

## CLARK COUNTY STAFF REPORT

**DEPARTMENT:** Clark County Treasurer's Office

**DATE:** February 8, 2018

**REQUESTED ACTION:**

The Treasurer's Office requests that the County Council authorize the Treasurer's Office to terminate all active agreements with WASUA Financial Systems.

Consent     Hearing     County Manager

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**BACKGROUND**

In November 1998, Clark Public Utilities (CPU) and Clark County entered into an intergovernmental agreement to establish the Joint Payment Processing Center, also called the "Remittance Center". The Clark County Treasurer's Office was designated to administer the agreement on the County side.

In response to budget processes and ongoing efforts to improve service and security, the Clark County Treasurer's Office and CPU jointly performed an in-depth analysis on the Remittance Center operation. As a result of this work, it was determined that the Remittance Processing Center no longer provided a financial benefit to the County. On February 21, 2017 the County Council approved Resolution No. 2017-02-14 to amend and dissolve the Intergovernmental Agreement between Clark Public Utilities and Clark County, as well as all respective client agreements.

As of February 1, 2017, the Treasurer's Office and all previous Remittance Center clients have been successfully transitioned to new payment processing solutions. One of the final actions remaining - to completely dissolve the partnership - is termination of all vendor contract agreements. Currently, CPU is working to terminate agreements where they are the primary signatory.

As for the County's contracts the Treasurer's Office is requesting approval to terminate all active agreements with WAUSUA Financial Systems, Inc. relating to the Clark County Remittance Processing Center, including, but not limited to, the Master Agreement (TR99-43), Equipment Maintenance Agreement (TR99-43) , and Software Support Agreement (TR99-43). The Treasurer's Office will coordinate with CPU to determine the exact date of termination. CPU is still working to move to another processing solution and requires the use of the WAUSUA software until their transition is complete. CPU has agreed to cover all WAUSUA related expenses as of March 1, 2018.

The Treasurer's Office would also like to take this opportunity to make the Council aware of the plans to dispose of the jointly owned Remittance Center processing equipment. This update is in follow up to the February 2017 staff report. In coordination with the Clark County purchasing office, two items have been identified for surplus and are fully depreciated and beyond their useful life. Wholly owned by Clark County the first item is an OPEX Mail Extraction Machine and will be auctioned online through Gov Deals. The second item is an OPEX 7.5 with IEM and iTran 8000. This item is jointly owned by the Clark County Treasurer's Office and Clark Public Utilities. Clark Public Utilities will auction this item and split the proceeds with Clark County.

**COUNCIL POLICY IMPLICATIONS**

None

**ADMINISTRATIVE POLICY IMPLICATIONS**

None

**COMMUNITY OUTREACH**

None.

**BUDGET IMPLICATIONS**

YES	NO	
X		Action falls within existing budget capacity.
		Action falls within existing budget capacity but requires a change of purpose within existing appropriation.
		Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

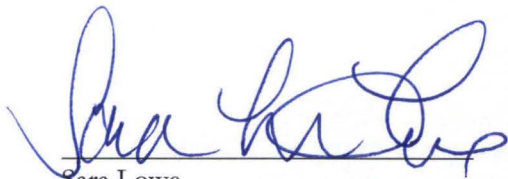
**BUDGET DETAILS**

Local Fund Dollar Amount	
Grant Fund Dollar Amount	
Account	
Company Name	

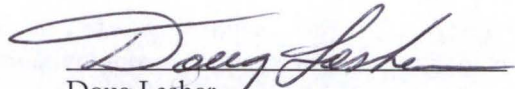
**DISTRIBUTION:**

Board staff will post all staff reports to The Grid. <http://www.clark.wa.gov/thegrid/>

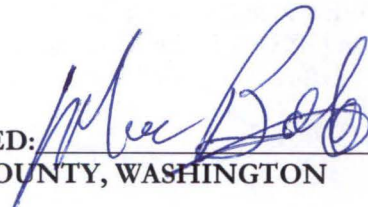
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Sara Lowe  
Deputy Treasurer



Doug Lasher  
Clark County Treasurer

APPROVED:   
CLARK COUNTY, WASHINGTON

COUNTY COUNCIL

DATE: 2-20-18

SR# 46-18



APPROVED: \_\_\_\_\_  
Jim Rumpeltes, Interim County Manager

DATE: \_\_\_\_\_

## BUDGET IMPACT ATTACHMENT

### Part I: Narrative Explanation

I. The sale of Remittance Center equipment will generate unbudgeted revenues; however, amounts are unknown at this time. No budget action is required to accept the additional revenues related to the sale of the equipment.

### Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
<b>Total</b>						

II. A – Describe the type of revenue (grant, fees, etc.)

### Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
<b>Total</b>							

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers						
Debt Service						
<b>Total</b>						





**CLARK COUNTY WASHINGTON**

[www.clark.wa.gov/treasurer](http://www.clark.wa.gov/treasurer)

**TREASURER** Doug Lasher  
*You can count on us. Since 1850.*

1300 Franklin Street, 2nd floor  
PO Box 5000  
Vancouver, WA 98666-5000  
564.397.2252

February 21, 2018

WAUSUA  
9 Indianhead Drive  
P.O. Box 37  
Mosinee, WI 5445-0037

Re: Notice of Termination of Service and Agreements

To whom it may concern:

This letter is to notify you that Clark County has elected to terminate all of its active agreements with WAUSUA Financial Systems, Inc. relating to the Joint Payment Processing Center, including, but not limited to, the Master Agreement (TR99-43), Equipment Maintenance Agreement (TR99-43), and Software Support Agreement (TR99-43). I have enclosed copies of these agreements for your reference. The termination will become effective XXX XX, 2018.

Please forward any outstanding invoices using the existing invoicing process.

Our relationship has spanned several decades and we appreciate your dedication to service throughout this time.

Please notify me that you have received this communication and confirm your understanding that the agreements will terminate on XXX XX, 2018. Additionally, if you have any questions or need any further information about our discontinuation of services; please contact me at 360.397.2255 extension 3 or [sara.lowe@clark.wa.gov](mailto:sara.lowe@clark.wa.gov).

Regards,

Sara M. Lowe  
Deputy Treasurer  
360.397.2255 ext. 3



For other formats, contact  
the Clark County ADA Office

**Voice** 360.397.2322  
**Fax** 360.397.6165

**Relay** 711 or 800.833.6388  
**Email** [ADA@clark.wa.gov](mailto:ADA@clark.wa.gov)



Customer: Clark County, Washington  
Address: 1200 Franklin St. PO Box 5000  
Vancouver, WA 98666-5000

Master Agreement No: \_\_\_\_\_  
(If applicable)

Effective Date: \_\_\_\_\_

Contact Person: Michelle Denman  
Telephone No: (360) 397-2255

Fax No: (360) 397-6042  
E-mail Address: mdenman@co.clark.wa.us

Customer hereby contracts for, and Wausau Financial Systems, Inc. ("WFS") agrees to furnish the Software support services specified herein pursuant to the terms and conditions of this Software Support Agreement ("Agreement"):

1. **WFS OBLIGATIONS.**

A. **Basic Service.** While this Agreement is in effect, WFS will provide Customer with support services to maintain the software identified in Schedule A, which is provided annually to Customer by WFS and the contents of which are incorporated herein, at the location(s) identified in Schedule A. Basic software support services consists of the following:

- (i) WFS will have qualified software service personnel available to provide software support services during the time periods identified in Schedule A, exclusive of legal holidays observed by WFS. Software support services will be provided over the telephone.
- (ii) WFS will provide Customer with continuing software operational guidance, technical assistance in error correction and recovery from operations problems, updates to operator manual and check lists when changes have been implemented, technical assistance and support from authorized WFS field technicians, general telephone assistance and follow-up telephone assistance for all software releases.
- (iii) Periodically, in accordance with the terms of the Master Agreement, updates, new releases and enhancements to the software will be made available. Customer is required to implement such releases, updates and/or enhancements, or WFS will have no obligation to provide support services to Customer under the terms of this Agreement. Updates, releases and/or enhancements will be made available to Customer at WFS' then current upgrade and installation charges.

B. **Extended Service.** If Customer selects an extended coverage option, WFS will provide support services during the hours identified in Schedule A, including legal holidays, in consideration of the applicable fee.

C. **Special Service.** The following services are considered special services, and are not covered by the fee paid under this Agreement. Special services are billed on an hourly basis as set forth in Section 7 below.

- 1) Any software maintenance services required by Customer during hours other than those contracted for, as set forth in the coverage options;
- 2) Any software maintenance services necessitated by Customer's failure to comply with the Customer Obligations as set forth in Section 2, below;
- 3) Any software maintenance services resulting from the occurrences identified in Section 3 below, including, without limitation, the costs of recreating or reacquiring data lost as a result of any said occurrences;
- 4) The cost of implementing various enhancements to Customer's existing software modules if such cost is warranted as determined in WFS' sole discretion;
- 5) The cost of acquiring and implementing updates to Customer's operating system;
- 6) The cost of providing network support for any software or equipment that is outside of WFS' system network. Providing support services relating to network configuration changes or failures of networking hardware and/or software not directly related to the WFS system network.
- 7) Any Software services required to assist equipment or software vendors; other than WFS or a WFS approved vendor, who is providing support assistance, equipment or software updates and enhancements, interfaces, peripheral equipment, or any other services which will directly or indirectly impact the operation of your system.

2. **CUSTOMER OBLIGATIONS.** Customer shall make no modifications or additions to the software without the prior written consent of WFS. At the time WFS technicians provide software support services hereunder, Customer shall provide: all current programs; free, clear and unobstructed access to the equipment on which the software operates; working space within reasonable distance of the equipment on which the software operates; and sufficient personnel to man the equipment and assist the WFS representatives while the service is being provided. In addition, Customer shall perform routine functions with respect to the software, as directed from time to time by WFS, including backup of the system. Customer is responsible for operating and testing all software releases to ensure they operate properly.

3. **LIMITATION OF BASIC SERVICE.** WFS and its agents and representatives shall not be liable for, and basic service shall not include, any labor parts or materials necessary to repair Customer's software caused by: fire, acts of God, forces of nature, war, strikes, civil disturbance, abuse, Customer negligence, power line fluctuations, conductive materials or water entering the software, acts of persons not authorized to service the software or other catastrophes. Basic service also does not include consumable materials.

4. **LIMITS OF LIABILITY.** Customer and WFS agree that neither Customer nor WFS shall be responsible for consequential damages of any kind incurred by either party or others resulting from services provided or not provided under this Agreement (even if WFS has been advised of the possibility of such damages in advance), including, without limitation, delays in the use of the software during servicing, overtime expense or personnel cost, lost investment revenue, lost business opportunities or lost profits.

5. **TERM.**

A. **Term.** The Initial Term of this Agreement shall be 12 calendar months, commencing on the Effective Date.

B. **Automatic Renewal.** At the end of the Initial Term, this Agreement shall be deemed to be automatically renewed for successive one (1) year terms ("Renewal Terms") until terminated as provided below.



- C. **Renewal Fee.** WFS may increase or decrease the fee for services at the beginning of any Renewal Term, and Customer agrees to pay such increased or decreased fee until the effective date of termination of this Agreement. If the fee is paid other than annually, WFS may increase or decrease the fee during the Initial or Renewal Term, and Customer agrees to pay such increased or decreased fee until the effective date of termination of this Agreement.
6. **TERMINATION.** Either party shall have the right to terminate this Agreement by delivering notice of cancellation to the other party personally or by certified mail, return receipt requested. The cancellation shall be effective thirty (30) days after the other party receives notice of cancellation. If Customer cancels during the Initial Term of this Agreement, Customer shall be liable for the fee then in effect up to the effective date of termination, plus all delinquent payments of the fee that Customer may owe plus a penalty equal to fifteen percent (15%) of the fee that would have been owed for the balance of the Initial Term. If Customer cancels this Agreement during any renewal term, Customer shall be liable for the fee then in effect up to the date of termination plus all delinquent payments of the fee that Customer may owe, but no penalty shall be assessed.
7. **PAYMENT TERMS.** Customer agrees to pay the annual fee set forth in Schedule A for the software support services provided under this Agreement. The annual fee set forth in Schedule A for the Initial Term will be prorated to commence on the date of live implementation of the software, as defined in the Master Agreement. WFS will provide Customer with an annual invoice for fees due, approximately thirty (30) days prior to the Effective Date or any renewal date of this Agreement. Customer understands and agrees that all invoices are due and payable by Customer upon receipt of invoice from WFS. Customer shall be responsible for all taxes that may be imposed as a result of this Agreement including, without limitation, sales tax, use tax, personal property tax and other applicable taxes. All special services will be billed to customer based on an hourly rate. The hourly rate will be WFS' then current hourly rate, and there will be a minimum charge of one (1) hour of service.
8. **MODIFICATION.** This Agreement, including the Proposal and any Order(s), may not be modified except by a written instrument signed by authorized representatives of both WFS and Customer.
9. **BINDING.** Subject to the provisions of Section 12, all covenants, representations, warranties and agreements of the parties contained in this Agreement shall be binding on and inure to the benefit of the parties' respective heirs, executors, administrators, personal representatives, successors, assigns and permitted designees.
10. **ENTIRE AGREEMENT.** This Software Support Agreement constitutes the entire agreement and contains all of the representations of the parties with respect to the matters contained in this Agreement.
11. **WAIVER.** No term or provision of this Agreement will be deemed waived and no breach excused, unless the waiver is in writing and signed by the party granting such waiver. Any consent by either party to, or waiver of, a breach by the other party, will not constitute consent to or waiver of any other different or subsequent breach.
12. **ASSIGNMENT.** Neither party will assign or otherwise transfer its rights, interest or obligations under this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld.
13. **INTERPRETATION.** The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Wisconsin.
14. **ENFORCEABILITY.** If any provision of this Agreement should be held invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement will not be affected thereby.
15. **ARBITRATION.** In the event that a dispute arises between the parties in connection with this Agreement, the parties agree to submit the dispute to binding arbitration in accordance with the current rules of the American Arbitration Association. All arbitration proceedings shall be held at a mutually agreeable location. The parties agree that all decisions reached through arbitration will be final and binding upon both parties. The cost of any arbitration will be borne equally by the parties.
16. **NOTICES.** Any notices required under this Agreement will be delivered to the parties by certified mail, return receipt requested, at the address set forth above for Customer and to WFS at 9 Indianhead Drive, P.O. Box 37, Mosinee, WI 54455-0037.
17. **MISCELLANEOUS.** The parties acknowledge that they have read the Agreement, understand it and agree to be bound by its terms, and further agree that this Agreement is the complete and exclusive statement of the agreement between the parties with respect to the subject matter contained herein. Each party has the power and authority to enter into this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized by their respective party to bind the party to the terms and conditions of this Agreement.

Customer:

Accepted:

Wausau Financial Systems, Inc.

By: Judie Stanton  
 Name: Judie Stanton  
 Title: Chair  
 Date: 4-27-99

By: [Signature]  
 Name: [Signature]  
 Title: [Signature]  
 Date: 5/10/99

Approved as to form:

[Signature]  
 John Eldridge, Legal Counsel

Approved as to Form  
[Signature]  
 DPA



**WAUSAU FINANCIAL SYSTEMS, INC.  
ADDENDUM TO SOFTWARE SUPPORT AGREEMENT**

Customer: Clark County Agreement No: \_\_\_\_\_

This Addendum is entered into between Customer and Wausau Financial Systems, Inc. ("WFS") and modifies the Software Support Agreement referred to above. Customer and WFS agree as follows:

- A. **Terms.** Terms defined in the Software Support Agreement shall have the same meaning in this Addendum, unless otherwise stated below.
- B. **Ratification.** Except as modified by this Addendum, the parties ratify and affirm all terms of the Software Support Agreement.
- C. **Modifications.** The Software Support Agreement is modified as follows:

- 1. In Section 5, TERM, subsection C, Renewal Fee, is the following provision is hereby inserted at the end of the paragraph

Notwithstanding the foregoing, the annual fees for the first six (6) years of this Agreement for the Software specified in the order dated \_\_\_\_\_ will be as follows: The first year Software Support cost which is included in the total contract price is \$24,000. The five (5) year Software Support contract summary is:

Year 2	Year 3	Year 4	Year 5	Year 6
\$24,000	\$25,900	\$27,400	\$28,500	\$29,700

- 2. Section 13, INTERPRETATION, is hereby deleted and replaced with the following:

The laws of the state of Washington shall govern the interpretation and enforcement of this Agreement.

- 3. In Section 15, ARBITRATION, the second sentence is hereby deleted and replaced with the following:

All arbitration proceedings shall be held at an agreeable location in the state of Washington.

CLARK COUNTY

ACCEPTED:  
WAUSAU FINANCIAL SYSTEMS, INC.

By: Judie Stanton

By: \_\_\_\_\_

Name: Judie Stanton

Name: \_\_\_\_\_

Title: Chair

Title: \_\_\_\_\_

Date: 4-27-99

Date: \_\_\_\_\_

SUBMITTED:  
SALES REPRESENTATIVE

By: Mark Pitman

Name: Mark Pitman

Title: VP Sales

Date: 5/10/99

Approved as to form:

John Eldridge  
John Eldridge, Legal Counsel

Approved as to Form

EBR  
DPA



WAUSAU FINANCIAL SYSTEMS, INC.  
EQUIPMENT MAINTENANCE AGREEMENT TR99-43

Customer: Clark County, Washington 1003 Master Agreement No: \_\_\_\_\_  
(If applicable)  
Address: 1200 Franklin Street, PO Box 5000  
Vancouver, WA 98666-5000 Effective Date: \_\_\_\_\_  
Contact Person: Michelle Denman  
Telephone No: (360) 397-2255  
Fax No: (360) 397-6042  
E-mail Address: mdenman@co.clark.wa.us

Customer hereby contracts for, and Wausau Financial Systems, Inc. ("WFS") agrees to furnish, the equipment maintenance services specified herein pursuant to the terms and conditions of this Equipment Maintenance Agreement ("Agreement").

1. WFS OBLIGATIONS.

- A. Basic Service. While this Agreement is in effect, WFS will provide Customer with maintenance services to maintain the equipment identified on Schedule A, which is provided annually to Customer by WFS and the contents of which are incorporated herein, at the location(s) identified on Schedule A, in working order, including providing parts and labor. Equipment maintenance services will be provided by qualified equipment service personnel during the time periods identified in Schedule A, exclusive of legal holidays observed by WFS. Equipment maintenance services may be provided at the Customer's place of business, over the telephone or at authorized offices of WFS.
- B. Extended Service. If Customer selects an extended coverage option, WFS will provide maintenance services during the hours identified in Schedule A in consideration of the applicable fee.
- C. Special Services. The following services are considered Special Services and are not covered by the fee paid under this Agreement.
  - (i) Any equipment maintenance services, materials or parts required by Customer during hours other than those included in the service option selected by Customer;
  - (ii) Any equipment maintenance services, materials or parts needed as a result of Customer's failure to comply with Customer's obligations set forth in Section 2 below; and
  - (iii) Any equipment maintenance services, materials or parts required by Customer resulting from any occurrence identified in Section 3 below, including, without limitation, the costs of recreating or reacquiring data lost as a result of any such occurrence.

Special Services can be provided by WFS under an addendum to this Agreement or on a time and materials basis. All charges for Special Service shall be payable by Customer upon receipt of invoice from WFS.

2. CUSTOMER OBLIGATIONS. Customer shall make no modifications or additions to the equipment without the prior written consent of WFS. At the time WFS technicians provide equipment maintenance services hereunder, Customer shall provide: free, clear and unobstructed access to the equipment; sufficient and proper electrical current for the operation of the equipment; adequate working space within reasonable distance of the equipment; and sufficient personnel to operate the equipment and assist the WFS representatives while the service is being provided. In addition, Customer shall perform routine maintenance on the equipment, including, without limitation, proper loading of paper and ribbons, cleaning, vacuuming or other tasks as suggested by WFS or the manufacturer of the equipment.

3. LIMITATION OF BASIC SERVICE. WFS and its agents and representatives shall not be liable for, and Basic Service shall not include, any labor parts or materials necessary to repair damage to Customer's equipment caused by: fire, acts of God, forces of nature, war, strikes, civil disturbance, abuse, Customer negligence, power line fluctuations, conductive materials or water entering the equipment, acts of persons not authorized to service the equipment or other catastrophes. Basic Service also does not include consumable materials.

4. LIMITS OF LIABILITY. Customer and WFS agree that neither Customer nor WFS shall be responsible for consequential damages of any kind incurred by either party or others resulting from services provided or not provided under this Agreement (even if WFS has been advised of the possibility of such damages in advance), including, without limitation, delays in the use of the equipment during servicing, overtime expense or personnel cost, lost investment revenue, lost business opportunities or lost profits.

5. TERM.

A. Initial Term. The Initial Term of this Agreement shall be 12 calendar months, commencing on the Effective Date.



B. **Automatic Renewal.** At the end of the Initial Term, this Agreement shall be automatically renewed for successive one (1) year terms ("Renewal Terms") until terminated as provided below.

C. **Renewal Fee.** WFS may increase or decrease the fee for services at the beginning of any Renewal Term, and Customer agrees to pay such increased or decreased fee until the effective date of termination of this Agreement.

6. **TERMINATION.** Either party shall have the right to terminate this Agreement by delivering notice of cancellation to the other party personally or by certified mail, return receipt requested. The termination shall be effective thirty (30) days after the other party receives the notice of cancellation. If Customer cancels during the Initial Term of this Agreement, Customer shall be liable for the fee then in effect up to the effective date of termination, plus all delinquent payments of the fee that Customer may owe, plus the cancellation fee set forth in Schedule A. If Customer cancels this Agreement during any Renewal Term, Customer shall be liable for the fee then in effect up to the date of termination plus all delinquent payments of the fee that Customer may owe, but no penalty shall be assessed.

7. **PAYMENT TERMS.** Customer agrees to pay the annual fee set forth in Schedule A for the equipment maintenance services provided under this Agreement. The annual fee set forth in Schedule A will be prorated to commence on the day of the expiration of any applicable equipment warranty, as set forth in the Master Agreement. WFS will provide Customer with an annual invoice for fees due, approximately thirty days prior to the Effective Date or any renewal date of this Agreement. Customer understands and agrees that all invoices are due and payable by Customer upon receipt of invoice from WFS. Customer shall be responsible for all taxes that may be imposed as a result of this Agreement including, without limitation, sales tax, use tax, personal property tax and other applicable taxes.

8. **MODIFICATION.** This Agreement, including the Proposal and any Order(s), may not be modified except by a written instrument signed by authorized representatives of both WFS and Customer.

9. **BINDING.** Subject to the provisions of Section 12, all covenants, representations, warranties and agreements of the parties contained in this Agreement shall be binding on and inure to the benefit of the parties' respective heirs, executors, administrators, personal representatives, successors, assigns and permitted designees.

10. **ENTIRE AGREEMENT.** This Equipment Maintenance Agreement constitutes the entire agreement and contains all of the representations of the parties with respect to the matters contained in this Agreement.

11. **WAIVER.** No term or provision of this Agreement will be deemed waived and no breach excused, unless the waiver is in writing and signed by the party granting such waiver. Any consent by either party to, or waiver of, a breach by the other party, will not constitute consent to or waiver of any other different or subsequent breach.

12. **ASSIGNMENT.** Neither party will assign or otherwise transfer its rights, interest or obligations under this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld.

13. **INTERPRETATION.** The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Wisconsin.

14. **ENFORCEABILITY.** If any provision of this Agreement should be held invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement will not be affected thereby.

15. **ARBITRATION.** In the event that a dispute arises between the parties in connection with this Agreement, the parties agree to submit the dispute to binding arbitration in accordance with the current rules of the American Arbitration Association. All arbitration proceedings shall be held at a mutually agreeable location. The parties agree that all decisions reached through arbitration will be final and binding upon both parties. The cost of any arbitration will be borne equally by the parties.

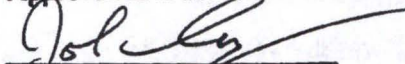
16. **NOTICES.** Any notices required under this Agreement will be delivered to the parties by certified mail, return receipt requested, at the address set forth above for Customer and to WFS at 9 Indianhead Drive, P.O. Box 37, Mosinee, WI 54455-0037.

17. **MISCELLANEOUS.** The parties acknowledge that they have read the Agreement, understand it and agree to be bound by its terms, and further agree that this Agreement is the complete and exclusive statement of the agreement between the parties with respect to the subject matter contained herein. Each party has the power and authority to enter into this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized by their respective party to bind the party to the terms and conditions of this Agreement.

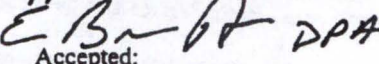
Approved as to form:

Approved as to Form

Customer:

  
John Eldridge, Legal Counsel

Accepted:

  
Wausau Financial Systems, Inc.

By:

  
Name: Judie Stanton

Title: Chair

By:

  
Name: Mark Titman

Title: VP Sales

Date: 4-27-99

Date: 5/10/99



**WAUSAU FINANCIAL SYSTEMS, INC.  
ADDENDUM TO EQUIPMENT MAINTENANCE AGREEMENT**

Customer: Clark County Agreement No: \_\_\_\_\_

This Addendum is entered into between Customer and Wausau Financial Systems, Inc. ("WFS") and modifies the Equipment Maintenance Agreement referred to above. Customer and WFS agree as follows:

- A. **Terms.** Terms defined in the Equipment Maintenance Agreement shall have the same meaning in this Addendum, unless otherwise stated below.
- B. **Ratification.** Except as modified by this Addendum, the parties ratify and affirm all terms of the Equipment Maintenance Agreement.
- C. **Modifications.** The Equipment Maintenance Agreement is modified as follows:

- 1. In Section 5, TERM, subsection C, Renewal Fee, the following provision is hereby inserted at the end of the paragraph:

Notwithstanding the foregoing, the annual fees for the first six (6) years of this Agreement for the Equipment specified in the order dated \_\_\_\_\_ will be as follows: The first year Equipment Maintenance cost which is included in the contract price will be \$13,100. The (five) 5 Year Equipment Maintenance contract summary is:

Year 2	Year 3	Year 4	Year 5	Year 6
\$14,000	\$13,700	\$17,900,	\$18,400	\$19,200.

- 2. Section 13, INTERPRETATION, is hereby deleted and replaced with the following:

The interpretation and enforcement of this Agreement shall be governed by the laws of the State of Washington.

- 3. In Section 15, ARBITRATION, the second sentence is hereby deleted and replaced with the following:

All arbitration proceedings shall be held at an agreeable location in the State of Washington.

CLARK COUNTY

By: Judie Stanton  
 Name: Judie Stanton  
 Title: Chair  
 Date: 4-27-99

Approved as to form:

John Eldridge  
 John Eldridge, Legal Counsel

Approved as to Form  
E B O R  
 DPA

SUBMITTED:  
 SALES REPRESENTATIVE

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

ACCEPTED:  
 WAUSAU FINANCIAL SYSTEMS, INC.

By: Mark T. Kelly  
 Name: Mark T. Kelly  
 Title: SVP Sales  
 Date: 5/10/99

WAUSAU FINANCIAL SYSTEMS, INC. *TR 99-43*  
MASTER AGREEMENT

Customer: Clark County, Washington Master Agreement No: \_\_\_\_\_

Address: 1200 Franklin Street: P O Box 5000  
Vancouver, WA 98666-5000 Effective Date: \_\_\_\_\_

Contact Person: Michelle Denman  
Telephone No: (360) 397-2255

Customer hereby contracts for, and Wausau Financial Systems, Inc. ("WFS") agrees to furnish, the products and/or related services specified in the Orders executed by the parties from time to time pursuant to the terms and conditions of the:

1. Master Agreement;
2. Proposal presented to Customer by WFS dated \_\_\_\_\_, 19\_\_\_\_ ("Proposal");
3. Orders; and
4. Acceptance Criteria Agreement.

Each new acquisition shall be evidenced by a separate Order, which shall reference this Master Agreement. The terms and conditions contained in this Master Agreement apply to all Orders.

This Master Agreement, including each executed Order, the Proposal and the Acceptance Criteria Agreement, shall collectively be referred to as the "Agreement."

1. **Related Companies.** WFS agrees that Customer's existing or future affiliated and subsidiary companies (including subsidiaries of affiliated companies) may acquire, by separate Master Agreement, products and services from WFS under the same terms and conditions as are then currently in effect.

2. **Payment Terms.** Payment of a twenty-five percent (25%) down payment of the total cost for each Order will be due upon submission of the Order to WFS. An additional sixty-five percent (65%) of each Order will be due upon delivery of the system to Customer's location. The remaining ten percent (10%) will be due upon agreeing that the criteria documented in the Acceptance Criteria Agreement has been satisfactorily met. Invoices for charges will be prepared in accordance with these payment terms. Customer shall be responsible for any taxes related to the purchase, use, delivery or installation of the Equipment or services provided under this Agreement, and any other amounts which may become payable by Customer pursuant to the terms of this Agreement. Such amounts shall be payable by Customer within ten (10) days of receipt of an itemized invoice from WFS. If Customer is exempt from any taxes, Customer shall provide WFS with an appropriate tax exemption certificate.

3. **Title and Risk of Loss.** After the Acceptance Criteria Agreement has been signed and final payment has been made, title to any Equipment provided pursuant to this Agreement will pass to Customer, free and clear of all liens, levies and encumbrances. Risk of loss shall pass to Customer upon delivery of Equipment to Customer's unloading facility.

4. **Confidentiality.** The parties to this Agreement will take all reasonable steps to ensure that any material or information considered by either party to be confidential, which the other party has possession or knowledge of in connection with this Agreement, will not be disclosed to others, in whole or in part, without the prior written permission of the other party. "Confidential Information" will include, but will not be limited to, trade secrets or proprietary information related to either party's past, present or future research, development and business activities or to the development or operation of any computer system or software that is subject to this Agreement, regardless of whether such information is identified as being confidential. "Confidential Information" will also include all information designated as confidential by either party. Neither party will have the obligation to maintain the confidentiality of any data or information which (i) was in the receiving party's lawful possession prior to receipt from the other party, (ii) is later lawfully obtained by the receiving party by a third party having no obligation of secrecy to the other party, (iii) is available to the public through no act or failure of the receiving party, (iv) is readily available in the public domain, or (v) is independently developed by the receiving party. The receiving party will immediately return or destroy any or all Confidential Information that has been provided to it by the other party, upon the other party's request.

5. **Cancellation of Order.** Customer may cancel any Order at any time prior to delivery of the system to Customer's location. In such event, Customer agrees to pay a twenty-five percent (25%) cancellation fee, plus all fees and expenses generated by WFS up to the cancellation date, including, but not limited to, any actual freight charges incurred by WFS. WFS shall have the right to offset cancellation fees and freight charges against any down payment amount received from Customer.



6. **Approval and Acceptance of Order by WFS.** This Agreement will not be binding upon WFS or Customer until the Order is reviewed and approved by WFS senior management (defined to be a vice-president or above), and acceptance of such Order is communicated by WFS to Customer by means of an Order Acceptance Letter.

7. **Software License.** Any Software provided by WFS pursuant to this Agreement will be licensed to Customer in accordance with the following terms:

A. **License.** WFS hereby grants Customer a non-exclusive, non-transferable license to use WFS' proprietary Software listed in each Order ("Software"), subject to Customer's compliance with the terms and conditions of this Software license and this Agreement. WFS owns or has authority to use all of the commercial rights to the Software and its related documentation, and the Software and its related documentation are trade secrets of WFS. WFS shall retain ownership, title and all other rights in the Software not expressly granted in this Agreement. Customer is licensed to use the Software at the location or locations listed in the Order ("Permitted Processing Site(s)").

No license is given to Customer to use the Software on any Equipment other than the Equipment specified in the Order, or in other equipment Orders between WFS and Customer, without prior written consent of WFS. No license is granted to Customer to use the Software at any location other than the Permitted Processing Site(s) without prior written consent of WFS.

Customer agrees not to reverse engineer or reverse compile the object codes, source codes or algorithms of the Software, or encumber the Software or transfer the Software, or any of Customer's rights therein, to any other party.

The provisions of this Agreement will also apply to any improved or modified versions of the Software supplied to Customer by WFS.

B. **Copying and Nondisclosure.** Nothing in this Agreement shall be deemed to grant Customer any proprietary rights in the computer program or any other work embodied in the Software or related materials supplied to Customer. Customer shall not copy or alter, and shall take reasonable care to ensure that others do not copy or alter, the Software or related materials in whole or in part in any media for any purpose, except that Customer may make reasonable copies of the Software for the purpose of daily backup or for off-premises storage in the event of a catastrophe. WFS does not grant a license of the Software for the commercial operation of a catastrophe backup site, however, WFS does allow Customer to utilize the Software application at a catastrophe backup site or to establish Customer's own site for Customer's own specific catastrophe backup services. To every copy (whether in whole or in part) made by Customer for the purposes stated above, Customer shall affix the same copyright or other proprietary rights notice as was originally affixed to the Software or documentation when delivered by WFS.

Customer shall safeguard the Software and its related materials with that degree of normal care commensurate with reasonable standards of industry security for the protection of trade secrets and proprietary information, so that no unauthorized use is made of them and no disclosure of any part of their contents is made to anyone other than Customer's employees, agents or consultants whose duties reasonably require such disclosure. Customer shall make all such persons fully aware of their responsibility to fulfill the obligations of Customer under this Agreement.

C. **Updates, Releases and Enhancements.** From time to time, at the discretion of WFS, updates, releases and enhancements to the Software will become available. WFS will make those updates, releases and enhancements available to Customer at no charge, if Customer has a WFS Software Support Agreement in place. WFS may charge for setup, testing, staging, training or media, if applicable. Customer shall be responsible for the cost of obtaining any third party produced software or hardware required to operate such updates, releases and enhancements.

D. **Regulatory Changes.** From time to time regulatory agencies dictate changes which require modification or new releases to the Software. WFS agrees to provide such regulatory changes to Customer in a timely manner provided:

- (i) WFS is notified of such changes in writing by Customer, affording enough lead time to create, test and release such changes to Customer;
- (ii) Customer has a Software Support Agreement in effect with WFS;
- (iii) Customer has kept current with other updates and releases recommended by WFS; and
- (iv) Customer agrees to pay for such changes, if charges are applicable.

E. **Relicense and Transfer.** Customer shall have the right to relicense and transfer the Software to another Central Processing Unit ("CPU") without paying an additional Software License Fee as long as the following conditions are met:

- (i) Customer maintains and is current in its Software Support Agreement with WFS;
- (ii) Customer keeps current with available updates, releases and enhancements;
- (iii) Customer obtains the CPU from WFS; and
- (iv) Customer removes the Software from the previous CPU.

F. **Termination after Implementation.** The Software license granted to Customer by WFS shall be automatically terminated if Customer elects to exercise any of its cancellation options as described in this Agreement or the Total System Guarantee set forth in the WFS Proposal.

8. **Software Implementation.** Any Software implementation and education services provided by WFS pursuant to this Agreement will be provided to Customer in accordance with the following terms:

A. **Pre-Installation, Testing and Pre-Staging.** Prior to Customer's conversion to the Software, the following steps will occur:

- (i) **WFS pre-installation meeting.** A pre-installation meeting will be conducted at WFS between all appropriate WFS departments to determine the total scope of the planned installation. During the pre-installation meeting, the installation date or dates will be set and any special requirements will be defined.
- (ii) **On-site pre-installation meeting.** A pre-installation meeting will occur at Customer's location(s). At this meeting, Customer will make the appropriate personnel available to discuss the upcoming Software implementation, and will make available all pertinent documents and information reasonably requested by WFS' Implementation or Programming Department.
- (iii) **Testing and pre-staging.** WFS will test and pre-stage the Software on the same or similar Equipment that is, or will be, installed at Customer's location(s) to ensure compatibility and functionality. Customer agrees to facilitate any meetings and/or conversations between WFS and other parties which will materially affect the success of the implementation (i.e. data processors, in-house processing department, or any third party software or equipment vendors or operators), and to make necessary personnel available to assist in the testing process.
- (iv) **On-site testing.** WFS will test the Software and related sub-systems on Customer's Equipment that will be used in conjunction with the Software at Customer's location(s). Customer agrees to make necessary personnel available to assist in the testing process, review and approve all system tables, sort patterns, reports and posting results, including float and item counts, for accuracy and correctness and correct all deficiencies in the system that are detected during the test period if the Equipment was not acquired from WFS.

B. **Implementation and Training.** Implementation is defined as the "live use" of the Software in a production environment. Training is defined as the instruction of Customer or Customer's designated personnel in the operational use of the Software. WFS agrees to provide qualified training specialists to implement the Software and train employees or designees of the Customer. To assist in the training process, Customer will:

- (i) agree to the training plans described by WFS in WFS' Proposal;
- (ii) notify all appropriate staff and related service providers of the implementation schedule;
- (iii) make necessary personnel available for the operation of the Equipment and Software;
- (iv) provide an environment conducive to the training and education of its staff; and
- (v) provide reasonable access to its processing site to WFS training personnel.

C. **Completion.** The Software is deemed "implemented" at the end of the training period. Customer shall review and sign the Acceptance Criteria Agreement which shall indicate the training period has ended, and that Customer has tested and approved all system output for accuracy and correctness.

D. **Settlement.** WFS will document all charges and expenses, and will invoice Customer after the Software is "implemented." Fees for WFS' services, as enumerated in this Agreement, shall be set forth in the applicable Order, and shall include WFS' then current per diem charge plus actual expenses incurred by WFS. Customer agrees to pay any fee charged by WFS pursuant to this Agreement to WFS within ten (10) days of billing by WFS. WFS reserves the right to recoup from Customer any additional expenses incurred due to implementation delays caused by others, including Customer and other third parties.

9. **Equipment.** Any equipment listed in the applicable Order ("Equipment") provided by WFS pursuant to this Agreement will be sold to Customer at the cost set forth in the Order, in accordance with the following terms:

A. **Delivery.** The Equipment shall be delivered to Customer and installed at the location set forth in the Order. Customer agrees to pay all freight costs associated with delivery of the Equipment. All shipments will be to Customer's site, or as designated in writing by Customer. WFS will not be responsible or liable for losses or damages incurred by Customer as a result of delivery delays caused by circumstances beyond the control of WFS.

B. **WFS' Installation Responsibilities.** WFS will use its best efforts to deliver and install the Equipment on or before the agreed upon date. WFS shall have no liability for consequential damages (even if WFS has been advised of the possibility of such damages in advance) which may result from a delay in installation or conversion of the Equipment, including, without limitation, overtime expense,



other personnel costs, lost investment revenue, lost business opportunities or lost profits. WFS will arrange for the installation of the Equipment by qualified representative(s) of WFS or other third parties.

**C. Customer's Installation Responsibilities.**

- (i) Customer will notify its employees and others affected by the installation of the intended date for installation of the Equipment, and will provide sufficient staff to assist WFS or its designee in the installation of the Equipment.
- (ii) Customer will provide sufficient space and clearance to move the Equipment into the designated operating area.
- (iii) Customer shall provide the necessary and proper environment for the installation of the Equipment in the designated operating area, including, without limitation, sufficient electrical power to properly operate the Equipment during installation, free, clear and unobstructed access to the area where the Equipment is to be installed and adequate working space for WFS personnel or its designees within reasonable distance of the area where the Equipment is to be installed.
- (iv) Customer shall be responsible for all installation costs. If installation is provided by WFS, Customer shall pay WFS its then current hourly billing rate per employee plus the then current per diem charge plus actual travel and lodging expenses incurred by WFS. If installation is provided by a third party, Customer shall pay the reasonable charges of said third party.

**10. Warranties.**

**A. Non-WFS Products.** The warranties for all Equipment and Software manufactured or developed by entities other than WFS shall be as stated by the manufacturer or developer.

**B. Equipment Warranty.** Except as provided in Section 10.A. above, WFS warrants that Equipment sold to Customer under this Agreement will be free from defects in material or workmanship for a period of ninety (90) days from the date of delivery to Customer, unless a longer warranty period is provided by the manufacturer. In the event of a defect in material or workmanship during such period, WFS will provide all parts, materials and labor needed to correct such defect. The date of delivery shall be the day that the Equipment is delivered to Customer and a delivery receipt is signed by Customer.

**C. Equipment Warranty Limitations.** Equipment that is not in good operating condition due to one or more of the following causes will not be covered by the warranty set forth in Section 10.B. above, and will be repaired by WFS only upon the payment of additional charges: an alteration not approved by WFS; Customer's or any third party's negligence or intentional acts; misuse or abuse, including the failure to operate the Equipment in accordance with the manufacturer's specifications or improper testing, installation or handling; failure of Equipment not maintained by WFS; improper use of or failure to use supplies; use of supplies not meeting the manufacturer's specifications; fire originating outside of the Equipment; water damage; and acts of God or other types of catastrophic damage.

**D. Software Warranty.** Except as provided in Section 10.A. above, WFS warrants the Software to conform to the description of its function and performance, as set forth in the "Functional Specification" technical documentation or other approved written documentation distributed by WFS, for as long as this Agreement is in effect. WFS agrees to repair or fix any non-conformity free of charge as long as this Agreement is in effect. Warranty support is limited in all cases to errors or omissions in the Software. Warranty support does not cover errors caused by: Equipment malfunction; use of Equipment and/or networks not pre-approved by WFS; Customer's negligence or abuse; fire or water damage; or acts of God or other types of catastrophic damages. Any warranty will become void if Customer or a third party makes unauthorized changes or modifications to the Software, or if Customer declines to implement Software changes, fixes or repairs recommended by WFS.

**E. Warranty Disclaimer.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN OR REFERENCED IN THIS AGREEMENT, WFS (AND ITS LICENSORS AND MANUFACTURERS, IF APPLICABLE) DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND THOSE ARISING FROM A COURSE OF PERFORMANCE, A COURSE OF DEALING OR TRADE USAGE. WFS DOES NOT WARRANT THAT THE OPERATION OF THE SOFTWARE AND EQUIPMENT WILL BE UNINTERRUPTED OR ERROR FREE, OR THAT ALL THE DEFICIENCIES OR ERRORS WILL BE CORRECTED.

**F. Non-Infringement Warranty.** WFS warrants to Customer that WFS is the owner of the Software, or has authorized marketing rights to the Software and has the right to grant the license set forth herein. WFS represents and warrants that the Software furnished by WFS will not infringe upon or violate any patent, copyright or trade secret right of any third party. WFS will defend, at its own expense, any claim by a third party against Customer asserting or involving a patent, copyright or trade secret violation which relates to any of the Software licensed to Customer by WFS under this Agreement. WFS will indemnify Customer against any loss, cost, expense, liability or damages assessed or awarded against Customer due to the Software's infringement upon any patent, copyright or trade secret right of any third party. In the event that an injunction or order shall be obtained against Customer's use of the Software, or the Software is likely to become the subject of a claim of infringement or violation of a patent,

copyright or trade secret right of a third party, WFS shall, at its sole discretion and at its own expense: (i) procure for Customer the right to continue using the Software; or (ii) replace or modify the Software so that it becomes non-infringing.

G. **Year 2000 Warranty.** WFS warrants that all software applications and hardware components written by or manufactured by WFS or their subsidiary companies pursuant to this Agreement will correctly employ century specific date logic to provide fault-free performance in the processing of dates and date-related-data, including calculation, comparison and sequencing processes. Such fault-free performance shall include the manipulation of data with dates prior to, through and subsequent to January 1, 2000. Software shall successfully transition into the Year 2000 with the correct system date and without human intervention, shall perform leap year calculations correctly and shall provide correct results when moving forward and backward in time from January 1, 2000. Customer's remedy and WFS' obligation for breach of this warranty is to replace or repair any defective enhancements, upgrades or releases to bring them into compliance with the Year 2000 warranty set forth herein within the period of time agreed upon by the parties.

11. **Termination Provisions.**

A. **Termination by Customer.** Customer shall have the right to terminate this Agreement sixty (60) days following Customer's prior written notice to WFS of the occurrence of any one of the following, unless the same can be cured within thirty (30) days:

- (i) WFS' breach of any material obligation under this Agreement;
- (ii) WFS becomes insolvent, declares bankruptcy, becomes the subject of any proceedings seeking relief, reorganization or management under any laws relating to insolvency or makes an assignment for the benefit of creditors;
- (iii) WFS begins the liquidation, dissolution or winding up of its business, and there is no assignment of this Agreement to another entity as permitted by Section 18 of the Agreement;
- (iv) WFS is unable to install the Equipment, for any reasons other than Customer's failure to comply with Section 9.C or any other reason which is beyond the control of WFS.

B. **Termination by WFS.** WFS may terminate this Agreement and the Software license granted hereunder and rescind Customer's right to use and operate its Software, if any of the following conditions occur:

- (i) Customer breaches any material term of this Agreement;
- (ii) Customer provides information about the Software to competitive organizations;
- (iii) Customer attempts to assign this Agreement without prior written consent from WFS; or
- (iv) Customer elects to exercise any of its termination options as described in this Agreement, or the Total System Guarantee.

12. **Manuals.** WFS agrees to provide one set of Software documentation, either in hard copy or on-line, at WFS' option, for the purpose of training and education. Additional sets of Software documentation are available at WFS' then current published price. Any Equipment manuals provided to WFS by the manufacturer will be forwarded to Customer by WFS.

13. **Section Titles.** Titles to the sections of this Agreement are solely for the convenience of the parties, and do not explain, modify, interpret or expand the provisions of this Agreement.

14. **Modification.** This Agreement, including the Proposal and any Order(s), may not be modified except by a written instrument signed by authorized representatives of both WFS and Customer.

15. **Binding.** Subject to the provisions of Section 18, all covenants, representations, warranties and agreements of the parties contained in this Agreement shall be binding on and inure to the benefit of the parties' respective heirs, executors, administrators, personal representatives, successors, assigns and permitted designees.

16. **Entire Agreement.** This Agreement, including the Proposal and any Order(s), constitutes the entire agreement and contains all of the representations of the parties with respect to the matters contained in this Agreement.

17. **Waiver.** No term or provision of this Agreement will be deemed waived and no breach excused, unless the waiver is in writing and signed by the party granting such waiver. Any consent by either party to, or waiver of, a breach by the other party, will not constitute consent to or waiver of any other different or subsequent breach.

18. **Assignment.** Neither party will assign or otherwise transfer its rights, interest or obligations under this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld.



19. **Delays.** Either party will be excused from delays in delivery or performance hereunder if the delay is attributable to causes beyond the reasonable control of either party, which makes the performance or delivery commercially impractical or impossible. In the event of such delay, the time of delivery or performance and time of payment shall be extended for a period of time equal to the time lost by reason of the delay (unless otherwise specified in writing by the parties). In no event, however, will either party be excused from a delay of more than two (2) months from the time schedules set forth in the WFS Order Acceptance Letter.

20. **Liability.** Customer and WFS agree that neither Customer nor WFS shall be responsible for consequential damages of any kind incurred by either party or others resulting from the use or inability to use the Equipment or Software (even if that party was made aware of the possibility of such damages in advance) including, without limitation, damages resulting from delays, operational difficulties, balancing problems, staffing problems, overtime expense, other personnel costs, lost investment revenue, lost business opportunities or lost profits.

21. **Interpretation.** The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Wisconsin.

22. **Enforceability.** If any provision of this Agreement should be held invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement will not be affected thereby.

23. **Arbitration.** In the event that a dispute arises between the parties in connection with this Agreement, the parties agree to submit the dispute to binding arbitration in accordance with the current rules of the American Arbitration Association. All arbitration proceedings shall be held at a mutually agreeable location. The parties agree that all decisions reached through arbitration will be final and binding upon both parties. The cost of any arbitration will be borne equally by the parties.

24. **Notices.** Any notices required under this Agreement will be delivered to the parties by certified mail, return receipt requested, at the address set forth above for Customer and to WFS at 9 Indianhead Drive, P.O. Box 37, Mosinee, WI 54455-0037.

25. **Controlling Documents.** All of the terms and conditions contained in each Order will be and will remain in full force and effect, and will apply to the extent that they are consistent with this Master Agreement. To the extent that the terms and conditions of this Master Agreement are in conflict or are inconsistent with the terms and conditions of any Order, the Order shall control.

26. **Miscellaneous.** The parties acknowledge that they have read the Agreement, understand it and agree to be bound by its terms, and further agree that this Agreement is the complete and exclusive statement of the agreement between the parties. Each party has the power and authority to enter into this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized by their respective party to bind the party to the terms and conditions of this Agreement.

CUSTOMER:

By: *Julie Stanton*  
Printed: Julie Stanton  
Title: Chair  
Date: 4-27-99

Approved as to form:

*John Eldridge*  
John Eldridge, Legal Counsel

Approved as to Form  
*EB*  
DPA

SUBMITTED:

SALES REPRESENTATIVE

By: \_\_\_\_\_  
Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ACCEPTED:

WAUSAU FINANCIAL SYSTEMS, INC.

By: *Mark Estman*  
Printed: Mark Estman  
Title: VP Sales  
Date: 5/10/99

**WAUSAU FINANCIAL SYSTEMS, INC.  
ADDENDUM TO MASTER AGREEMENT**

Customer: Clark County

Master Agreement No: \_\_\_\_\_

This Addendum is entered into between Customer and Wausau Financial Systems, Inc. ("WFS") and modifies the Master Agreement referred to above. Customer and WFS agree as follows:

- A. **Terms.** Terms defined in the Master Agreement shall have the same meaning in this Addendum, unless otherwise stated below.
- B. **Ratification.** Except as modified by this Addendum, the parties ratify and affirm all terms of the Master Agreement.
- C. **Modifications.** The Master Agreement is modified as follows:
1. In Section 2, Payment Terms, the second and third sentences are hereby deleted and replaced with the following:  

An additional forty-percent (40%) of each Order will be due upon delivery of the system to Customer's location. The remaining thirty-five percent (35%) will be due upon agreeing that the criteria documented in the Acceptance Criteria Agreement has been satisfactorily met.
  2. In Section 4, Confidentiality, the second to the last sentence of the section is hereby revised by deleting "or" before (v) and inserting the following subparagraph (vi):  

or (vi) is required to be released in accordance with the Washington Public Disclosure Regulation RCW Section 42.17 et. seq.
  3. Section 5, Cancellation, is hereby deleted and replaced with the following:  

Customer may cancel any Order at any time prior to delivery of the system to Customer's location. In such event, Customer agrees to pay a twenty-five percent (25%) cancellation fee. All fees and expenses generated by WFS up to the cancellation date, including, but not limited to, any actual freight charges incurred by WFS, will be offset against the twenty-five (25%) cancellation fee. If such fees and expenses are less than the amount of the twenty-five (25%) cancellation fee, Customer may apply any remaining monies toward the purchase of the transport at WFS' then current list price. WFS shall have the right to offset cancellation fees and freight charges against any down payment amount received from Customer
  4. In Section 8, Software Implementation, subsection D, Settlement, the last sentence is hereby deleted and replaced with the following:  

WFS reserves the right to recoup from Customer any additional expenses incurred due to implementation delays caused by Customer and other third parties contracted by the Customer.
  5. In Section 10, Warranties, subsection B, Equipment Warranty, the first sentence is hereby deleted and replaced with the following:  

Except as provided in Section 10. A. above, WFS warrants that Equipment sold to Customer under this Agreement will be free from defects in material or workmanship for a period of 12 months from the date of delivery to Customer.
  6. In Section 10, Warranties, subsection D, Software Warranty, the fourth sentence is hereby deleted and replaced with the following:  

Warranty support does not cover errors caused by: Non-WFS equipment malfunction; use of non-WFS Equipment and/or networks not pre-approved by WFS; Customer's negligence or abuse; fire or water damage; or acts of God or other types of catastrophic damages.
  7. In Section 10, Warranties, subsection G, Year 2000 Warranty, the following provision is hereby inserted at the end of the paragraph:  

The Year 2000 Warranty is an on-going warranty.
  8. In Section 11, Termination Provisions, subsection B, Termination by WFS, the lead in sentence is hereby deleted and replaced with the following:  

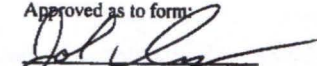
WFS may terminate this Agreement and the Software license granted hereunder and rescind Customer's right to use and operate



its Software, sixty (60) days following WFS' prior written notice to Customer of the occurrence of any one of the following unless the same can be cured within thirty (30) days:

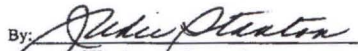
9. In Section 12, Manuals, the first sentence is hereby deleted and replaced with the following:  
WFS agrees to provide one set of Software documentation in hard copy for the purpose of training and education.
10. Section 21, Interpretation, is hereby deleted and replaced with the following:  
The interpretation and enforcement of this Agreement shall be governed by the laws of the State of Washington.
11. In Section 23, Arbitration, the following sentence is hereby inserted at the end of the paragraph:  
Both parties will be entitled to reasonable discovery during any arbitration proceedings.

Approved as to form:

  
John Eldridge, Legal Counsel

Approved as to Form  
EBR DK  
DPA

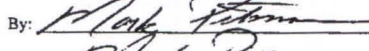
CLARK COUNTY

By:   
Name: Judie Stanton  
Title: Chair  
Date: 4-27-99

SUBMITTED:  
SALES REPRESENTATIVE.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ACCEPTED:  
WAUSAU FINANCIAL SYSTEMS, INC.

By:   
Name: Mark Pitman  
Title: Sr VP Sales  
Date: 5/10/99