

6/22/10

Consent #21663

AGENCY AGREEMENT

This LeadsOnline, Inc. AGENCY AGREEMENT ("Agreement"), dated, **February 2, 2010**, is made between **Hidalgo County Sheriff's Department** ("Principal") and **LeadsOnline LLC** ("Provider").

SCOPE OF AGREEMENT

Provider operates and maintains at its web site a confidential database accessible electronically exclusively by Law Enforcement Agencies for the sole purpose of identifying merchandise and/or persons suspected in crimes against property or in crimes against persons in which property is involved.

Principal desires to utilize the electronic database at Provider's web site.

Subject to the terms of this Agreement and in consideration of the mutual covenants stated below, the parties agree as follows:

I.

DEFINITIONS

- 1.1 **"Authorized Officials"** means duly authorized law enforcement personnel of Principal.
- 1.2 **"Data"** includes the ticket number, item number, make, model, property description and serial number of merchandise sold to a Participant or used as loan collateral by a Participant, as well as the name and address of any customer(s) involved in the aforementioned transactions as required by law in Participant's jurisdiction.
- 1.3 **"Law Enforcement Agency"** means any municipal, county, state or federal government staffed and operated agency whose primary purpose is criminal investigation and/or law enforcement, as contemplated by the Gramm-Leach-Bliley Act of 1999 (15 U.S.C. § 6801, et seq., and 15 U.S.C. § 6821, et seq.) (the "GLBA"). **"Law Enforcement Agencies"** means two or more of such agencies.
- 1.4 **"Participant"** means any person or entity that purchases pre-owned personal property and/or uses personal property as loan collateral and furnishes Data relative thereto to Provider for inclusion at Provider's web site.

II.

APPOINTMENT

- 2.1 Subject to the terms of this Agreement, Principal hereby appoints Provider as its agent, as such term is utilized in the GLBA, for the sole purpose of collecting, maintaining and disseminating Data from Participants. This agency appointment is effective as of the registration date of Principal's initial user.

III.**AGREEMENTS AND RESPONSIBILITIES OF PRINCIPAL**

- 3.1 Principal agrees that Principal's use of the Data displayed at Provider's web site will be for the sole purpose of identifying merchandise and/or persons suspected in crimes against property or in crimes against persons in which property is involved.
- 3.2 Principal agrees not to divulge Data or information obtained through Principal's access to Provider's web site to anyone other than Authorized Officials and persons with Principal's agency entitled to receive the Data or information pursuant to statute, rule or regulation, including specifically the GLBA. Principal agrees not to access information from outside of Principal's jurisdiction from Provider's web site for purposes of gathering information for any third party, including private parties and other law enforcement agencies.
- 3.3 Principal agrees that passwords provided by Provider to Principal enabling Principal to utilize Provider's web site will be made known only to Authorized Officials of Principal and that only those Authorized Officials will be permitted to use the passwords or otherwise access the electronic database at Provider's web site. Principal's failure to strictly adhere to the terms of this Paragraph will result in the immediate termination of Principal's access to Provider's website.
- 3.4 Principal agrees not to use the Data or information displayed at Provider's web site for any unlawful purpose, or in any manner, which may create liability for Provider or Participants. Principal agrees its use of the Data or information contained at Provider's web site will not be other than as permitted by law or the rights duly granted to Principal in carrying out Principal's official duties.
- 3.5 Principal agrees to act in accordance with laws and procedures within Participant's jurisdiction, and agrees to notify the designated Law Enforcement Agency for Principal's jurisdiction prior to requesting additional information about Data, to place an item on hold status, or to confiscate an item found in a business outside of Principal's jurisdiction.
- 3.6 Principal agrees to submit accurate information, including but not limited to valid Principal case numbers for specific items and/or suspects as well as the identity of the Authorized Official, in conducting any search or use of Provider's web site.
- 3.7 Principal agrees it has no ownership rights to any password or user name that may be utilized by Principal pursuant to this Agreement. For security purposes, Principal agrees to change its password(s) every 90 days.
- 3.8 Principal is responsible for insuring that Principal's hardware can connect to Provider's website via the Internet.
- 3.9 Principal is responsible for insuring compliance among businesses in Principal's jurisdiction. Principal agrees to not discourage entities that purchase pre-owned personal property and/or use personal property as loan collateral from becoming Participants, and to not discourage Participants from furnishing Data to Provider.

IV.

AGREEMENTS AND RESPONSIBILITIES OF PROVIDER

- 4.1 Provider agrees to operate and maintain an electronic database at its web site for the purpose of receiving and disseminating Data from Participants for the sole use of Law Enforcement Agencies.
- 4.2 Provider agrees to provide database features in accordance with Attachment "A" attached to this Agreement.
- 4.3 Provider agrees to implement commercially reasonable efforts to maintain Principal's access to Provider's web site through Provider's server. However, from time to time, maintenance will be required to be performed, as well as developments and modifications to Provider's web site and on Provider's server. Principal acknowledges that Provider has no responsibility for the service or operation of the Internet, and that Provider makes no representations in this regard. Internet service is subject to limitations caused by local landlines, atmospheric or technical conditions and may be temporarily unavailable, limited, interrupted or curtailed.
- 4.4 Provider agrees to facilitate Principal's access to the Data by passwords and user names selected by Principal (within reasonable parameters established by Provider), allowing Principal to search and retrieve Data for the sole purpose of identifying stolen merchandise and persons suspected of crimes involving property.
- 4.5 Provider agrees to provide Principal with secure access to a report detailing the usage of Provider's web site by Authorized Officials.

V.**CONDITIONS FOR PRINCIPAL'S ACCESS AND USE OF PROVIDER'S WEB SITE**

- 5.1 By entering into this Agreement, Principal represents it is a Law Enforcement Agency as that term is defined in Section I. Principal's appointment of Provider as agent is made in order to obtain information of a financial institution in connection with the performance of the official duties of Principal, as is contemplated by the GLBA.
- 5.2 Provider may modify or upgrade any aspect(s) of Provider's web site at any time without notice to Principal.
- 5.3 All Data is provided solely by Participants using Participant's proprietary operational software. Therefore, Provider cannot and does not represent or endorse the completeness, accuracy or reliability of the Data displayed through Provider's web site, nor the functionality of Participant's operational software. Principal acknowledges that any reliance by Principal or any Law Enforcement Agency upon any Data or other information displayed or distributed through Provider's web site shall be at Principal's sole risk. Upon notice by Participants or Law Enforcement Agencies, Provider reserves the right, in its sole discretion, to correct any errors or omissions in the Data contained in any portion of Provider's web site.
- 5.4 Provider reserves the right at all times to disclose any information as necessary to satisfy any law, regulation, or government request, or to edit, refuse to post or to remove any Data or information, in whole or in part, that in Provider's sole discretion is deemed to be in violation of local, state and/or federal law.

VI.
TERM

- 6.1** The initial term of the contract will be twelve (12) months.
- 6.2** This Agreement will become effective as of the date first set forth above and remain in effect for one (1) year or until cancellation or termination by Provider or Principal as described below.
- 6.3** This Agreement will be automatically renewed for successive additional one-year terms unless Principal provides Provider written notice of cancellation at least thirty (30) days prior to the expiration of the initial term or any renewal term thereafter. In the event of renewal, Principal agrees to pay Provider an annual subscription fee for the renewal period within 30 days of invoice.
- 6.4** Provider may terminate this Agreement for convenience by providing thirty (30) days written notice. In the event of termination, Provider must remit to Principal on a pro-rated basis that portion of the annual subscription fee paid by Principal from the date Provider terminates this Agreement for convenience until the end of the applicable one-year term. Principal may terminate this Agreement for convenience by providing thirty (30) days written notice, provided such termination shall not relieve Principal of its payment obligations to Provider hereunder or entitle Principal to any refund of a prepaid annual subscription fee.
- 6.5** Provider may immediately and without notice, terminate this Agreement for cause, at Provider's sole option, if Principal: (a) fails to pay any annual subscription fee owed to Provider under this Agreement; (b) fails to perform in accordance with its responsibilities contained in Section III of this Agreement; (c) fails to perform any other obligation required of Principal under this Agreement; or (d) violates any laws, rules or regulations. If termination occurs, Provider shall be entitled to receive from Principal all amounts and charges owed under this Agreement, in addition to all other legal and equitable remedies then and there available under Texas law.
- 6.6** Provider's client support and training is available to Principal at no additional cost when performed by telephone or email. Principal may request Provider to travel to Principal's location for specialized training and support. These special services will be provided at agreed upon rates for time, materials, travel, lodging, and miscellaneous expenses.
- 6.7** Principal may immediately and without notice, terminate this Agreement, at Principal's sole option, if Provider: (a) fails to perform in accordance with its responsibilities to Principal contained in Section IV of this Agreement; (b) fails to perform any other obligation required of Provider under this Agreement; or (c) violates any laws, rules or regulations. If termination occurs, as Principal's sole and exclusive remedy, Provider shall remit to Principal on a pro-rated basis that portion of the annual subscription fee paid by Principal from the date Provider commits any breach described above until the end of the applicable one (1) year term.

VII.

DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

- 7.1 PROVIDER SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS, CONDITIONS, AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, ARISING BY STATUTE, OPERATION OF LAW, USAGE OF TRADE, COURSE OF DEALING, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO, WARRANTIES OR CONDITIONS OF MERCHANTABILITY, MERCHANTABILITY QUALITY, SATISFACTORY QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO PROVIDER'S WEB SITE AND PROVIDER'S SERVICES TO BE ACCESSED, USED OR DELIVERED PURSUANT TO THIS AGREEMENT. PROVIDER'S WEB SITE, INCLUDING ALL DATA, CONTENT, SOFTWARE, FUNCTIONS, MATERIALS AND INFORMATION MADE AVAILABLE ON OR ACCESSED THROUGH PROVIDER'S WEB SITE IS PROVIDED "AS IS" WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND. PROVIDER DOES NOT WARRANT THAT THE FUNCTIONS CONTAINED IN PROVIDER'S WEB SITE OR ANY DATA, MATERIALS OR CONTENT CONTAINED THEREIN WILL BE UNINTERRUPTED OR ERROR FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THE PROVIDER'S WEB SITE OR THE SERVER THAT MAKES IT AVAILABLE IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. PROVIDER SHALL NOT BE LIABLE IN ANY MANNER OR IN ANY RESPECT FOR THE USE OF PROVIDER'S WEB SITE BY PRINCIPAL, INCLUDING, WITHOUT LIMITATION, FOR THE ABSENCE OR PRESENCE OF DATA OR CONTENT OR ANY ERRORS CONTAINED THEREIN.

VIII.

INDEMNIFICATION

- 8.1 Provider shall not be liable for any claims, damages and attorney fees arising from the negligent or illegal acts of Principal's employees arising out of or related to Principal's use of Provider's web site.

Principal shall not be liable for any claims, damages and attorney fees arising from the negligent or illegal acts of Provider's employees arising out of or related to operation or use of Provider's website. If both Provider and Principal are liable for any claims, damages or attorney fees arising from the negligent or illegal acts of the employees of Provider and Principal under this Agreement, Provider and Principal shall be liable for the portion of the claims, damages and attorney fees that arise from the negligent or illegal acts of that party as determined by the court adjudicating the matter or as agreed in any settlement. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto, any benefits, rights, or remedies under or by reason of this Agreement.

Provider shall indemnify, hold harmless, protect and defend Principal and its officials, officers, employees, agents and authorized volunteers (the "Indemnified Parties") from and against all losses, liabilities, judgments, costs, expenses, damages (including damages to the System), attorney's fees, and other costs, including all costs of defense, arising from all suits of law or actions of every nature for or on account of the infringement of any trade secrets, patents, trademarks, copyrights or other proprietary right of any other party by reason of the use or integration of any proprietary materials, equipment, devices or processes, originally incorporated, or provided and used, by Provider in the performance of the services provided under this Agreement. Notwithstanding the foregoing, if the foregoing described losses, liabilities, judgments, costs, expenses, damages and the like arise due to the misuse of the Data or any other breach of this Agreement by Principal, Provider's liability under this paragraph 10.1 shall be reduced proportionately by the amount of loss, liability, judgment, cost, expense, damage and the like arising due to such misuse or breach by Principal.

IX.

COPYRIGHT/REVERSE ENGINEERING

- 9.1** Provider's web site is protected by copyright as a collective work and/or compilation, pursuant to U.S. copyright laws. The contents of Provider's web site are only for the purpose described herein. All materials contained on Provider's web site are protected by copyright, and are owned or controlled by Provider or the party credited as the provider of the content. Principal will abide by any additional copyright notices, information, or restrictions contained in any content on Provider's web site.
- 9.2** Principal agrees not to decompile or otherwise copy or use the Provider's web site for purposes of reverse engineering or reconstruction.

X.

MISCELLANEOUS

- 10.1** Provider may assign or delegate all or part of Provider's rights or duties under this Agreement without notice to Principal. Principal may not make any assignment of this Agreement without Provider's prior written consent, which will not be unreasonably withheld.
- 10.2** If any provision of this Agreement is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement, unless Provider deems the unenforceable provision to be essential to this Agreement, in which case Provider may terminate this Agreement, effective immediately upon notice to Principal.
- 10.3** Neither party will be liable for any failure or delay in performing an obligation under this Agreement that is due to causes beyond its reasonable control, such as natural catastrophes, governmental acts or omissions, laws or regulations, labor strikes or difficulties, transportation stoppages or slow-downs.
- 10.4** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of laws provisions. Sole and exclusive jurisdiction for any action or proceeding arising out of or related to this Agreement shall be in an appropriate state or federal court located in the State of Texas.

10.5 This Agreement constitutes the entire agreement between the parties, and shall supersede all prior agreements and understandings, if any, between the parties respecting the subject matter hereof.

PROVIDER

LeadsOnline LLC

By: _____

Print Name: David K. Finley

Title: President & CEO

Date: _____

Address: 15660 N. Dallas Pkwy., Suite 800

Dallas, Texas 75248

Federal Tax I.D. # 42-1720332

PRINCIPAL

Hidalgo County Sheriff's Department

By: _____

Print Name: Rene Ramirez

Title: County Judge

Date: 6/22/10


Address: 3100 S Hwy 281

Edinburg, TX 78540

Federal Tax I.D. # _____

AGENCY AGREEMENT – Attachment 'A'

TOTALTRACK SERVICE PACKAGE INCLUDES:

- **National Search Capability**
Transaction records from all Participants located in the Continental United States are available for investigative search.
- **3 Years of Searchable Data**
36 months of transaction records are available for investigative search.
- **NCIC Extract**
LeadsOnline will automatically check all serialized items sold in your pawn and secondhand stores against the NCIC database and report hits back to your agency.
- **300 Saved Searches**
Saved Searches feature automatically runs searches continuously at the discretion of Authorized Officials.
- **ID's for 1-5 Authorized Officials**
Authorized Officers are provided with individual accounts. Access is granted upon registration by Authorized Officials and verification by Provider.
- **eBay First Responder System – 240 Search Units** 
eBay First Responder System provides investigative search access to more than 500 million eBay listings, including seller and buyer contact information and history.
- **Hit Alerts to Email/Cell**
Hit Alerts provide notification to Authorized Officials via email and/or via an email-enabled cell phone when a new match ('hit') for a saved search is detected in the system.
- **Ticket Assistant**
Ticket Assistant provides for entry of Data from non-computerized pawn and secondhand stores into the LeadsOnline database.
- **Suspect Tag**
Suspect Tag facilitates inter-agency communication, enabling Authorized Officials to notify other agencies of suspect activity for sake of collaboration and avoidance of duplication of effort.

PO# 639108
270822

Req: 174213

leadsonline.com

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Hidalgo Cnty Sheriff's Department
P.O. Box 1228
Edinburg, TX 78542

Invoice Number: 215993
Invoice Date: 12/1/2009
Customer #: HIDALGO
Terms: Due 02/1/10
Our Tax ID#: 42-1720332

Attn: Ms. Myra Montoya

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