

**AGREEMENT
PERMITIUM, LLC**

I. INTRODUCTION

THIS AGREEMENT is entered into as of **July 18, 2018**, between the COUNTY OF TULARE, referred to as COUNTY, and PERMITIUM, LLC, a limited liability company in good standing to do business in the State of California with its principal place of business at 363 Church St. N., Suite N, Concord, NC 28025, herein after referred to as CONTRACTOR, with reference to the following:

II. RECITALS

A. COUNTY desires to contract with CONTRACTOR to provide online concealed carry weapon permit application, payment and processing services described herein; and

B. CONTRACTOR is specially trained, experienced, and competent to perform the special services desire by COUNTY; and

C. COUNTY and CONTRACTOR desire to enter into this Agreement on the terms and conditions set forth herein.

ACCORDINGLY, IT IS AGREED:

III. SPECIFIC TERMS

1. **TERM:** This Agreement shall become effective as of **July 18, 2018** and shall expire at 11:59 PM on **July 17, 2021** unless otherwise terminated as provided in this Agreement.

2. **SERVICES TO BE PERFORMED:** See attached **EXHIBIT A**

3. **INSURANCE REQUIREMENTS:** See attached **EXHIBIT B.**

IV. GENERAL TERMS

4. **INDEPENDENT CONTRACTOR STATUS:**

(a) This Agreement is entered into by both parties with the express understanding that CONTRACTOR will perform all services required under this Agreement as an independent contractor. Nothing in this Agreement shall be construed to constitute the CONTRACTOR or any of its agents, employees or officers as an agent, employee or officer of COUNTY.

(b) CONTRACTOR agrees to advise everyone it assigns or hires to perform any duty under this agreement that they are not employees of COUNTY. Subject to any performance criteria contained in this Agreement, CONTRACTOR shall be solely responsible for determining the means and methods of performing the specified services and COUNTY shall have no right to control or exercise any supervision over CONTRACTOR as to how the services will be performed. As CONTRACTOR is not COUNTY'S employee, CONTRACTOR is responsible for paying all required state and federal taxes. In particular, COUNTY will not:

1. Withhold FICA (Social Security) from CONTRACTOR'S payments.
2. Make state or federal unemployment insurance contributions on CONTRACTOR'S behalf.
3. Withhold state or federal income tax from payments to CONTRACTOR.
4. Make disability insurance contributions on behalf of CONTRACTOR.
5. Obtain unemployment compensation insurance on behalf of CONTRACTOR.

(c) Notwithstanding this independent contractor relationship, COUNTY shall have the right to monitor and evaluate the performance of CONTRACTOR to assure compliance with this Agreement.

5. COMPLIANCE WITH LAW: CONTRACTOR shall provide services in accordance with applicable Federal, State, and local laws, regulations and directives. With respect to CONTRACTOR'S employees, CONTRACTOR shall comply with all laws and regulations pertaining to wages and hours, state and federal income tax, unemployment insurance, Social Security, disability insurance, workers' compensation insurance, and discrimination in employment.

6. GOVERNING LAW: This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this contract is made in and shall be performed in Tulare County, California.

7. RECORDS AND AUDIT: CONTRACTOR shall maintain complete and accurate records with respect to the services rendered and the costs incurred under this Agreement. In addition, CONTRACTOR shall maintain complete and accurate records with respect to any payments to employees or subcontractors. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, CONTRACTOR shall make such records available within Tulare County to the Auditor of Tulare County and to his agents and representatives, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of final payment under this Agreement.

8. CONFLICT OF INTEREST:

(a) CONTRACTOR agrees to, at all times during the performance of this Agreement, comply with the law of the State of California regarding conflicts of interests and appearance of conflicts of interests, including, but not limited to Government Code Section 1090 et seq., and the Political Reform Act, Government Code Section 81000 et seq. and regulations promulgated pursuant thereto by the California Fair Political Practices Commission. The statutes, regulations and laws previously referenced include, but are not limited to, prohibitions against any public officer or employee, including CONTRACTOR for this purpose, from making any decision on behalf of COUNTY in which such officer, employee or consultant/contractor has a direct or indirect financial interest. A violation can occur if the public officer, employee or consultant/contractor participates in or influences any COUNTY decision which has the potential

to confer any pecuniary benefit on CONTRACTOR or any business firm in which CONTRACTOR has an interest, with certain narrow exceptions.

(b) CONTRACTOR agrees that if any facts come to its attention which raise any questions as to the applicability of conflicts of interests' laws, it will immediately inform the COUNTY designated representative and provide all information needed for resolution of this question.

9. INSURANCE: Prior to approval of this Agreement by COUNTY, CONTRACTOR shall file with the Clerk of the Board of Supervisors evidence of insurance as set forth in **Exhibit B** attached, which outlines the minimum scope, specifications, and limits of insurance required under this Agreement. Additional insured endorsements required as outlined in **Exhibit B** shall not be used to reduce limits available to COUNTY as an additional insured from CONTRACTOR's full policy limits. Insurance policies shall not be used to limit liability or to limit the indemnification provisions and requirements of this Agreement or act in any way to reduce the policy coverage and limits available from the insurer(s). Failure to maintain or renew coverage, or to provide evidence of renewal, may be considered a material breach of this Agreement. All Permittum liabilities as defined within this Contract will be capped at the greater of the compensation received by Permittum or the \$6,000,000 limit of general liability.

10. INDEMNIFICATION: CONTRACTOR shall hold harmless, defend and indemnify COUNTY, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including COUNTY property, arising from, or in connection with, the performance by CONTRACTOR or its agents, officers and employees under this Agreement. This indemnification specifically includes any claims that may be made against COUNTY by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, and any claims made against COUNTY alleging civil rights violations by CONTRACTOR under Government Code sections 12920 et seq. (California Fair Employment and Housing Act), and any fines or penalties imposed on COUNTY for CONTRACTORS failure to provide form DE-542, when applicable. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement. Notwithstanding the foregoing, the amount of indemnification will be limited to the amount of insurance requirements as set forth within section 5.

11. TERMINATION:

(a) Without Cause: COUNTY will have the right to terminate this Agreement without cause by giving thirty (30) days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination. COUNTY will pay to the CONTRACTOR the compensation earned for work performed and not previously paid for to the date of termination. COUNTY will not pay lost anticipated profits or other economic loss. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONTRACTOR of any and all plans, specifications and estimates, and other documents prepared by CONTRACTOR in accordance with this Agreement. No sanctions will be imposed.

(b) With Cause: This Agreement may be terminated by either party should the other party:

- (1) be adjudged a bankrupt, or
- (2) become insolvent or have a receiver appointed, or
- (3) make a general assignment for the benefit of creditors, or
- (4) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
- (5) materially breach this Agreement.

In addition, COUNTY may terminate this Agreement based on:

- (6) material misrepresentation, either by CONTRACTOR or anyone acting on CONTRACTOR's behalf, as to any matter related in any way to COUNTY's retention of CONTRACTOR, or
- (7) other misconduct or circumstances which, in the sole discretion of the COUNTY, either impair the ability of CONTRACTOR to competently provide the services under this Agreement, or expose the COUNTY to an unreasonable risk of liability.

COUNTY will pay to the CONTRACTOR the compensation earned for work performed and not previously paid for to the date of termination. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONTRACTOR of any and all plans, specifications and estimates, and other documents prepared by CONTRACTOR by the date of termination in accordance with this Agreement. COUNTY will not pay lost anticipated profits or other economic loss, nor will the COUNTY pay compensation or make reimbursement to cure a breach arising out of or resulting from such termination. If this Agreement is terminated and the expense of finishing the CONTRACTOR's scope of work exceeds the unpaid balance of the agreement, the CONTRACTOR must pay the difference to the COUNTY. Sanctions taken will be possible rejection of future proposals based on specific causes of non-performance.

(c) **Effects of Termination:** Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where CONTRACTOR's services have been terminated by the COUNTY, said termination will not affect any rights of the COUNTY to recover damages against the CONTRACTOR.

(d) **Suspension of Performance:** Independent of any right to terminate this Agreement, the authorized representative of COUNTY for which CONTRACTOR's services are to be performed, may immediately suspend performance by CONTRACTOR, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by CONTRACTOR to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

12. LOSS OF FUNDING: It is understood and agreed that if the funding is either discontinued or reduced for this project for the COUNTY, that the COUNTY shall have the right to terminate this Agreement. In such event, the affected party shall provide the other party with at least thirty (30) days prior written notice of such termination.

13. FORM DE-542: If CONTRACTOR is an individual, CONTRACTOR acknowledges that this Agreement is subject to filing obligations pursuant to Unemployment Insurance Code Section 1088.8. Accordingly, COUNTY has an obligation to file a report with the Employment Development Department, which report will include the CONTRACTOR's full name, social security number, address, the date this contract was executed, the total amount of the contract, the contract's expiration date or whether it is ongoing. CONTRACTOR agrees to cooperate with COUNTY to make such information available and to complete Form DE- 542. Failure to provide the required information may, at COUNTY's option, prevent approval of this Agreement, or be grounds for termination by COUNTY.

14. NOTICES:

(a) Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

COUNTY:

TULARE COUNTY
SHERIFF'S OFFICE
ATTN: ASST. SHERIFF
833 SOUTH AKERS ST.
VISALIA, CA 93277
PHONE: 559-802-9437

WITH A COPY TO:

TULARE COUNTY
SHERIFF'S OFFICE
ATTN: FISCAL MANAGER
833 SOUTH AKERS ST.
VISALIA, CA 93277
PHONE: 559-802-9450

CONTRACTOR:

PERMITIUM, LLC
ATTN: PAUL BLAKE
10617 SOUTHERN LOOP BLVD
PINEVILLE, NC 28134
PHONE: 949-584-5766

(b) Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed to be received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

15. ASSIGNMENT/SUBCONTRACTING: Unless otherwise provided in this Agreement, COUNTY is relying on the personal skill, expertise, training and experience of CONTRACTOR

and CONTRACTOR'S employees and no part of this Agreement may be assigned or subcontracted by CONTRACTOR without the prior written consent of COUNTY.

16. DISPUTE RESOLUTION: If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties, otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, either party may pursue litigation to resolve the dispute.

17. FURTHER ASSURANCES: Each party will execute any additional documents and perform any further acts that may be reasonably required to effect the purposes of this Agreement.

18. CONSTRUCTION: This Agreement reflects the contributions of all undersigned parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any alleged uncertainty or ambiguity.

19. HEADINGS: Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

20. NO THIRD-PARTY BENEFICIARIES INTENDED: Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

21. WAIVERS: The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

22. EXHIBITS AND RECITALS: The recitals and the exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

23. CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY: This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties to be, in conflict with any code or regulation governing its subject matter, only the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement shall continue in full force and effect.

24. ENTIRE AGREEMENT REPRESENTED: This Agreement represents the entire agreement between CONTRACTOR and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

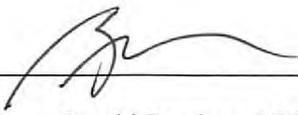
Date: _____ BY _____
J. Steven Worthley, Chairman
Tulare County Board of Supervisors

ATTEST: JASON T. BRITT
County Administrative Officer/Clerk of the Board
of Supervisors of the County of Tulare

By _____
Deputy Clerk

CONTRACTOR

Date: 3/1/19 By 
TITLE Paul Blake, Managing Partner

Date: 3/1/19 By 
TITLE Gerald Brucken, COO

[Pursuant to Corporations Code section 313, County policy requires that contracts with a Corporation be signed by both (1) the chairman of the Board of Directors, the president or any vice-president (or another officer having general, operational responsibilities), and (2) the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer (or another officer having recordkeeping or financial responsibilities), unless the contract is accompanied by a certified copy of the articles of organization stating that the LLC is managed by only one manager.]

Approved as to Form
County Counsel

By 
Deputy

EXHIBIT A
PERMITIUM

Account: **Tulare County Sheriff**
 Sheriff Mike Boudreaux
 833 South Akers Street
 Visalia, CA 93277

Description of Services

Permitium develops, hosts, and maintains **PermitDirector**, an online concealed carry pistol permit application, payment and processing system. At no charge to the Sheriff, **Permitium** configures **PermitDirector** to meet the Sheriff's unique requirements, hosts the solution, and provides training and ongoing support. The Sheriff continues to collect the entire established permit fee. **Permitium** collects a convenience fee for each credit card transaction. This fee is in addition to the credit card fee which is passed on to the applicant at the negotiated rate in affect at the time the transaction takes place.

Benefits

- No costs associated with software implementation, support or training
- Provides automated process for permit ordering, payment and fulfillment
- Simple web-based self-service application benefits the Sheriff's constituents
- Reduces clerks' time to process applications (e.g., eliminates keying application data)
- Minimizes inbound status update phone calls through proactive communications
- Improves renewal process through automated communications
- Simplifies Accounting's balancing tasks with canned and customizable reports
- Reduces cash handling through the use of credit and debit cards
- Ensures process compliance through an automated audit trail

Solution Components

- 100% hosted (SaaS) solution; requires no IT support
- All web pages customized as defined by the Sheriff's staff
- Configurable workflow to automate the fulfillment process
- Automated proactive email, voice and text notifications
- Automated archiving of all tasks and communications for audit purposes
- Secure Online Payment; supporting Credit, Debit transactions

Implementation Plan

- Configure the initial instance of the new **Permitium** solution based on the Sheriff's current pistol permit process and **Permitium's** California demonstration site
- Refine the new **Permitium** solution through an iterative process based on input received from the Sherriff's staff during the testing phase
- Test the **Permitium** solution, revise as needed and prepare it for production
- Provide training for the Sheriff's staff as needed

- Provide ongoing support, hosting and management of the **Permitium** Solution. Technical support will be available by phone or email Monday through Friday from 5:00 AM PST – 5:00 PM PST.
- Upgrade the software, as needed, between the hours of 6:00 PM PST and 6:30 AM PST, Monday through Friday and on weekends.

Implementation Team

Permitium	Account Manager	Paul Blake	949-584-5766	paul.blake@permitium.com
	Support Team		855-712-PERM	support@permitium.com
Sheriff	Executive Sponsor	Mike Boudreaux	559-802-9435	sgunderman@co.tulare.ca.us
	Project Manager	TBD		
	IT	Sarah Isch	559-802-9467	sisch@co.tulare.ca.us
	Records Division	Shirley Moran	559-802-9540	smoran@co.tulare.ca.us

Data and Security

Ownership: All data collected in the Sheriff’s use of **PermitDirector** is the property of the Sheriff. **Permitium** does not own and will not distribute data without the written consent of the Sheriff. All passwords placed within the system are encrypted and not accessible by the **Permitium** staff.

Confidentiality: Permitium agrees that all records, data, personnel records, and/or other confidential information that come within Permitium’ possession in the course of providing services to COUNTY under this Agreement (hereinafter, “Confidential Information”) shall be subject to the confidentiality and disclosure provisions of all applicable federal and state statutes and regulations, as well as any relevant policies of COUNTY. All data and/or records provided by COUNTY to Permitium shall be presumed to be Confidential Information subject to the terms of this section unless COUNTY specifically indicates in writing that the requirements of this section do not apply to a particular document or group of documents.

Permitium agrees to receive and hold Confidential Information, whether transmitted orally, in writing or in any other form, and whether prepared by a party or its Representatives, in strict confidence, and to use the Confidential Information solely for the purpose of facilitating COUNTY’s use of Permitium’ products and services. Except as essential to Permitium’ obligations to COUNTY, Permitium shall not copy any of the Confidential Information, nor shall Permitium remove any Confidential Information or proprietary property or documents from COUNTY premises without written authorization of COUNTY. Permitium acknowledges its understanding that any unauthorized disclosure of Confidential Information may result in penalties and other damages.

Security: Permitium represents and warrants that all documents and information provided to Permitium by or behalf of COUNTY, including but not limited to Confidential Information, shall be stored and maintained by Permitium with the utmost care and in conformity with standards generally accepted in Permitium' industry for the types of records being stored and maintained. Permitium further represents and warrants that any online access to the COUNTY's records authorized persons pursuant to this Agreement shall be safe, secure, and password-protected and provided with the utmost care and in conformity with standards generally accepted in Permitium's industry for the types of records being stored and maintained, and that no person shall be permitted to obtain unauthorized access to any of COUNTY's records. Without limiting the foregoing, Permitium specifically warrants that:

a. All servers, computers, and computer equipment used to provide services pursuant to this Agreement shall be maintained in good working order in compliance with generally accepted industry standards in light of the confidential nature of the documents in question and shall be located in a safe, controlled, and environmentally stable environment (including moisture and temperature controls) and adequately protected against fires, hurricanes, flooding, or similar occurrences;

b. Facilities where services are provided shall be secure and access shall be limited to employees trained in security protocols with a legitimate business need to access such facilities (with access removed immediately upon termination of employment) and shall be protected from unauthorized access by commercially reasonable security systems;

c. All websites, FTPs, and any other online electronic system used to provide services pursuant to this Agreement shall be protected from security breaches by commercially reasonable firewalls and other intrusion detections systems and antivirus software, which shall be kept updated at all times. Access shall be limited to those agents and employees of Permitium assigned to the project and any individuals identified in writing by COUNTY as authorized to obtain access.

d. Permitium have technical controls in place that ensure the security, availability and confidentiality of COUNTY data.

e. All information provided to Permitium pursuant to this Agreement shall be encrypted while in transit over an open network. If Permitium stores Confidential Information, this data shall be encrypted at rest. Permitium's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIP140-2, Security Requirements.

f. Permitium shall not store or transfer data provided by COUNTY outside of the United States. This included backup data and disaster recovery locations.

Breach Notification and Recovery: Permitium will notify any affected party and COUNTY of any breach of Permitium's data security protection safeguards concerning Confidential Information. All communications to the affected party shall be coordinated with COUNTY. Permitium shall bear all costs associated with the investigation, response and recovery from the breach, including but not limited to credit monitoring services with a term of at least 3 years, mailing costs, website, and call center services.

Notification of Legal Requests: Permitium shall contact COUNTY upon receipt of any electronic discovery, litigation holds, and discovery requests related to, or which in any way might reasonably require access to the Confidential Information. Permitium shall not respond to subpoenas, service

of process, or other legal requests related to COUNTY without first notifying COUNTY, unless prohibited by law from providing such notice.

Termination and Suspension of Service: In the event of termination of the Agreement, Permitium shall implement an orderly return of COUNTY data in CSV or XML or another mutually agreeable format. Permitium shall guarantee the subsequent secure disposal of COUNTY data.

a. **Suspension of Services:** During any period of suspension, litigation, or contract negotiation or disputes, Permitium shall not take any action to intentionally erase any COUNTY data.

b. **Termination of any services or agreement in its entirety:** In the event of termination of any services or agreement in its entirety, Permitium shall not take any action to intentionally erase any COUNTY data for a period of 90 days after the effective date of termination. During this 90 day period, Permitium will continue to secure and back up COUNTY data covered under this Agreement. After such 90 day period and after the return of all COUNTY data, Permitium shall have no obligation to maintain or provide any COUNTY data and shall thereafter, unless legally prohibited, dispose of all COUNTY data in its systems or otherwise in its possession or under its control.

c. **Secure Data Disposal:** When requested by COUNTY, Permitium shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods and certificates of destruction shall be provided to COUNTY.

Unauthorized Access to Information: Permitium shall not have access to any information for which it is not authorized under applicable law, including, but not limited to, Department of Justice criminal history background check results.

Cost of Service

Fee Collection and Payment.

In addition to operating an online application process, Permitium will collect online payments from applicants for permits to carry a concealed weapon ("CCW permits") and deliver the amounts collected, minus the amounts to be withheld as payment to Permitium, to COUNTY monthly by the 25th of each month by either check or electronic transfer (ACH). Permitium will also issue a statement of the amounts due to COUNTY by the 15th of each month. The monthly statement will be itemized for every transaction submitted in the previous month. Permitium and COUNTY understand and agree that any fees collected for CCW permits, whether initial, amended, or renewed, must comply with the provisions of Section 26190 of the Penal Code {"Section 26190"}. Specifically, the parties understand and agree that the following guidelines will be followed:

1) **Initial Applications:** The fees charged to applicants for initial CCW permits shall include the fee set by the California DOJ ("DOJ Fee") and the additional amount as set by COUNTY, along with the fees agreed to in this Agreement. Said amount for the additional initial fee shall not exceed one hundred dollars (\$100) and shall be collected as followings: a. Twenty (20) percent due at the

time of filing the application, in addition to collection of the DOJ Fee. b. Eighty (80) percent due at the issuance of the CCW permit.

2) Applications for Renewal of a CCW permit: In addition to any DOJ fee assessed, the parties understand and agree that the fee charged to applicants for applications for renewal shall not exceed twenty-five dollars (\$25). This fee shall include the amount charged by the COUNTY as well as any other amount assessed pursuant to this Agreement.

3) Applications for Amended CCW permits: In addition to any DOJ fee assessed, the parties understand and agree that the fee charged to applicants for applications for renewal shall not exceed ten dollars (\$10). This fee shall include the amount charged by the COUNTY as well as any other amount assessed pursuant to this Agreement.

Permitium shall be compensated in full for the provision of services as set forth in this exhibit by the collection of the following fees, which shall be added on to the fees assessed by the COUNTY for the issuance of CCW permits: a) \$4.00 passed on as a convenience fee back to the applicant for each application submitted. b) An additional fee for payments by credit card in the amount of \$.30 per transaction plus an additional 2.9% of the total transaction.

EXHIBIT B

PERMITIUM, LLC.

INSURANCE REQUIREMENTS

CONTRACTOR shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, performance under the Agreement by the CONTRACTOR, his agents, representatives, employees and subcontractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Coverage at least as broad as Commercial General Liability, insurance Services Office Commercial General Liability coverage occurrence form GC 00 01, with limits no less than \$1,000,000 per occurrence including products and completed operations, property damage, bodily injury and personal & advertising injury. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, (any auto) of \$1,000,000 per occurrence. If an annual aggregate applies it must be no less than \$2,000,000.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Technology Professional Liability (Errors and Omissions) Insurance appropriate to the CONTRACTOR's profession, with limits no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by CONTRACTOR in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, credit monitoring expenses.

B. Specific Provisions of the Certificate

1. If the required insurance is written on a claims made form, the retroactive date must be before the date of the contract or the beginning of the contract work and must be maintained and evidence of insurance must be provided for at

least three (3) years after completion of the contract work.

2. CONTRACTOR must submit endorsements to the General Liability reflecting the following provisions:
 - a. *The COUNTY, its officers, agents, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the CONTRACTOR; or automobiles owned, leased, hired or borrowed by the CONTRACTOR.*
 - b. *For any claims related to this project, the CONTRACTOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, agents, officials, employees and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, agents, officials, employees or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.*
 - c. *Each insurance policy required by this agreement shall be endorsed to state that coverage shall not be canceled by either party, except with written notice to the COUNTY.*
 - d. *CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.*
3. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by the CONTRACTOR, its employees, agents and subcontractors. CONTRACTOR waives all rights against the COUNTY and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.

C. Deductibles and Self-Insured Retentions

Self-insured retentions must be declared and the COUNTY Risk Manager must approve any deductible or self-insured retention that exceeds \$100,000.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A-:VII and a Standard & Poor's Rating (if rated) of at least BBB and from a company approved by the Department of Insurance to conduct business in California. Any waiver of these standards is subject to approval by the County Risk Manager.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the CONTRACTOR shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. Endorsements must be signed by persons authorized to bind coverage on behalf of the insurer. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

Rev. 3/2/17