

SERVICE AGREEMENT

THIS SERVICE AGREEMENT ("Agreement") is made as of the date of full execution, by and between McHenry County, a governmental subdivision of the State of Illinois ("Client"), and RUNBECK ELECTION SERVICES, LLC, an Arizona corporation, whose address is 2800 S. 36th Street, Phoenix, AZ 85034 ("Runbeck") (collectively, the "Parties").

RECITALS

- 1. In connection with its elections responsibilities, Client desires to enter into a Service Agreement with Runbeck related to Client's operation of election management equipment purchased from Runbeck ("Equipment"); and to obtain from Runbeck a license to use accompanying software ("Software") to operate the Equipment.
- 2. Runbeck desires to maintain the Equipment and grant a license to use the software to Client based on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and other good and valuable consideration, the Parties agree as follows:

AGREEMENTS

1. Inventory of Equipment

Client is currently in possession of election management equipment, including hardware components and accessories, as specifically set forth in the Equipment Description attached hereto as Exhibit "D".

2. Software License; Annual License Fees; Restrictions

Subject to the Client's ongoing obligations under this Agreement, Client has been granted an irrevocable, non-exclusive right and license to install, display and use the software necessary for operation of the Equipment ("Software") for the term described in, and in accordance with the express terms of, the Software License attached hereto as Exhibit "B". Title to and ownership of the Software shall at all times remain with Runbeck and neither Client, nor its affiliates, agents or employees, will reverse engineer or reverse compile any part of the Software without Runbeck's prior written consent. Client shall pay Runbeck an annual License and Support Fee for the Software, as specifically set forth in Exhibit "D". All payments of this Fee shall be made on each successive yearly anniversary term of this Agreement, as specifically set forth in Exhibit "D".

3. <u>Equipment Maintenance and Support Services; Annual Equipment Maintenance and Support Services Fee</u>

Runbeck shall provide those Equipment maintenance support services that are specifically set forth in the Equipment Maintenance and Support Services Schedule attached hereto as Exhibit "C". Client shall pay Runbeck an annual License and Support Fee for the Equipment, as specifically set forth in Exhibit "D". The Annual License and Support Fee and all subsequent payments of this Fee shall be made on each successive yearly anniversary date of the install of the Equipment to the Client, or as specifically set forth in Exhibit "D".

4. Availability and Retention of Records

All records relating to the products and services provided under this Agreement and supporting documentation for invoices submitted to Client by Runbeck shall be retained and made available by Runbeck for audit by Client, its duly authorized representatives, the State of Illinois (including, but not limited to, the Auditor of the State of Illinois, Inspector General or duly appointed law enforcement officials) and agencies of the United States government. Such records shall be retained by Runbeck and made available for any time period required by state or federal law.

5. Assignment

The Parties expressly agree that neither shall assign this Agreement without the prior written consent of the other. Runbeck may subcontract services agreed to in this Agreement, but only with the written consent of the Client. All subcontracts are subject to the same terms, conditions, and covenants contained within this Agreement.

6. Governing Law

This Agreement shall be governed, construed, and enforced under the laws of Illinois, notwithstanding any conflicts of laws provisions. Any legal action brought pursuant to this Agreement shall be filed in the courts of Illinois.

7. Integration and Modification

This Agreement, including exhibits (each of which is expressly incorporated herein), embodies the entire agreement of the Parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or contracts, either written or oral, between the Parties to this Agreement. This Agreement shall not be modified in any manner except by an instrument, in writing, executed by the Parties to this Agreement.

8. <u>Severability</u>

If any term or provision of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

9. Appropriations

Client represents and covenants that (i) it has, and will have, funds available to pay the purchase price for the Equipment, Annual Software License Fees, Annual Equipment Maintenance Fees and other financial obligations under this Agreement, including all exhibits hereto, through the end of Client's current fiscal period; and (ii) that it shall use its best efforts to obtain funds to pay any of the foregoing financial obligations for each subsequent fiscal year of the 5 year term of the Agreement. In the event Client's appropriations request to its legislative body or funding authority for necessary funds hereunder is denied, this Agreement, and all exhibits, may be terminated by Runbeck. Client shall make payment of all charges and obligations incurred through the end of the fiscal period for which funds were appropriated. In any such event, Client shall thereupon return to Runbeck all Software and other Runbeck property in its possession.

10. Compliance

Runbeck agrees to comply with all applicable federal, state, and local laws in the conduct of work hereunder. Runbeck accepts full responsibility for payment of all taxes including, without limitation, unemployment compensation, insurance premiums, income tax deductions, social security deductions, and all other taxes or payroll deductions required for all employees engaged by Runbeck in the performance of work under this Agreement.

11. Non-Discrimination

Runbeck certifies it is an equal opportunity employer and shall remain in compliance with state and federal civil rights and nondiscrimination laws and regulations including, but not limited to, Title VI, and Title VII of the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Age Discrimination Act of 1975 and the Age Discrimination in Employment Act, as amended.

During the performance of this Agreement, Runbeck will not discriminate against any employee, contract worker, or applicant for employment because of race, color, religion, sex, sexual orientation, national origin, ancestry, disability, Vietnam-era veteran status, age, political belief or place of birth. Runbeck will take affirmative action to ensure that during employment, all employees are treated without regard to race, color, religion, sex, national origin, ancestry, disability, Vietnam- era veteran status, age, political belief or place of birth. These provisions apply also to contract workers, such action shall include, but is not limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising, layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Runbeck agrees to post in conspicuous places, available to employees and applicants for employment, notices stating Runbeck complies with all applicable federal and state non-discrimination laws.

Runbeck, or any person claiming through Runbeck, agrees not to establish or knowingly permit any such practice or practices of discrimination or segregation in reference to anything relating to this Agreement, or in reference to any contractors or subcontractors of said Runbeck.

12. Independent Relationship

Nothing in this Agreement is intended to, nor shall be deemed to, create a partnership, association or joint venture between Client and Runbeck in the conduct of the provisions of this Agreement. Runbeck shall at all times have the status of an independent contractor.

13. Waiver

Any waiver by either party of any right, provision or condition under this Agreement shall not be construed or deemed to be a waiver of any other right, provision or condition of this Agreement, nor a waiver of a subsequent breach of the same right, provision or condition.

14. Confidential Information

All information owned, possessed or used by Client which is communicated to, learned, or otherwise acquired by Runbeck or its employees, agents or contractors in the performance of the terms of this Agreement shall be deemed and remain Confidential Information. Runbeck shall not, beginning on the date of first association or communication between the Client and Runbeck and continuing through the term of this Agreement and thereafter, disclose, communicate or divulge to another, or use for Runbeck's own benefit or the benefit of another, any such Confidential Information without the prior written consent of the Client.

15. Risk of Loss

Runbeck agrees to bear all risk of loss, injury, or destruction of goods and materials, including Equipment, ordered as a result of this Agreement which occurs prior to delivery to the Client. Upon delivery by Runbeck to the Client, and Client taking possession of such goods and materials, Client agrees to bear all risk of loss, injury, or destruction of such goods and materials. Runbeck's invoices will conform to the reasonable requirements of the Client.

16. Force Majeure

In no event shall Runbeck be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, pandemics, epidemics, disease, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that Runbeck shall use reasonable efforts which are consistent with accepted industry practices to resume performance as soon as practicable under the circumstances.

17. Warranty

Runbeck warrants and represents that services provided pursuant to this Agreement, and attached exhibits, shall be timely performed in a professional manner in accordance with applicable industry standards; and that Runbeck has the requisite ownership, authority and license rights to furnish Software provided to Client in connection with this Agreement.

Runbeck warrants and represents that Equipment shall be free from any defects in material or workmanship for a period of one (1) year after installation; and Software shall be free from any defects in material or workmanship for a period of one (1) year after installation (collectively, the "Warranty Periods"); provided, however, that if the manufacturer's warranty extends beyond one (1) year for any part, product, or service item, the longer warranty shall apply. This warranty extends to i) any defect reported during the Warranty Periods but not corrected; ii) any defect reported and thought to be corrected but that reoccurs outside of the Warranty Periods; iii) any defect misdiagnosed during the Warranty Periods and discovered to reoccur outside of the Warranty Periods; and iv) any defect discovered after the Warranty Periods, but which can be documented to have started during the Warranty Periods. Runbeck agrees to a one-day grace period beyond the end of the Warranty Periods for notification purposes for defects discovered during the Warranty Periods. Runbeck shall, at its own election and expense, either repair or replace any component which Client discovers to be defective in material or workmanship, provided that Client has furnished timely written notice to Runbeck.

EXCEPT FOR THE WARRANTIES PROVIDED HEREIN, RUNBECK HEREBY EXPRESSLY DISCLAIMS ANY AND ALL OTHER WARRANTIES OF ANY KIND OR NATURE CONCERNING THE EQUIPMENT, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. <u>Limitation of Runbeck Liability</u>

Runbeck shall not be responsible for the Equipment's or the Software's operation or failure to operate, to the extent such operation or failure results from, arises out of, or is related to Client's improper or negligent use or operation of the Equipment or the Software. IN NO EVENT SHALL RUNBECK BE LIABLE TO CLIENT OR TO ANY THIRD PARTY, FOR ANY DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, OR OTHER CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER.

19. Indemnification

Runbeck agrees to indemnify and hold harmless Client from and against any and all losses, damages, injuries, claims, demands and expenses, including legal expenses, caused by the sole negligence or intentional misconduct of Runbeck with respect to its obligations under this Agreement.

Runbeck further agrees to defend, indemnify and hold harmless Client from and against any claim, suit, demand, or action alleging the Equipment, or any component thereof, infringes any copyright, trade secret, U.S. patent or any other proprietary right of any third party, and Runbeck shall indemnify Client against any judgment, award or amount paid in settlement to which Runbeck has agreed. Client shall provide Runbeck prompt written notice of such claim, suit, demand, or action and shall cooperate with Runbeck in the defense and settlement thereof. Runbeck shall have control of the defense of such claim, suit, demand, or action and the settlement or compromise thereof.

If a temporary or a final injunction is obtained against Client's use of Equipment by reason of an infringement of a copyright, trade secret, or other proprietary right, Runbeck will, at its option and expense, either:

- 1. Procure for Client the right to continue using the Equipment; or
- 2. Replace or modify Equipment, or such infringing portion thereof, so that it no longer infringes such copyright, trade secret or other proprietary right.

20. No Third-Party Beneficiary

Enforcement of the terms of this Agreement and all rights of action relating to enforcement are strictly reserved to the Parties. Nothing contained in this Agreement allows any claim or right of action in any third person or entity. Any person or entity other than Client or Runbeck receiving services or benefits pursuant to this Agreement is an incidental beneficiary only.

21. Notices

All written notices required under this Agreement must be hand delivered, sent by overnight courier service, mailed by certified mail, return receipt requested, or mailed via United States mail, postage prepaid as follows:

By Runbeck to: McHenry County

2200 N Seminary Ave

Woodstock, IL 60098

Attention: Joseph Tirio

County Clerk and Recorder

To Runbeck: Runbeck Election Services, LLC

2800 S. 36th Street

Phoenix, Arizona 85034

Attention: Rizwan Fidai

Vice President of Sales

With a copy to: Andrei Toma Esq.

8325 W. Happy Valley Rd, Suite 220

Peoria, Arizona 85383

Notices hand delivered or sent by overnight courier are effective upon delivery; notices sent by certified mail are effective upon receipt; and notices sent by U.S. mail are effective upon the expiration of five (5) mail delivery days from deposit (postmarked) with the U.S. Postal Service.

22. Runbeck's Confidential Information

Runbeck represents that the Software and related documentation provided under this Agreement, including, but not limited to, the Source Code, the software design, structure and organization, the user interface and the engineering know-how implemented in the software (collectively "Runbeck Confidential Information") constitute the valuable properties and trade secrets of Runbeck, embodying substantial creative efforts which are secret, confidential, and not generally known by the public. Client agrees to hold Runbeck's Confidential Information, including any copies thereof and any documentation related thereto, in strict confidence and to not permit any unauthorized person or entity to obtain access to it to the extent permitted under applicable law. Within this context, Client agrees not to disseminate, transmit, license, sublicense, assign, lease, release, publish, post on the internet, transfer, sell, permit access to, distribute, allow interactive rights to, or otherwise make available Runbeck Confidential Information or any part thereof to any other party in any form of media for any purpose other than performing its obligations under this Agreement. Client further agrees not to disclose or distribute to any other party, in whole or in part, Runbeck Confidential Information without written consent from Runbeck.

23. No Construction Against Drafting Party

The Parties and their respective counsel have had the opportunity to review this Agreement, and the Agreement will not be construed against any party merely because this Agreement was prepared by a particular party.

24. Successors and Assigns

The rights and obligations of the Parties herein set forth shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns permitted under this Agreement.

25. Time is of the Essence

The Parties agree that in the performance of the terms of this Agreement, time shall be of the essence, it being understood by the Parties that the Equipment and its components, and Runbeck's services related thereto, are essential to the Client's ability to conduct statewide and local elections.

26. Attorneys' Fees

In the event of a litigation action to enforce, or arising from, the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees and costs incurred in the action.

27. Term and Renewal

The 5 year term of the Software License and the Equipment Maintenance and Support Services provisions shall commence on 08/01/2024 and expire on 07/31/2029. Contract renewal, irrespective of the length of the renewal term, may require a new and updated service agreement at the then current pricing, unless otherwise negotiated.

28. Breach

Subject to the terms of Section 27, in the event Client commits a material breach of its obligations under this Agreement and any exhibits hereto, including a failure to timely pay any license or maintenance fees, and Client fails to cure the breach within sixty (60) days after receiving notice thereof, Runbeck may terminate this Agreement effective upon delivery of written notice to Client. In any such event, Client shall thereupon return to Runbeck all Software and other Runbeck property in its possession.

IN WITNESS WHEREOF, the Parties have signed this Agreement to be effective as of the date of full execution by the Parties.

	Runbeck Election Services, LLC		McHenry County, Illinois		
Signed by:		-			
Printed Name:		-			
Title:		-			
Date:					

EXHIBIT A

SET-UP AND MAINTENANCE SERVICES

(Sale and Purchase Agreement by and between McHenry County, and Runbeck Election Services, LLC)

Software Maintenance

- Contractor shall provide technical support resources during the Department's critical ballot processing period beginning 15 days prior to Election Day and 7 days after Election Day.
- Installation of all software updates
- Testing and validation of all software updates
- License and Support Fee

Hardware Maintenance

- Contractor shall provide technical support resources during the Department's critical ballot processing period beginning 15 days prior to Election Day and 7 days after Election Day.
- License and Support Fee
- Client also agrees to allow Runbeck employees access to the equipment, when requested, during normal working hours, including remote access. On-site support fee, indicated below will be applied if Runbeck approved remote software (SplashTop is not allowable).

Repair Services

During the term of the Agreement, as set forth in Section 27 thereof, should any component of the Equipment, to include hardware and software items listed above, become damaged and require repair as a result of Client's actions, Client agrees to pay Runbeck a Repair Fee per On-site Support Fee as indicated below.

Election Data

At the conclusion of the election, Runbeck will provide phone assistance with the export of all election data from the Equipment. This data will be retained by the Client. Media (DVDs, jump drives, etc.) for this data will be provided by the Client. Client is responsible for the retention of this media and data.

Training

Additional training requires an on-site support fee, indicated below.

Materials Management

- Client is responsible for any pre-election inventory of Equipment consumables.
- Client is responsible for purchasing consumables, the shipping and taxes associated with such consumables
- Client is responsible for providing storage area that provides adequate space and maintains proper
 environmental conditions for stocking of supplies. Client must provide Runbeck notice of election at
 least 75 days in advance of 1st day that services will be required. Client is responsible for installation
 of all consumables while operating the Equipment during an election cycle. Should the Client
 request a Runbeck employee to replace consumable items, it will be subject to On-site Support Fee,
 indicated below.

EXHIBIT A

SET-UP AND MAINTENANCE SERVICES, Page 2

(Sale and Purchase Agreement by and between McHenry County and Runbeck Election Services, LLC)

Dedicated Electrical Requirements

- Equipment requires client is to provide a minimum of two (2) dedicated 20-amp circuits. Dependent
 upon the desired equipment configuration, additional dedicated 20-amp circuits may be required.
 Client is to ensure that all requested outlets are NEMA 5-20, 115 VAC, 60 Hz 20-amp outlets and are
 available in the location of the equipment. These requirements and associated costs are the sole
 responsibility of the client.
- Equipment requiring electrical connections for operation shall be connected to client provided
 dedicated circuits, each of a minimum of 20-amps. All connections shall be made by the Contractor
 and accomplished in accordance with National Electrical Code requirements. Electrically operated
 equipment shall be available in the following voltage: 115 volts for 20-amp circuit each. Any
 necessary modification costs will be the sole responsibility of the client.

On-Site Support Fees

Optional dedicated on-site support and/or training (does not include election set-up or routine maintenance) may be requested and will be billed at a rate of \$1,750.00 for the first day (an eight-hour workday) and \$1,500 for each additional eight-hour workday. The amount billed shall be due and payable within thirty (30) days of the invoice date. This service is subject to availability.

Requested onsite support must be booked four weeks in advance prior to requested dates of service. If service is requested less than the four-week notice, the support cost will be billed at a rate of \$2,000 for the first day plus a required additional day of \$1,500 at a minimum.

Other

Taxes

If taxes apply, they will be the sole responsibility of the Client.

Shipping Fees

Shipping fees will apply as goods may be purchased and need to be shipped to the jurisdiction. Shipping fees are the sole responsibility of the Client.

End of Contract Options – Subject to Section 27 of the Agreement, Client May:

- Renew with existing system, for which new Usage, License, Maintenance and Service agreements shall apply
- Renew with upgrade to existing system, for which new Usage, License, Maintenance and Service agreements shall apply

EXHIBIT B

SOFTWARE LICENSE

(Sale and Purchase Agreement by and between McHenry County and Runbeck Election Services, LLC)

Grant and Scope of License

- A. <u>Grant of License</u>. Subject to Client's discharge of its material duties under this Agreement, to include the timely payment of any fees due hereunder, Runbeck hereby grants to Client an irrevocable, non-exclusive right and license to install, display and use the Software pursuant to the terms of the Agreement. For the avoidance of doubt, the license granted under this clause shall become revocable in the event that Client materially breaches this Agreement and Client fails to cure within the proscribed cure period.
- B. <u>Title</u>. Runbeck shall at all times retain title to the Software provided by it hereunder and Runbeck does not convey any proprietary interest therein to Client.
- C. <u>Updates</u>. For payment of the required fees by the Client as set forth herein and, in the Agreement, Runbeck shall provide to Client updates of any Software licensed hereunder at no additional charge and continue to maintain the Software in accordance with the requirements of the attached Agreement as long as Client continues to pay annual license and support services fees with respect to such Software.
- D. <u>Breach</u>. In the event Client commits a material breach of its obligations under this Agreement, to expressly include failure to timely pay any fees due hereunder, and Client fails to cure the breach within sixty (60) days after receiving notice thereof, Runbeck may terminate this Agreement, and the license hereunder, immediately upon delivery of written notice to Client.

Annual License and Support Fee

- A. <u>Fees.</u> Runbeck will invoice Client for the annual License and Support Fee ("Fee"), set forth in Exhibit "D" to the Agreement. The annual License and Support Fee and all payments of this Fee shall be made annually on each successive anniversary term of the Agreement, for as long as Client continues to use referenced Software. The license for the Software entitles Client to the warranties set forth in the "Warranties" section below but does not otherwise entitle Client to receive maintenance and support or updates to the Software. The annual License and Support Fee is subject to an annual adjustment of three percent (3%).
- B. <u>Invoices</u>. Runbeck's invoices will conform to the format requirements of the Client. Client will pay Runbeck's valid invoices within thirty (30) days after receipt.

Delivery, Installation and Acceptance

- A. <u>Estimated Shipping</u>. Runbeck agrees to ship the Software to the location, and on or about the Estimated Shipping date, set forth in Exhibit "D".
- B. <u>Installation</u>. Runbeck agrees to install the Software ready for use and in good working order and render said Software Functional as a part of the fully Functional System at the applicable location as soon as practicable after delivery, but in no event more than ten (10) days after delivery.
- C. <u>Acceptance</u>. Acceptance Testing and Acceptance of the Software as a part of the System shall be in accordance with the provisions of the attached Agreement.

Training

If Client's personnel require training in order to properly use the Software and System, Runbeck will provide such training for all users designated by Client, at a time agreed to by the Parties. All initial training by Runbeck in the proper use of the Software and System shall be at no additional charge unless a fee for such training is otherwise agreed upon and funds appropriated and certified as available for such purposes by the Client in accordance with the Agreement.

Maintenance of Software; Term and Termination

- A. Maintenance Services. During the term of this Agreement and subject to payment of any required fees by the Client, Runbeck agrees to provide maintenance and support services for the Software ("Maintenance Services").
- B. Software Updates, Runbeck shall provide updates to the Software as they become available. Installation of Software updates will include testing and validation of the updated Software. Runbeck will provide the Client with a toll-free support hotline number that may be used to obtain assistance with the Software during the term of this Agreement, subject to payment of any required fees.
- C. Term and Termination. This Agreement shall be effective as of the date of execution by the Parties and shall expire upon termination of the Agreement, unless mutually terminated earlier. The parties have the right to terminate this Agreement in accordance with Section 9, ("Appropriations") of the Agreement.

Warranties

- A. In addition to any warranties which may be contained in the Agreement, Runbeck provides the following warranties:
 - i. Non-Infringement. Runbeck warrants that Runbeck owns the Software, including all associated rights, and has the right to grant Client the licenses provided pursuant to this Agreement, free from all liens, claims, encumbrances, security interests and other restrictions. Runbeck warrants that the Software does not, and use of the Software will not; infringe any valid patents, copyrights, trademarks, trade secrets, or other proprietary rights of any third parties.
 - ii. Correction of Defects. In the event of discovery of any material defect in the Software, Client agrees to provide Runbeck with sufficient detail to allow Runbeck to verify and reproduce the error, and Runbeck shall use reasonable diligence to correct such defect. Runbeck shall use its reasonable efforts to promptly respond and thereafter to diagnose and correct the material defect. Runbeck is not responsible for any error in the Software that has been modified by Client without Runbeck's prior written consent. Client's sole remedy in the event of a breach of this warranty is to require that Runbeck correct any material defects.
 - iii. Performance of Services. Runbeck represents and warrants that all services provided by Runbeck to Client will be performed in a timely, competent, and skillful manner. Runbeck further represents and warrants that it has a sufficient number of competent, qualified employees to provide the Services to support the Software.
 - iv. Runbeck Disclaimer of All Other Warranties. Except as otherwise expressly stated in the Agreement, Runbeck makes no representations or warranties concerning the Software. THE FOREGOING WARRANTIES ARE IN LIEU OF, AND RUNBECK HEREBY EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

EXHIBIT C

EQUIPMENT MAINTENANCE AND SUPPORT SERVICES

Upon payment of the required fees by Client, Runbeck shall provide Equipment maintenance and support services as set forth in this Exhibit "C".

Annual License and Support Fee

Runbeck will invoice Client for the annual License and Support Fee ("Fee"), as set forth in Exhibit "D" to the Agreement. The Fee is subject to an annual adjustment of three percent (3%). The Annual License and Support Fee and all subsequent payments of this Fee shall be made on each successive anniversary term of this Agreement.

Equipment Maintenance Services

For payment of the Fee, Runbeck shall perform preventative maintenance on Equipment once each year. The Fee is subject to an annual adjustment of three percent (3%). The maintenance will be performed on a date and time that is mutually acceptable to the Parties. The maintenance performed shall be Pre-election or Post-election Maintenance as described below:

- A. Pre-election Preventative Maintenance
 - i. Cleaning and inspection of the Equipment
 - ii. Replacement of any worn parts that need to be replaced*
 - iii. Correct any hardware or software issues
 - iv. Post maintenance testing
- B. Post-election Preventative Maintenance
 - i. Cleaning and inspection of the Equipment
 - ii. Replacement of any worn parts that need to be replaced*
 - iii. Assisting the Client with the extracting of election data and archiving such data. Archive media will be provided by the Client
 - iv. All systems will be properly shut down and power will be removed
- * The Client is solely responsible for paying the cost (including the shipping costs and any applicable taxes) of any replacement parts and consumables that are needed for the Equipment.

Consumables

The Client acknowledges that the Equipment includes consumable items that require replacement. The consumables include, but are not limited to, such things as belts, rollers and tray tags. Client shall be solely responsible for the cost (including the shipping costs and any applicable taxes) to purchase all consumables that are needed for the Equipment. The Client is responsible for installation of the consumables.

Additional Remote Support

Runbeck will provide the Client with a toll-free telephone number that it may use for assistance in addressing any Equipment issues that may arise or for general questions related to the use of the Equipment.

EXHIBIT D EQUIPMENT

LIST AND PRICES

County is in current possession of Agilis Election Mail Sorting and Processing System including:

- Agilis Sorting System
- Stackers
- Label printer
- Auto Thickness Detect
- Agilis Sorting Software
- Automatic Opener

INVOICE SCHEDULE

Invoice To: McHenry County

2200 N Seminary Ave Woodstock, IL 60098 Attention: Joseph Tirio County Clerk and Recorder

Contract Period 08/01/2024 – 07/31/2029

FOR INVOICING PURPOSES:

License Fees, Maintenance and Support Type of Service	Year 1 (2024-2025)	Year 2 (2025-2026)	Year 3 (2026-2027)	Year 4 (2027-2028)	Year 5 (2028-2029)
Agilis Annual License and Support Fee*	\$35,000.00	\$36,050.00	\$37,131.50	\$38,245.45	\$39,392.81
Total	\$35,000.00	\$36,050.00	\$37,131.50	\$38,245.45	\$39,392.81

NOTES

Any applicable taxes are the sole responsibility of the Client

^{*}Subject to an annual fee adjustment of three percent (3%), per Exhibit B and Exhibit C.