

SERVICE AGREEMENT

This Automated Breathalyzer Kiosk Customer Agreement (“Agreement”) is made between Custom Control Systems, Inc. d/b/a Precision Kiosk Technologies (“PKT”) located at 1705 Wilkie Drive, Winona, Minnesota 55987, and Washoe Co. Alternative Sentencing, 1530 E. 6th St., Reno, NV, 89512,

RECITALS

PKT is the manufacturer of the Automated Breathalyzer Kiosk (“ABK” or “AB Kiosk”), a fully automated autonomous breathalyzer kiosk and related software solutions as described in the attached Exhibit A (the “Products”); designed for Law Enforcement and Community Corrections applications.

The Customer is a Law Enforcement or Community Corrections agency or organization that desires to use an ABK for breath alcohol testing and offender information management, including but not limited to; 24/7 Sobriety Programs, day reporting, probation check-in, pre-trial conditions, Huber/work release, and drug court check-in, etc.

The User is any person assigned to the ABK by the Customer.

THEREFORE, the parties agree as follows:

- 1 Equipment. Customer will receive the ABK and related equipment described in Exhibit A.
- 2 Term of Agreement. The term of this Agreement shall be for 12 months, starting on October 1, 2024, and applies to all kiosks located at the addresses listed below. However, either party may terminate this Agreement prior to the end of the 12-month term by providing 60 days' written notice.

After the initial 12-month term, the Agreement will automatically renew for successive periods. During these renewal periods, either party may terminate the Agreement at any time by giving 30 days' written notice.

- 3 License and Usage Fees:
 - i. Washoe Co. will deploy Four (4) Kiosks at locations identified by the Department of Alternative Sentencing. See below:
 1. 1530 East 6th Street, Reno, NV 89512;
 2. 855 Alder Ave, Incline Village, NV, 89514;
 3. 1975 E. Prater Way, Sparks, NV 89434;
 4. 1038 Buckeye, Minden, NV 89423.
 - ii. Price per Kiosk: \$1,750 / month or \$21,000 / year for unlimited use of the AB Kiosk.
 - iii. PKT will provide software services and supplies, including:
 - Cloud services and data storage;
 - ABK software updates;
 - Offender management program software updates;
 - Remote kiosk monitoring;
 - Unlimited site licenses for use of the Offender management program;
 - An initial case of testing straws; and
 - An initial case of ABK printer paper.
 - iv. Credit Card Fees. If Customer accepts ABK User payments by credit card, The User shall be responsible for all third-party credit card processing fees. PKT may withhold the amount of any third-party fees from, and pay such third-party fees out of, any proceeds due to Customer under this Agreement. Third-party credit card fee rates are subject to change. PKT may, in its sole discretion, change card processing vendors.
 - v. Sales Taxes. Customer shall be solely responsible for all sales taxes, if any, arising from the User Fees charged by Customer to individuals permitted to use the ABK.
- 4 Delivery, Installation, and Training. PKT will arrange to deliver the ABK to Customer at a mutually agreeable date and location. Customer agrees to provide a clear area for the ABK to be installed. Customer agrees to provide clean uninterruptable power and Cat-5 or better internet access to the kiosk. Customer agrees to at all times keep the ABK in a climate-controlled environment maintaining a constant temperature between 65 and 85

degrees Fahrenheit and sheltered from elements such as snow, rain, excess wind, or other unfavorable weather conditions or other elements.

Should the Customer plan to wall mount the Kiosk, the Customer will provide facilities assistance to drill mounting holes and provide hardware to aid in the mounting of the ABK. Should the Customer plan a pedestal mount the Customer will provide facilities assistance and hardware to secure the pedestal mount to the floor.

PKT will provide up to 8 hours of on site training. The PKT representative will train Customer's personnel in using the ABK system's administrative website, ABK troubleshooting tasks, and ABK calibration. Some training may be provided via distance learning or web-based training tools. Additional training requested by Customer may be subject to training fees determined by PKT and may vary by location and other factors.

Should a scheduled installation and training session require rescheduling, the Customer agrees to notify PKT at least 5 days in advance.

- 5 Customer Support. PKT's Customer Support will be available to assist Customer with any questions or concerns during regular business hours of Monday – Friday 8:00 AM – 4:30 PM CST, excluding Federal Holidays, via phone or email at no additional charge. PKT will use reasonable efforts to respond to all Customer support inquiries outside of regular business hours, but Customer understands that PKT does not currently staff a 24/7 customer support center.
- 6 Data Storage & Accessibility. PKT may in its discretion utilize third-party service providers to host kiosk applications and provide other services, including but not limited to cloud-based third-party secure data storage services. All data entered into or collected by an AB Kiosk ("User Data") shall be the property of PKT and kept confidential, provided that Customer may access or use the User Data at any time during the term of this Agreement. Upon termination of this Agreement, PKT will provide an electronic copy of the User Data to Customer and PKT shall have no further obligation to keep or maintain any User Data.
- 7 Kiosk Ownership. PKT shall retain exclusive ownership of the ABK and any additional equipment supplied to Customer as part of this Agreement, including but not limited to the AB Kiosk, Pedestal, calibration canisters, and any other equipment provided under this Agreement. PKT retains exclusive ownership and title to each system, the documentation and all portions, modifications and copies thereof (including interface programs) created or adapted by PKT or its contractors in connection with the ABK system. PKT retains all copyright and other intellectual property rights in everything PKT develops either before or during the course of this Agreement, including the system(s), methodologies, software, documentation and know-how. PKT also retains all copyright and other intellectual property rights in all reports, written advice or other materials provided by PKT to Customer. Customer shall have no copyright or intellectual property rights in any program or system it develops with respect to the ABK systems, and Customer will transfer to PKT all such intellectual property rights immediately on creating such rights. All ABK units must be returned to PKT upon termination of this Agreement in good repair and in substantially the same condition as when received by Customer, ordinary wear and tear excepted.
- 8 Kiosk Damage. Customer shall be solely responsible for any damage to the ABK, misuse of the ABK system, and deletion of any User Data or other information from the system by Customer or Customer's invitees, including but not limited to offenders who use the ABK.
- 9 PKT Software License. PKT grants to the Customer a nontransferable, nonexclusive license to use the ABK system subject to this Agreement's terms and conditions. Customer may not assign this license to a third party without prior written consent of PKT. Customer shall not (nor allow any third party to): (i) decompile, disassemble, copy, or reverse engineer any part of the ABK system, including but not limited to any software of PKT, (ii) remove any product identification, copyright or proprietary notices from copies of documentation provided with the ABK system, or (iii) modify or incorporate the system into other software or create a derivative work from any part of the ABK system. The ABK system shall at all times reside on PKT's (or its service providers') servers and the Customer shall have no right to any object or source code of the ABK system.
- 10 Confidentiality. Both parties agree to keep all proprietary information about the ABK system and data collected confidential. "Confidential Information" includes any information that PKT discloses in connection with this Agreement that is marked or otherwise designated as confidential. PKT product or service development plans, deliverables, written reports, pricing and payment terms, software code, admin site processes, and

documentation shall be deemed to be Confidential Information, whether or not individually marked. If disclosure of any Confidential information is required pursuant to court order, or any applicable criminal or civil discovery rule, or pursuant to subpoena, or pursuant to the Minnesota Open Records law, or pursuant to any other local, state or federal law, Customer shall, whenever practicable, notify PKT in advance of said disclosure. PKT expressly acknowledges that criminal and civil laws and/or discovery processes may give rise to situations wherein PKT may not receive advance notice prior to release of confidential information and it hereby agrees that the disclosure of such information pursuant to any of the aforementioned situations, even in the absence of notice to PKT prior to said disclosure, does not constitute a material breach of this Agreement and shall not give rise to any claim or cause of action by PKT against Customer or any of its employees, officers, or agents.”

Customer agrees to keep the ABK locked and secured, except while necessary for performance of maintenance. Customer shall not take photographs, videos, or otherwise show the inside of the ABK to any third-party, including but not limited to any manufacturers, distributors, press, attorneys, or any other third party without at least one of the following factors being present: a) prior written approval from PKT; b) pursuant to a court order; c) pursuant to any applicable criminal or civil discovery rule; d) pursuant to subpoena; e) pursuant to any other local, state, or federal law.

- 11 Limited Warranty and Limits on PKT Liability. PKT will remain the owner of all AB Kiosks and will be responsible for repair or replacement of any parts that fail to perform as designed.

PKT AND ITS THIRD-PARTY SERVICE PROVIDERS OR SUPPLIERS SHALL NOT BE LIABLE FOR PERFORMANCE DEFICIENCIES CAUSED OR CREATED BY CUSTOMER'S EQUIPMENT OR CUSTOMER'S USERS. PKT DOES NOT WARRANT THAT SERVICE WILL BE UNINTERRUPTED, ERROR-FREE OR COMPLETELY SECURE. PKT AND ITS THIRD-PARTY PROVIDERS OR SUPPLIERS SHALL NOT BE LIABLE FOR SERVICE INTERRUPTIONS CAUSED BY FAILURE OF EQUIPMENT, OTHER SOFTWARE OR SERVICES NOT PROVIDED BY PKT OR ITS THIRD-PARTY PROVIDERS OR SUPPLIERS, OR FAILURE OF COMMUNICATIONS, POWER OUTAGES, OR OTHER INTERRUPTIONS NOT WITHIN THE COMPLETE CONTROL OF PKT OR ITS PROVIDERS OR SUPPLIERS EVEN IF PKT OR ITS THIRD-PARTY PROVIDERS OR SUPPLIERS KNOW OR HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. IN THE EVENT OF ANY SYSTEM ERROR OR OMISSION, THE SOLE OBLIGATION OF PKT SHALL BE TO PROCESS A CORRECTION OF THE ERROR OR OMISSION AS REASONABLY NECESSARY. PKT EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

IN NO EVENT SHALL PKT, ITS THIRD-PARTY PROVIDERS OR SUPPLIERS BE HELD LIABLE FOR ANY INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE, LOSS OF PROFITS, LOSS OF BUSINESS OR LOSS OF BUSINESS OPPORTUNITY. EXCEPT FOR GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, THE LIABILITY OF PKT, ITS THIRD-PARTY PROVIDERS OR SUPPLIERS FOR ACTUAL PROVEN DAMAGES FOR ANY CAUSE, INCLUDING BUT NOT LIMITED TO FAILURE OF OR DISRUPTION OF SERVICE REGARDLESS WHETHER IN CONTRACT, TORT OR NEGLIGENCE SHALL BE LIMITED TO THE GREATER OF (A) THE AMOUNT PAYABLE BY THE COUNTY DURING THE PERIOD IN WHICH THE DAMAGES OCCUR, OR (B) IF INSURANCE COVERAGE IS AVAILABLE THE POLICY LIMITS SET FORTH IN SECTION 16.

- 12 Indemnification. Each party shall indemnify, hold harmless, and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees, and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

- a. The indemnification obligation under this paragraph is conditioned upon receipt of written notice by the indemnifying party within 30 days of the indemnified party's actual notice of any actual or pending claim or cause of action. The indemnifying party shall not be liable to hold harmless any attorneys' fees and costs for the indemnified party's chosen right to participate with legal counsel.
- b. County does not waive and intends to assert available NRS chapter 41 liability limitations in all cases.
- c. Contract liability of both parties shall not be subject to punitive damages.
- d. PKT's indemnity obligations under this section shall be limited to the extent of the insurance coverage under the policies required by this Agreement.

- 13 Force Majeure. A party shall not be liable for any failure of or delay in the performance of this Agreement for the period that such failure or delay (a) arises out of or is caused by, directly or indirectly, forces beyond its reasonable control, including without limitation strikes, riots, acts of war or terrorism, natural disasters or acts of God; (b) materially affects the performance of any of its obligations under this Agreement; and (c) could not reasonably have been foreseen or provided against.
- 14 Default. PKT may terminate this Agreement at any time if Customer fails to pay any amount when due or otherwise breaches this Agreement. All past due amounts owed to PKT shall bear interest at the lesser of one and one-half percent (1.5%) per month or the maximum allowable interest rate under applicable law, from the due date until paid in full. PKT shall be entitled to recover its reasonable attorneys' fees, costs, and disbursements in any action to collect a past due balance.
- 15 Miscellaneous. No waiver of any breach or default under this Agreement will be construed as a waiver of any subsequent default, nor shall the failure to exercise any right accrued hereunder deemed to be a waiver thereof. This Agreement embodies the full and complete understanding of the parties, and supersedes any prior agreement, warranty, or representation other than as specified herein. This Agreement may not be modified unless in writing and signed by an authorized officer of the parties. This Agreement shall be governed by the laws of the State of Nevada. In the event that any provision of this Agreement is held to be illegal, invalid, unenforceable, or against public policy, the remaining provisions of the Agreement shall remain valid and enforceable.
- 16 Insurance. PKT shall at all times herein maintain commercial general liability insurance providing occurrence form contractual, personal injury, bodily injury and property damage liability coverage with limits of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate products and operations. PKT shall provide Customer with proof of coverage immediately upon request.

Signatures

Precision Kiosk Technologies

Washoe County Alternative Sentencing

Name: Mr. Patrick McKinney
Title: General Manager

Name: Mr. Mark Stewart
Title: Purchasing & Contracts Manager

Signature: 

Signature:

Date: 9/13/24

Date:

EXHIBIT A

PRODUCTS AND SERVICES

1. AB Kiosk – Automated Breathalyzer Kiosk
 - a. AB Kiosk Components:
 - i. Kiosk Painted Enclosure
 - ii. 19” Touch Screen
 - iii. Computer
 - iv. PKT Breathalyzer
 - v. Bill Acceptor
 - vi. Credit Card Acceptor
 - vii. Fisheye Camera
 - viii. Biometric Fingerprint Reader
2. AB Kiosk Floor Pedestals (if Required)
 - a. Painted to match the enclosure
3. One (1) case of straws provided with the AB Kiosk.
 - a. Replacement Individually Wrapped Testing Straws @ \$105.00 per 10,000 straws
4. One (1) case of printer paper provided with the AB Kiosk.
 - a. Replacement Printer paper @ \$62.50 per 50 rolls
5. One Calibration canister provided with the AB Kiosk.
 - a. Replacement Calibration canister @ \$150 per canister
 - b. The calibration regulator invoiced to Customer at \$285 ea.
6. PKT Offender Management software access for up to 50 seats/organization