

SERVICE ORDER

This Service Order and the attached Terms and Conditions (collectively, this "Agreement"), entered into as of the last date listed across from the signatures to this Agreement, set forth the understanding of the nature and scope of the services that HOV Services, Inc. ("Company"), will provide to Customer (as defined below) and for which Customer will pay Company.

CUSTOMER INFORMATION

Customer Name ("Customer") County of McHenry
Address: McHenry County Administration Building, 2200 N. Seminary Ave. Room 200
Contact: Mr. Donald A. Gray
Phone: 815-344-4818 Fax: 815-344-4680 E-mail:

SCOPE OF WORK

Company will provide the following Services commencing on October 15, 2014 (the "Commencement Date") and ending 12 months from this signed agreement or either upon completion of the Services for the number of images described below or if earlier, as provided in Section 6 of the Terms and Conditions.

Company will provide microfilming services. The Customer has an estimated three million scanned images (pages) in their document management system that needs to be transferred to microfilm. Microfilming must comply with the technical standards contained in Sections 4400.50 and 4400.60 of the Rules of the State Records Commission (44 Illinois Administrative code, Subtitle C, Ch. IV, Sec. 4400.50-4400.60. Company will deliver the .TIFF images via portable hard drive for processing.

Requirements:

1. Must use bi-tonal group 4 Tiff format image.
2. Customer will deliver images via hard drive. Images will be loaded onto Company's servers for processing. All images must be deleted from Company's servers after project completion.
3. Reduction used will be 40x duplex, 215' film.
4. One master Digital Archive Writer ("DAW") Roll will be created. All roles will be full rolls.
5. All silver rolls will be returned in film cartons.
6. Images will be cut using two level blipping in coordination with the foldering or index information provided. Company will rotate images properly to fit onto the film for CINI orientation for all regular sized documents.
7. All film will be reviewed for accuracy by the Company's lab technician using an eye loop checking 5 spots on each roll of film. Each roll will be verified that the starting number and ending number match what was sent for cutting on the roll of microfilm.
8. All silver duplicate microfilm (will be stored by the Customer) will be brown toned.
9. The film will be free of splicing.

FEES

Customer agrees to pay for the Services Rendered in accordance with corresponding Price Schedule below :

Cost per Image is \$0.011; Estimated images 3,000,000 over the next 12 months.
Estimated Cost to take images to original roll of film \$33,000.00

Cost per Duplicate \$32.77 per roll; Estimated 240 rolls (12,500 per roll)
Estimated Cost of Duplicates \$7,864.80

Customer will pay for all shipping costs, hard drives and shipping rolls of film to the Customer.
One time set up and testing Fee \$350.00

Minimum billing for each set of images sent at a time is \$5,000.00

Customer acknowledges that failure to pay such fees may result in termination of the Services and/or the exercise by Company of such other remedies as may be available to it. Company will deliver an invoice to Customer approximately monthly (or more frequently at Company's discretion) for Services and other charges incurred. Payment of such invoice(s) is due upon receipt. If Customer fails to pay all amounts due within thirty (30) days of the invoice date, Company may, at its option and sole discretion and in addition to any other remedies it may have at law or in equity, assess a late fee, in an amount equal to the lesser of 1.5% per month or the maximum rate permitted by law on the delinquent amount. If Customer objects to any charges on an invoice, the undisputed charges contained in the invoice shall be approved by Customer for payment. Customer shall promptly notify Company of the disputed charges on the invoice, and Company and Customer will work together to expeditiously resolve the disputed charges. In addition to the charges payable hereunder, Customer will be responsible for payment of all state and local sales and use taxes, if any, levied upon the charges payable by Customer hereunder.

This Agreement embodies the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, whether written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

**Accepted: HOV Services, Inc.
615 Freeport Parkway, Coppell, TX 75019**

By: _____ /_____/_____
_____, _____ Date

Accepted: For the County of McHenry

By: _____ /_____/_____
Date

TERMS AND CONDITIONS

The Services (defined on the attached Services Order) will be provided by [SOURCECORP BPS Inc.] or [HOV Services, Inc.] ("Company") to Customer (as defined in the attached Service Order) subject to the following Terms and Conditions (these Terms and Conditions, together with the attached Service Order, is referred to herein as this "Agreement"):

1. **Services.** Company will provide to Customer the Services and Customer shall pay Company for such Services in accordance with the Service Order. Customer agrees to review Company's work product for errors, and agrees to notify Company promptly, and in any event within thirty (30) days after the affected work becomes available for review by Customer, if errors have occurred.

2. **Confidentiality.** (a) Company agrees to implement and maintain reasonable and appropriate security measures and safeguards designed to (i) protect the security and confidentiality of Customer data identified as confidential and provided to Company by Customer ("Customer's Confidential Data"), and (ii) prevent access to, use or disclosure of Customer's Confidential Data to persons other than those officers, employees and agents of Company to whom such access, use and disclosure is necessary or appropriate to the performance of Company's obligations and except as required by law or consented to in writing by Customer.

(b) Should Company ever be required by law or regulation to disclose or provide access to Customer's Confidential Data to a third party, Company will promptly notify Customer both orally and in writing, unless prohibited from doing so by applicable law. Customer shall have the option to (i) provide attorneys at Customer's expense to seek to avoid such disclosure or access or (ii) advance and reimburse Company for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such disclosure or access and not paid by the entity seeking the data. If notwithstanding Customer's efforts contemplated by the prior sentence, Company is nonetheless required by law or regulation to disclose or provide access to Customer's Confidential Data to a third party, Company will not be liable as a result of any such production, disclosure or action.

3. **Rights in Data.** Company does not convey nor does Customer obtain any rights in the programs, system data, materials, or storage or other media utilized or provided by Company in the ordinary course of business in the performance of this Agreement, except that the following shall be the property of Customer: all files, data, and other input materials provided by Customer and any output materials physically delivered to Customer that are developed solely for Customer and paid for by Customer in connection with the performance of the Services, whether or not confidential or proprietary.

4. **Warranty Disclaimer.** Neither Company nor any person acting on Company's behalf has made or makes any statement, affirmation, representation or warranty to Customer, express or implied, as to the nature, extent, quality, condition, accuracy, completeness, reliability or suitability of Company's Services. In the event of any material deficiencies in the Services, Company shall, at its option (a) redo the work affected by the error or omission, without further charge to Customer; or (b) refund to Customer the charges paid to Company for the work affected by the error or omission. COMPANY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS, STATUTORY OR IMPLIED BY LAW, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. **Limitation of Liability.** **Company's total liability to Customer or any third party for any claims, losses or damages, whether under theories of contract, negligence or other tort, statutory duty or other theories (a) shall not exceed in the aggregate the total charges to Customer for the specific work affected by the error or omission and (b) in no case will Company be liable (i) for any incidental, special, indirect, consequential, punitive or exemplary damages of any kind or for any lost profits, lost opportunities, business interruption or (ii) for any liability incurred by Customer to any third party.**

6. **Termination.** These Terms and Conditions shall survive any termination of this Agreement. Until Company completes the Services, the Services may only be terminated as follows: (a) by Customer effective following the expiration of at least 30 calendar days' prior written notice to Company; or (b) by Company, (i) effective following the expiration of at least 30 calendar days' prior written notice to Customer, or (ii) if Customer is not then current in payment of fees, effective following the expiration of 10 calendar days' prior written notice to Customer. Termination of the Services shall not terminate, discharge, affect or impair the rights of Company or obligations of Customer under this Agreement as of the effective date of termination or as to any matter other than termination of Services. Customer shall pay all outstanding invoices prior to Customer's providing any notice of termination of Services to Company. Company will continue to provide the Services during the period after notice of termination and prior to the effective date of termination and Customer shall pay for all such Services.

7. **Notice.** Any notice required or permitted hereunder shall be in writing and shall be delivered personally or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of Company or Customer, as applicable, at the address set forth in the Service Order (or such other address subsequently provided for such notice) and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

8. **Force Majeure.** To the extent performance by Company of any of its obligations hereunder is substantially prevented by reason of any act of God, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law regulation or ordinance, war or war conditions, act of terrorists or by reason of any other matter beyond Company's reasonable control, then such performance shall be excused and this Agreement, at Company's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

9. **Validity of Provisions, Severability.** If any provision of this Agreement is or becomes or is deemed invalid, illegal, or unenforceable in any jurisdiction, (a) such provision will be deemed amended to conform to applicable laws of such jurisdiction so as to be valid and enforceable or, if it cannot be so amended without materially altering the intention of the parties, it will be stricken, (b) the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction, and (c) the remainder of this Agreement will remain in full force and effect. Section headings are for reference only and shall not impact the meaning of this Agreement.

10. **Nonwaiver of Rights.** No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing. No waiver of any such right will be deemed a waiver of any other right hereunder.

11. **Jurisdiction, Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas, without regard to its conflict of laws principles and the parties hereto (a) agree that any legal action or proceeding arising under this engagement letter shall be brought in the State or Federal Court in Dallas, County, Texas, (b) irrevocably submit to the jurisdiction of such Court, (c) agree not to assert any claim or defense that they are not subject to the jurisdiction of such Court, that any such forum is not convenient or the venue thereof is improper, or that this Agreement or the subject matter hereof may not be enforced in such Court, (d) agree to accept service of process by certified or registered mail or by any other method authorized by law; and (e) the prevailing party in any legal action brought by one party against the other and arising out of this Agreement shall be entitled to seek, in addition to any other rights and remedies it may have, reimbursement for its expenses incurred in connection therewith, including court costs and reasonable attorneys' fees.