solely responsible and liable for compliance with all laws, rules, and regulations and payment of all wages, unemployment, social security, and other payroll taxes relating to Company's employees including contribution from such persons, when required by law.

a. Employees of Company are not nor shall they be deemed to be employees of Premise Provider and, employees of Premise Provider are not nor shall they be deemed to be employees of Company. Company shall, at its sole cost and expense, provide any and all required personnel to implement this Agreement.

12. Notice: Any notice, demand, request, approval or other communication (a "notice") which, under the terms of this Agreement or by law, must or may be given by either party, must be in writing, and must be given by personally delivering or mailing the same by registered or certified mail, return receipt requested, to the respective parties as follows:

To Company:	To Premise Provider:
JEMCOR, Inc. Attn: CEO, Jon E Martens 2424 Pinercrest Drive Santa Rosa, CA 95403 Cell: 707-326-5508 E-mail: jon@jemcor.com	Washoe County Sheriff's Office Attn: Detention Bureau Exec. Lieutenant 911 Parr Blvd. Reno, NV 89512 Phone: 775-328-6355 Cell: 775-691-8199 E-mail: ahopkins@washoecounty.us

13. Governing Law: The laws of the State of Nevada shall govern this Agreement. Further, the place of performance and transaction of business shall be deemed to be in Washoe County, Nevada, and in the event of litigation, the exclusive venue and place of jurisdiction shall be the State of Nevada, and more specifically Washoe County, Nevada.

14. Indemnification (Company is referred to as Contractor in Sections 14-23):

a. As respects acts, errors or omissions in the performance of professional services, All Parties agree to indemnify and hold harmless each other, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability arising directly out of EACH PARTIES negligent acts, errors or omissions in the performance of its professional services under the terms of this Agreement.

b. As respects all acts or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, CONTRACTOR agrees to

indemnify, defend (at WASHOE COUNTY'S option), and hold harmless WASHOE COUNTY, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability arising out of or in connection with CONTRACTOR'S (or Sub-contractor, if any) acts or omissions, under the terms of this Agreement; excepting those which arise out of the negligence of WASHOE COUNTY.

c. CONTRACTOR must either defend WASHOE COUNTY or upon determination that the work performed by CONTRACTOR was in any manner negligent or that CONTRACTOR failed to perform any duty set forth in this Agreement pay WASHOE COUNTY'S cost of defense for any claim, demand, action or cause of action.

d. If WASHOE COUNTY'S personnel (attorneys, engineers or other professionals) are involved in defending such legal actions, CONTRACTOR shall also reimburse WASHOE COUNTY for the time spent by such personnel at the actual cost for such services.

e. In determining the nature of the claim against WASHOE COUNTY, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against WASHOE COUNTY.

15. General Insurance Requirements: WASHOE COUNTY requires that CONTRACTOR purchase Industrial Insurance and General and Auto Liability Insurance as described below against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONTRACTOR, its agents, representatives, employees, or Sub-contractors. The cost of all such insurance shall be borne by CONTRACTOR.

16. Industrial insurance:

a. It is understood and agreed that there shall be no Industrial Insurance coverage provided for CONTRACTOR or any Sub-contractor by WASHOE COUNTY. CONTRACTOR agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of WASHOE COUNTY to make any payment under this Agreement, to provide WASHOE COUNTY with a certificate issued by an insurer in accordance with NRS 616B.627 and NRS 617.210.

b. Should CONTRACTOR be self-funded for Industrial Insurance, CONTRACTOR shall so notify WASHOE COUNTY in writing prior to the signing of any agreement. WASHOE COUNTY reserves the right to approve said retentions and may request additional documentation, financial or otherwise for review prior to the signing of any agreement.

17. Minimum Limits of Insurance:

CONTRACTOR shall maintain limits no less than:

a. General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised to apply separately to this project or location.

b. Automobile Liability: $500,000 combined single limit per accident for bodily injury and property damage. No aggregate limit may apply.

18. Deductibles and Self-Insured Retentions: Any deductible or self-insured retentions must be declared to and approved by the WASHOE COUNTY Risk Management Division prior to the start of work under this Agreement. WASHOE COUNTY reserves the right to request additional documentation, financial or otherwise prior to giving its approval of the deductibles and self-insured retention and prior to executing the underlying agreement. Any changes to the deductibles or self-insured retentions made during the term of this Agreement or during the term of any policy must be approved by the WASHOE COUNTY Risk Manager prior to the change taking effect.

19. Other Insurance Provisions:

The policies are to contain, or be endorsed to contain, the following provisions:

a. General Liability Coverage's

(1) WASHOE COUNTY, its officers, agents, employees, and volunteers are to be covered as insured's as respects liability arising out of activities performed by or on behalf of CONTRACTOR, including the insured's general supervision of CONTRACTOR; products and completed operations of CONTRACTOR; or premises owned, occupied or used by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to additional insured's, nor shall the rights of the additional insured's be affected by the insured's duties after an accident or loss.

(2) CONTRACTOR'S insurance coverage shall be primary insurance as respects WASHOE COUNTY, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by WASHOE COUNTY, its officers, agents, employees or volunteers shall be excess of CONTRATOR'S insurance and shall not contribute with it in any way.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to WASHOE COUNTY, its officers, agents, employees or volunteers.

(4) CONTRACTOR'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(5) CONTRACTOR'S insurance coverage shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to WASHOE COUNTY except for nonpayment of premium.

20. Acceptability of Insurers: Insurance is to be placed with insurers with a Best's rating of no less than A-: VII. WASHOE COUNTY with the approval of the Risk Manager may accept coverage with carriers having lower Best's ratings upon review of financial information concerning CONTRACTOR and insurance carrier. WASHOE COUNTY reserves the right to require that the CONTRACTOR insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

21. Verification of Coverage: CONTRACTOR shall furnish WASHOE COUNTY with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms approved by WASHOE COUNTY. **All certificates and endorsements are to be addressed to the specific WASHOE COUNTY contracting department and be received and approved by WASHOE COUNTY before work commences.** WASHOE COUNTY reserves the right to require complete, certified copies of all required insurance policies, at any time.

22. Sub-Contractors: CONTRACTOR shall include all independent Sub-contractors as insured's under its policies or furnish separate certificates and endorsements for each Sub-contractor. Sub-contractor shall be subject to all of the requirements stated herein.

23. Miscellaneous Conditions:

a. CONTRACTOR shall be responsible for and remedy all damage or loss to any property, including property of WASHOE COUNTY, caused in whole or in part by CONTRACTOR, any Sub-contractor, or anyone employed, directed or supervised by CONTRACTOR.

b. Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Sub-contractors under it.

c. In addition to any other remedies WASHOE COUNTY may have if CONTRACTOR fails to provide or maintain any insurance policies or policy endorsement to the extent and within the time herein required, WASHOE COUNTY may at its sole option:

   (1) Terminate the Agreement as discussed in Section 9b.

24. Equal Employment Opportunity: Company shall comply with all provisions of the Federal, state, and local regulations to ensure that no employee or applicant for employment is discriminated against because of race, religion, color, sex (including pregnancy and gender identity), age, disability, national origin or genetics. Applicable laws or statues include: Executive Order 11246, as amended, Title VII of the Civil Rights Act of 1964, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, Title I and Title V of the Americans with Disabilities Act of 1990, as amended, The Age Discrimination in Employment Act of 1967, as amended, the Equal Pay Act of 1963, as amended, The Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, and Title II of the Genetic Information Nondiscrimination Act of 2008.

25. Licenses, Permits and Fees: Company shall be wholly responsible for acquiring any and all licenses and permits required by Federal, state, or local laws, rules, or regulations, including business license, and for maintaining said licenses and permits in full force for the entire period of this Agreement including any extensions. Company shall provide an initial copy of their business license to WCSO upon implementation of this Agreement on March 1, 2013, and annually thereafter. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

26. Real and Personal Property Taxes: Any applicable real and personal property taxes, as defined and delineated in the provisions of NRS 361.157 and NRS 361.159 shall be wholly the responsibility of the Company.

27. Compliance with Immigration and Naturalization Laws: Company shall at all times be in compliance with Immigration and Naturalization Laws regarding eligibility of their employees or Sub-contractors to work in the United States.

28. Warrant Against Contingent Fees/Services:

a. Company shall agree to warrant that no person or selling agency has been employed or retained to solicit a contract upon an agreement of understanding for commission, percentage, brokerage or contingency, except bona fide employees or selling agents maintained by the Company for the purpose of securing business.

b. Company further warrants that the services identified in this Agreement shall be performed with the professional skill and care that would be exercised by those who perform similar services in the commercial marketplace and in accordance with accepted industry practice. In the event of a breach of this warranty and/or in the event of non-performance and/or failure of the Company to perform the services in accordance with this Agreement, the Company shall, at no cost to Washoe County, re-perform or perform the services so that they conform to the warranty.

29. Failure to Perform: Company shall, upon satisfactory notification, reimburse Washoe County for all expenses incurred by the WCSO in providing services, which are the responsibility of the Company.

a. In the event this Agreement is terminated prior to its expiration, all finished or unfinished documents, studies, correspondence, reports, and other products prepared by or for the Company under this Agreement shall become the exclusive property of Washoe County. Notwithstanding the above, the Company shall not be relieved of liability to Washoe County for damage sustained by the WCSO by virtue of any breach of this Agreement by Company.

30. Force Majeure: Neither party to this Agreement shall be responsible or liable to the other party for delays or inability to act or perform their obligations under this Agreement due to circumstances, events, or acts of others beyond their reasonable control, including, but not limited to, Acts of God, fire, flood, hurricane, tornado, riots, war, public disturbances, strikes, lockouts, theft of equipment, or changes in regulatory rules or regulations affecting the ability of either party to reasonably carry out its obligations under this Agreement.

31. Arbitration: Company and Premise Provider agree that any disputes or claims arising under this Agreement in an amount less than $25,000 shall be submitted to binding arbitration. Any dispute involving a claim or multiple claims which in the aggregate are in excess of $25,000, may, upon agreement of both parties in writing, be submitted to binding arbitration. Otherwise the parties may litigate the matter according to Section 13 of this Agreement.

32. Integration: This Agreement contains all negotiated points of agreement, it represents the entire understanding of the parties, and it supersedes all other agreements, written or verbal, between the parties. This Agreement shall not be modified, amended, or supplemented in any way without the express written consent of both parties.

33. Non-Appropriation Clause: Washoe County may terminate its participation in this Agreement, effective immediately upon receipt of written notice on any date specified if for any reason any necessary County funding source is not appropriated or is withdrawn, limited, or impaired and will materially alter the terms of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the foregoing Agreement has been executed by the parties hereto, this 25TH day of JANUARY, 2013.

Company: JEMCOR, Inc.

By: _____
Signature

Name: JON E. MARTENS
Title: CEO

Premise Provider: Washoe County

By: _____
Signature

Name: Michael Haley
Title: Sheriff

Exhibit "A"

JEMCOR Supplied Commissary Equipment & Accounting System

- 25 Housing Unit Kiosks and associated Mounting Hardware
- 2 Lobby Kiosks
- 2 Lobby Kiosk Mounting Stands
- 1 Booking Manager Money Intake Machine
- 1 Dell Professional P2012H,Widescreen, 20in Viewable Image Size
- 1 PowerEdge R210II Chassis with 3.5 Cabled HDs and Quad-Pack LED Diagnostics
- 1 OptiPlex 3010 Small Form Factor Standard PSU
- APC BE750G Back UPS - 450 Watt
- 2 Brother EHL 2240 Mono Laser Printers
- 1 Brother® HL-5470dwt Laser Printer
- 3 USB Printer Cables

1-25-13