

RecordingPRO® Contract Extension

This agreement renews and extends the contracts for the RecordingPRO® Register of Deeds software suite and other equipment and services as defined below.

The State of North Carolina, County of New Hanover. This agreement dated June 21, 2021 (agreement acceptance date), is made between Internet Technologies, INC., of 330 Shipyard Blvd., Wilmington, NC 28412, herein know as INTTEK, and: Brunswick County Register of Deeds located at: 75 Courthouse Dr. Bolivia, NC 28422, herein know as CUSTOMER.

This agreement is an extension of the previous agreements between INTTEK and CUSTOMER for providing the "RecordingPRO" Recording system, "WebROD" Internet based Register of Deeds document access system, Video camera system, Internet access, high-performance printing system, and support and service as defined in Appendix A. This extension to the original agreements shall be in effect from the above acceptance date, continuing through the period from July 01, 2021 until June 30, 2026.

DURING THE TERM OF THE AGREEMENT INTTEK WILL PROVIDE CUSTOMER WITH THE FOLLOWING

- (1) Lease of equipment and software for the "RecordingPRO" and "WebROD" systems.
- (2) Maintenance of all hardware and software that has been installed with this agreement - as well as maintenance of the hardware and software that was installed by INTTEK for CUSTOMER during the original agreement.
- (3) Backup Internet Access provided through INTTEK, to allow outside access to the appropriate aspects of the WebROD system as defined in the original agreement.

LIMITATION OF LIABILITY

INTTEK shall not be liable for any liability, damage, claim, expense, or loss due to or related to this Agreement or the provision of the Service or equipment, however caused, whether grounded in contract, tort (including negligence) or theory of strict liability. The Parties agree to work in good faith to implement the purposes of this Agreement, but recognize that the services to be provided by INTTEK could not be made available under these terms or similar terms without substantial increase in cost if the Parties were to assume a greater degree of liability to each other.

PAYMENT FOR EQUIPMENT LEASE AND SERVICES

In exchange for the herein defined Equipment Lease and Services, CUSTOMER agrees to pay monthly service payments as defined below:

A monthly service payment of \$11,600.00 beginning July 01, 2021 and continuing for 60 months until June 30, 2026 will be billed.

This service payment covers the following:

The lease and maintenance of all aspects defined in the previous agreement and this new agreement.

Backup Internet Access to allow appropriate aspects of the WebROD system to be accessed via the Internet.

Payment for the monthly service charge is due on the first (1st) of each month of the sixty (60) month term and is considered past due on the tenth (10th) day after the beginning of each respective month.

MAINTENANCE AND SERVICE CHARGE ADJUSTMENTS:

Beginning at the start of the sixty month term of the service agreement, INTTEK will provide maintenance and support as defined in the original agreement.

If there is failure due to INTTEK's equipment or software (exception in the case of fire, flood, or other act of God as defined in the original agreement, and this failure results in the disruption of the CUSTOMER's service, the following billing adjustments will be made.

CUSTOMER will not be required to pay the monthly service charge until CUSTOMER'S service is restored to normal operation. Upon restoration to normal function, CUSTOMER will pay the Months service charge as defined above.

STATEMENT OF INSURANCE COVERAGE:

At its own expense, CUSTOMER shall provide and maintain the following insurance: (a) insurance against the loss or theft of or damage to the Equipment for the greater of the Stipulated Loss Value (equivalent to the setup charge defined above) or full replacement value thereof, naming CUSTOMER as a loss payee; and (b) public liability and third party property damage insurance, naming CUSTOMER as an additional insured.

TAXES

INTTEK shall be responsible for payment of all Sales taxes related to hardware and applicable software detailed within this agreement.

PERSONAL PROPERTY; LIENS AND ENCUMBRANCES; TITLE

The Equipment defined in this agreement shall at all times remain personal property, notwithstanding that the Equipment, or any part thereof, may be (or becomes) affixed or attached to real property or any improvements thereon. Except for the interest of INTTEK, CUSTOMER shall keep the Equipment free and clear of all levies, liens and encumbrances of any nature whatsoever. Except as expressly set forth in this Agreement, the Equipment shall at all times remain the property of INTTEK and CUSTOMER shall have no right, title or interest therein.

TERMINATION OF AGREEMENT:

WITH THE TWO EXCEPTIONS BELOW, THIS AGREEMENT SHALL BE A NON-CANCELABLE NET LEASE, AND LESSEE AGREES THAT IT HAS AN UNCONDITIONAL OBLIGATION TO PAY ALL RENTAL PAYMENTS AND OTHER AMOUNTS WHEN DUE. LESSEE IS NOT ENTITLED TO ABATE OR REDUCE RENTAL PAYMENTS OR ANY OTHER AMOUNTS DUE, OR TO SET OFF ANY CHARGES AGAINST THOSE AMOUNTS. LESSEE IS NOT ENTITLED TO ECOUPMENTS, CROSS-CLAIMS, COUNTERCLAIMS OR ANY OTHER DEFENSES TO ANY RENTAL PAYMENTS OR OTHER AMOUNTS DUE HEREUNDER, WHETHER THOSE DEFENSES ARISE OUT OF CLAIMS BY LESSEE AGAINST LESSOR, SELLER, THIS AGREEMENT, ANY SCHEDULE OR OTHERWISE. NEITHER DEFECTS IN EQUIPMENT, DAMAGE TO IT, NOR ITS LOSS, DESTRUCTION OR LATE DELIVERY SHALL TERMINATE THIS AGREEMENT OR ANY SCHEDULE, OR AFFECT LESSEE'S OBLIGATIONS HEREUNDER. UNLESS LESSEE'S OBLIGATION TO PAY RENTAL PAYMENTS AND OTHER AMOUNTS HAS BEEN TERMINATED PURSUANT TO THE EXPRESS TERMS OF THIS AGREEMENT, ALL RENTAL PAYMENTS AND OTHER AMOUNTS SHALL CONTINUE TO BE DUE AND PAYABLE HEREUNDER.

EXCEPTION # ONE (1) TO ABOVE NON-CANCELABLE NET LEASE. If there is a failure due to INTTEK's equipment or software (exception in the case of fire, flood, or other act of God as defined in Appendix B), and this failure results in the disruption of the CUSTOMER's service, and INTTEK is not able to resolve this issue within 30 days of the event, customer may terminate the remainder of the service agreement as of the 30th day from the documented beginning of the incident. In this case, CUSTOMER will not be responsible for any additional monthly service charges.

EXCEPTION # TWO (2) TO ABOVE NON-CANCELABLE NET LEASE. Cancellation due to NON-APROPRIATION OF FUNDS. It is CUSTOMERS intention to remit to INTTEK all Lease Payments and other payments for the full TERM of this agreement if funds are legally available. In the event that CUSTOMER is not granted an appropriation of funds at any time during the TERM of this agreement, and the following conditions are met, this agreement may be canceled as of the last day of the fiscal year of funding: (a) Customer agrees to make timely requests and all other required steps for the appropriation of funds required for this agreement. Further, Customer will make every effort to ensure funds are appropriated. (b) During the TERM of this agreement, Customer shall not enter into any agreement (that uses funds that are subject to Customers control) for services, hardware lease, and or benefits similar to those of this agreement, without first paying all required charges related to this agreement. (c) In the event that CUSTOMER does contract for services, hardware lease, and or benefits similar to those of this agreement without paying INTTEK, all funds for that contract shall be considered to have been available to CLIENT for purposes of compliance set forth in this agreement. (d) If funds are not available to fund CLIENTS obligations to this agreement, despite CLIENTS best efforts, CLIENT shall notify INTTEK of the situation and provide certified records detailing the reason for unavailability of funds.

GENERAL INDEMNITY

To the extent allowed by law, CUSTOMER shall indemnify, hold harmless, and, if so requested by INTTEK, defend INTTEK against all claims (Claims) directly or indirectly arising out of or connected with the Equipment or any Fundamental Agreement. Claims refers to all losses, liabilities, damages, penalties, expenses (including legal fees and costs), claims, actions, and suits, whether based on a theory of strict liability of INTTEK or otherwise, and includes, but is not limited to, matters regarding: (a) the selection, manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment; (b) any latent defects or other defects in any Equipment, whether or not discoverable by INTTEK or by CUSTOMER; (c) any patent, trademark, or copyright infringement; and (d) the condition of any Equipment arising or existing during CUSTOMER's use.

SURRENDER; EXTENSION OF TERM

Unless CUSTOMER renews the TERM pursuant to the agreement, INTTEK shall, at its expense, deinstall, inspect and properly pack the Equipment, and return the Equipment at the expiration of the Term, free of all liens and rights of others, by delivering it on board such common carrier as INTTEK may specify with freight prepaid to any destination within the United States of America specified by INTTEK. The Equipment shall be accompanied by an original copy of the relocation inventory or other applicable form completed by the agent performing the deinstallation. If INTTEK so requests, shall have the right to enter upon any premises where Equipment may be located to perform any of CUSTOMER's tasks noted above in this agreement. CUSTOMER agrees that the Equipment, when returned to INTTEK, shall be in the same condition as when delivered to CUSTOMER, reasonable wear and tear excepted, and certified as being eligible for the manufacturer's generally available maintenance contract at then prevailing rates, without INTTEK incurring any expense to repair, rehabilitate or certify such Equipment (CUSTOMER shall be liable for all costs and expenses INTTEK incurs to place the Equipment in such condition). If requested by INTTEK, CUSTOMER, at its expense, shall store the Equipment on its premises for a reasonable period, not to exceed ten (10) business days during which period the Equipment shall be subject to all of the terms and conditions hereof, except for the obligation to make Rental Payments. In all instances where CUSTOMER is returning Equipment to INTTEK, CUSTOMER shall give INTTEK written notice thereof in accordance with the terms of the agreement. If CUSTOMER fails to provide the aforementioned notice or return the Equipment to INTTEK in the time and manner provided above, the Term shall be extended in accordance with the terms of the agreement. At the end of this agreement, CUSTOMER has the option to renew this agreement and the Terms and conditions shall be agreed upon in writing at that time. Further, until a renewal agreement is made, all services, hardware and software lease shall remain the same as this agreement and continue on a month to month basis until the new renewal agreement is established.

EVENTS OF DEFAULT

Any of the following shall constitute an Event of Default under this Agreement and all Schedules: (a) CUSTOMER fails to pay any Rental Payment or any other amount payable to INTTEK hereunder within 10 days after its due date; or (b) CUSTOMER fails to perform or observe any other representation, warranty, covenant, condition or agreement to be performed or observed by CUSTOMER hereunder or in any other agreement with INTTEK, or in any agreement with any other person that in INTTEK's sole opinion is a material agreement, and CUSTOMER fails to cure any such breach within 10 days after notice thereof; or (c) any representation or warranty made by CUSTOMER hereunder, or in any other instrument provided to INTTEK by CUSTOMER, proves to be incorrect in any material respect when made; or (d) CUSTOMER makes an assignment for the benefit of creditors, whether voluntary or involuntary; or (e) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against CUSTOMER or CUSTOMER takes any action to authorize any of the foregoing matters; or (f) CUSTOMER becomes insolvent or fails generally to pay its debts as they become due, the Equipment is levied against, seized or attached, or CUSTOMER seeks to effectuate a bulk sale of CUSTOMER's inventory or assets; or (g) CUSTOMER voluntarily or involuntarily dissolves or is dissolved, or terminates or is terminated; or (h) any guarantor under this Agreement is the subject of an event listed in clauses (b) through (g) above; or (i) any letter of credit required pursuant to any Schedule is breached, canceled, terminated or not renewed during the Term of any such Schedule.

REMEDIES

If an Event of Default occurs, INTTEK may, in its sole discretion, exercise one or more of the following remedies: (a) terminate this Agreement or any or all Schedules; or (b) take possession of, or render unusable, any Equipment wherever the Equipment may be located, without demand or notice, without any court order or other process of law and without liability to CUSTOMER for any damages occasioned by such action, and no such action shall constitute a termination of any Schedule; or (c) require CUSTOMER to deliver the Equipment at a location designated by INTTEK; or (d) declare the INTTEK's Return for each agreement due and payable as liquidated damages for loss of a bargain and not as a penalty and in lieu of any further Rental Payments under the agreement; or (e) proceed by all damages and expenses incurred by INTTEK by reason of any Event of Default; or (f) terminate any other agreement that INTTEK may have with CUSTOMER; or (g) exercise any other right or remedy available to INTTEK at law or in equity provided. However, during the first 60 (sixty) days of the default CUSTOMER shall have right to use equipment, software and related services at CUSTOMERS location but receive no support or maintenance until default

is resolved. Also, CUSTOMER shall pay INTTEK all costs and expenses (including legal fees and costs and fees of collection agencies) incurred by INTTEK in enforcing any of the terms, conditions or provisions of this Agreement. Upon repossession or surrender of any equipment, INTTEK shall lease, sell or otherwise dispose of the Equipment in a commercially reasonable manner, with or without notice and at public or private sale, and apply the net proceeds thereof (after deducting all expenses (including legal fees and costs) incurred in connection therewith) to the amounts owed to INTTEK hereunder; provided, however, that CUSTOMER shall remain liable to INTTEK for any deficiency that remains after any sale or lease of such Equipment. CUSTOMER agrees that with respect to any notice of a sale required by law to be given 10 days' notice shall constitute reasonable notice. These remedies are cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time.

ASSIGNMENT BY INTTEK

INTTEK shall have the unqualified right to assign, pledge, transfer, mortgage or otherwise convey any of its interests hereunder related to software or intellectual property that is being provided as part of this Lease agreement, in whole or in part, without notice to, or consent of, CUSTOMER. If any Schedule is assigned, CUSTOMER shall: (a) unless otherwise specified by the INTTEK and the assignee (Assignee) specified by INTTEK, pay all amounts due under the agreement to such Assignee, notwithstanding any defense, setoff or counterclaim whatsoever that CUSTOMER may have against INTTEK or Schedule to be amended or the terms thereof waived without the prior written consent of the Assignee; (c) not require the Assignee to perform any obligations of INTTEK, other than those that are expressly assumed in writing by such assignee; and (d) execute such acknowledgments thereto as may be requested by INTTEK. It is further agreed that: (x) each assignee shall be entitled to all of INTTEK's rights, powers and privileges under the agreement, to the extent assigned; (y) any Assignee may reassign its rights and interest under the agreement with the same force and effect as the assignment described herein; and (z) any payments received by the Assignee from CUSTOMER with respect to the assigned portion of the Schedule shall, to the extent thereof, discharge the obligations of CUSTOMER to INTTEK with respect to the assigned portion of the Schedule. CUSTOMER ACKNOWLEDGES THAT ANY ASSIGNMENT OR TRANSFER BY INTTEK OR ANY ASSIGNEE SHALL NOT MATERIALLY CHANGE CUSTOMER'S OBLIGATIONS UNDER THE ASSIGNED SCHEDULE.

ASSIGNMENT OR SUBLEASE BY CUSTOMER

WITHOUT INTTEK'S PRIOR WRITTEN CONSENT, CUSTOMER SHALL NOT ASSIGN THIS AGREEMENT OR ANY SCHEDULE OR ASSIGN ITS RIGHTS IN OR SUBLET THE EQUIPMENT OR ANY INTEREST THEREIN; provided, however, that CUSTOMER may sublease or assign a Schedule to an affiliate or a wholly-owned subsidiary of CUSTOMER if: (a) CUSTOMER and such subCUSTOMER or assignee execute and deliver to INTTEK a writing (to be provided by INTTEK) whereby the subCUSTOMER or assignee agrees to assume joint and several liability with CUSTOMER for the full and prompt payment, observance and performance when due of all of the obligations of the CUSTOMER under such Schedule; and (b) INTTEK consents to such sublease or assignment, which consent shall not be unreasonably withheld. In no event, however, shall any such sublease or assignment discharge or diminish any of CUSTOMER's obligations to INTTEK under such Schedule.

SURVIVAL; QUIET ENJOYMENT

All representations, warranties and covenants made by CUSTOMER hereunder shall survive the termination of this Agreement and shall remain in full force and effect. All of INTTEK's rights, privileges, and indemnities, to the extent they are fairly attributable to events or conditions occurring or existing on or prior to the termination of this Agreement, shall survive such termination and be enforceable by INTTEK and any successors and assigns. So long as no Event of Default exists, and no event has occurred and is continuing that with notice or the lapse of time or both would constitute an Event of Default, neither INTTEK nor any Assignee will interfere with CUSTOMER's quiet enjoyment of the Equipment.

NO WAIVER; INTTEK APPROVAL

Any failure of INTTEK to require strict performance by CUSTOMER, or any written waiver by INTTEK of any provision hereof, shall not constitute consent or waiver of any other breach of the same or any other provision hereof. Neither this Agreement nor any other Fundamental Agreement shall be binding upon INTTEK unless and until executed by INTTEK.

CHOICE OF LAW

THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NORTH CAROLINA.

Extension of services:

At the end of this agreement, it may be renewed as defined in the preceding section: SURRENDER; EXTENSION OF TERM.

This document, consisting of five total pages, represents the entire agreement of the parties and there are no representations not stated herein, and this agreement may only be modified by a writing executed by both parties hereto.

This instrument has been reviewed as to its legal content by:

Office of the County Attorney _____ Date: _____

Signed: _____ Date: _____
Brenda M. Clemmons, Brunswick County Register of Deeds

Signed: _____ Date: _____
Randell Woodruff, Brunswick County Manager



Signed: _____ Date: June 21, 2021
David McGough, President, Internet Technologies, Inc.

This agreement has been pre-audited as prescribed by the Local Government Budget and Fiscal control act of North Carolina.

Signed: _____ Date: _____