

OVERDRIVE - \$ 1250/MO BILLED
QTRLY
\$ 3750

Schedule "A-2"
Digital Library Reserve
Content Service Plan Fee Schedule

1. **Monthly Application License and Hosting Fee:** County shall pay OverDrive a Monthly Fee of \$1,250. This includes all fees for all services including the DLR System License, configuration and customization of website services, third party software licenses, hosting and maintenance of the application services, training, plus the annual credit for Digital Products. OverDrive shall submit initial invoice to County within thirty (30) days from the Effective Date of the Agreement. After the initial invoice, OverDrive shall invoice County quarterly for the Monthly Fee. After the initial term of four (4) years, the Monthly Fee shall be reduced to \$1,000.
2. **Annual Content Credit:** County shall receive an Annual Content Collection Credit of \$7,500 toward the selection of Digital Products. Anytime during the term of this Agreement County may select additional titles and material subject to standard terms and pricing. County shall make payments to OverDrive in U.S. funds for Content selections within thirty (30) days of presentation of invoice.
3. **Term:** The initial term of this Agreement shall be for four (4) years from the Effective Date.
4. **Early Termination:** In addition to the provisions of this Agreement authorizing termination, County shall have the option to terminate this Agreement without cause after an initial term of eighteen (18) months from the Effective Date ("Early Termination"), and at any time after that initial term of eighteen (18) months, provided that County shall provide OverDrive at least ninety (90) days prior written notice of such Early Termination.

7500
3750

11250

**Digital Library Reserve
Content Service Plan
Application Services Agreement**

1. INTRODUCTION

This Agreement is made and entered into this 23rd day of November 2011 by and between OverDrive, Inc., (hereinafter referred to as "OverDrive"), a Delaware corporation, Valley Tech Center, 8555 Sweet Valley Drive, Suite N, Cleveland, OH 44125 USA and the County of Monterey, Free Libraries, a political subdivision of the State of California, (hereinafter referred to as "County"):

County Name: Monterey County Free Libraries

Virtual Branch Name: _____

County's Primary Contact: Mary Housel

Address: 188 Seaside Circle, Marina, California 93933

Phone: 831-883-7564

Email Address: houselmb@co.monterey.ca.us

Attached and incorporated in this Agreement are the following Schedules:

- Schedule "A-1" – Digital Library Reserve Application Services and Fee Schedule
- Schedule "A-2" – Digital Library Reserve Content Service Plan Fee Schedule
- Schedule "B" – Digital Library Reserve and Library Website Guidelines

WHEREAS, OverDrive is a provider of digital book technology and services including those related to the management and copyright protection of content in eBook, audio book, and multimedia in digital formats; and,

WHEREAS County is seeking to utilize as part of its operation certain outsourced software and website services for the aggregation, management, copyright protection and distribution of Digital Products and related services; and,

WHEREAS County seeks to license the use of and deploy software products, technology and services including those licensed to OverDrive by Microsoft® Corporation, Adobe® Systems Inc. or other vendors of Digital Rights Management ("DRM") technologies.

THEREFORE, the parties agree as follows:

2. DEFINITIONS

As used in this Agreement, the following definitions shall apply:

2.1 "Agreement" shall mean this Agreement between OverDrive and County and all Schedules and attachments.

2.2 "Application Services" or "Application(s)" shall mean the DLR®, OverDrive®, Microsoft® Corporation, Adobe® Systems Incorporated, Adobe Benelux, B.V. and any other third party products or services identified in Schedule "A-1" attached to the Agreement.

2.3 "Application Services Fees" shall be the amounts payable by County to OverDrive in accordance with the terms of this Agreement. A schedule of the current Application Services Fees is attached to this Agreement as Schedules "A-1" and "A-2".

2.4 "Content" or "Digital Products" shall consist of digital files and titles available for loan to Patrons at the County Website distributed using the Application Services.

- 2.5 "Content Reserve" shall mean the Digital Product and Content distribution service operated by OverDrive which enables County to browse, select and license rights to Digital Products for re-distribution and lending to County Patrons.
- 2.6 "Digital Library Reserve" or "DLR" shall mean the OverDrive and integrated services utilizing OverDrive, Microsoft, Adobe or other third party software applications and services that relate to the County Website operated by the County for managing the Digital Products.
- 2.7 "Digital Library Reserve Guidelines" shall mean the terms and conditions of utilizing the Digital Rights Management Application Services.
- 2.8 "Effective Date" shall mean the date upon which both parties have signed the Agreement
- 2.9 "County" shall mean the organization or entity identified in the Introduction to this Agreement.
- 2.10 "County Website" shall mean the Internet-based Digital Product application operated by the County that provides Patrons access to Digital Products operated in association with the Digital Library Reserve and as a component of the County website address (URL) designated by County in the Introduction to this Agreement.
- 2.11 "OverDrive" shall mean: OverDrive[®], Inc., a Delaware Corporation.
- 2.12 "Patron(s)" shall mean those persons that County authorizes to access, use, and connect to the County Website via the Internet, and download products from or otherwise utilize the Application Services and/or access Digital Products from the County using the Application Services.
- 2.13 "Primary Support" shall mean services provided by County to its Patrons for its day-to-day support, technical aid, help and other assistance for Patron's use of the County Website, Applications or for any issues arising from the use of its County Website.
- 2.14 "Secondary Support" shall mean technical support services to be provided by OverDrive to County including reasonable efforts to assist County in providing Primary Support, reasonable efforts to correct, fix, or circumvent errors, and in the discretion of OverDrive, provide updates, enhancements, and new versions of the Application Services.

3. DIGITAL LIBRARY RESERVE APPLICATION SERVICES

3.1 OverDrive shall provide the Digital Library Reserve Application Services to the County under the terms and conditions of this Agreement and the associated license agreements from its DRM or Digital Product and Content suppliers. This right is non-transferable and applies solely to the server-based operation, management and use of the Digital Library Reserve applications in unaltered, object code form. Nothing under the terms and conditions of this Agreement, including any of the Attachments and Schedules, grant any right to County to the use of, or access to, any Application Services source code. This grant does not include any right to reproduce the Application Services, to distribute copies or versions of any modules of the Application Services to any third parties including its Patrons, or to make and/or sell variations or derivative works of the Application Services. County shall be permitted to customize portions of the Application Services specifically the patron-facing User Interface on its website or otherwise to custom integrate the Application Services into its operational offerings. Sole ownership of copyrights and other intellectual and proprietary rights to the Application Services shall remain solely with OverDrive or its suppliers.

3.2 County assumes responsibility for providing a suitable network and Internet system for integration of Application Services into County's website or other systems. All parties acknowledge that any expenditures or commitments are made at the risk of the party making such expenditures or commitments. County agrees that it shall be responsible for its own expenses and costs under this Agreement and that OverDrive shall have no obligation to reimburse County for any expenses or costs incurred by County in the preparation, systems integration, use of the Application Services, or for any performance of County's duties hereunder. Specifically, DLR integrates with County's patron authentication system using SIP2 or similar protocol. County shall, at its own expense, purchase a SIP2 license, or use an existing such license if available.

3.3 OverDrive will create and implement a County Website for County's use of the Application Services as detailed in Schedule "A-1" that will include search function (by title category, author, keyword), multiple categories with multiple listing option, auditing and reporting functions and access to a protected web portal to manage the County's catalog of Digital Product and Content files. Subject to OverDrive's approval, which shall not be unreasonably withheld, OverDrive will incorporate the County's name, logos and trademarks in accordance with design suggestions as provided by County. County will have the ability to manage and promote Digital Products from a password protected Digital Library Reserve administrative web portal.

3.4 OverDrive may include County logos and colors on the County Website. OverDrive reserves the right to display its branding, trademarks, logos, and/or notices/statements regarding other compatible devices related to the Application Services on the County Website. OverDrive will implement an inventory data feed from Content Reserve to the Digital Library Reserve inventory management system to permit County to browse, select and license rights to Digital Products in supported formats and as permitted by OverDrive's publishers and suppliers. OverDrive will create the appropriate download links from the County's Website for the secure delivery of Content to authorized County Patrons. All Content available at the County Website shall have at least a seven (7) day lending period, or other minimum lending period as otherwise required by suppliers or publishers of Content.

3.5 Without the use of OverDrive Download Station software, Patrons and all other users of DLR cannot download Digital Content to any Library computers or devices. The Digital Library Reserve is not to be used on public facing terminals within the Library unless OverDrive Download Station ("ODS") is licensed and installed on those workstations. For avoidance of doubt, ODS enables the download of audiobooks and music only; download of eBooks and video on public facing terminals within the Library shall not be permitted. ODS software licenses are available for an additional fee.

4. FEES AND PAYMENT

4.1 Schedules "A-1" and "A-2" shall serve as written purchase orders for the Application Services County seeks to have OverDrive configure and operate under this Agreement. County shall make payment of applicable fees and or deposits based on the terms and conditions of Schedules "A-1" and "A-2". County shall make payments to OverDrive in U.S. funds within thirty (30) days of presentation of invoice. OverDrive shall have sole discretion to approve any and all libraries that seek to participate in the DLR service with the organization, or entity, identified in the Introduction to the Agreement, as well as establishes any other terms and conditions related to such expansion.

4.2 Under the terms of this Agreement, County shall receive an Annual Content Collection Credit of Seven Thousand and Five Hundred Dollars (\$7,500 USD), (at suggested list price) toward the selection of digital titles. Anytime during the term of this Agreement County may select additional titles and material subject to standard terms and pricing. County shall make payments to OverDrive in U.S. funds for Content selections within thirty (30) days of presentation of invoice. Under no circumstances shall the County's annual financial liability under this Agreement exceed Twenty Thousand Dollars (\$20,000).

4.3 The payment obligations stated in this Section 4 are exclusive of any federal, state, municipal or other governmental taxes, sales taxes, duties, excise taxes or tariffs now or hereafter imposed on the production, storage, sale, transportation, import, export, licensing or use of the Application Services or for operation or sales activity of the County Website. Such charges, shall be paid by County or, in lieu of payment of any tax, County shall provide an exemption certificate acceptable to OverDrive and the applicable authority.

5. COPYRIGHT PROTECTION, PATRON AUTHENTICATION AND DATA SECURITY

During the Agreement Term and any renewal periods, County will reasonably cooperate with OverDrive to achieve OverDrive's and its Publishers' and suppliers' objectives of protecting certain intellectual property interests relating to OverDrive supplied Digital Products and Content. The County shall establish policies and procedures to abide by the Digital Library Reserve Guidelines as described in the attached Schedule "B". County shall provide OverDrive access to a test Patron account for purposes of validating the system's performance relating to the Application Services. County will reasonably cooperate with OverDrive to correct or adjust systems as may be required to compensate for any errors or omissions disclosed by such test. Any

such test will be conducted by OverDrive at its own expense and during regular business hours and in such a manner as not to interfere with County's normal activities. Nothing in this Section shall entitle OverDrive to any Patron data or information relating to the identity of Patrons accessing any components of the Application Services.

6. RESPONSIBILITIES OF COUNTY

6.1 County will assign personnel with appropriate skills and expertise in computer, data processing, and related services to enable operation of the Application Services and the County Website and to provide Primary Support. County will use reasonable efforts to operate its Digital Library Reserve and County Website in compliance with the terms of this Agreement and all Schedules. Upon launch of the service, County shall include a direct hyperlink and/or logo to the DLR service from County's home page. Such link or logo shall be featured no less prominently than other electronic resources including but not limited to NetLibrary, Recorded Books and Ingram.

6.2 With the exception of the Application Services configured and hosted by OverDrive, County is solely responsible for all aspects of catalog integration, operation, training, support and/or maintenance necessary for the operation of the County Website. County shall keep its Digital Library Reserve Account information current and alert OverDrive of any changes in its operation of its County Website including but not limited to changes of personnel. County will use reasonable efforts to ensure that information or data relevant to the operation of the County Website will be treated as required by applicable law and reasonable and customary commercial practices.

6.3 County agrees to perform Primary Support for Patrons using its County Website. County will perform requested installation, upgrade, and reasonable technical services for Primary Support of the Application Services pursuant to installation and support procedures and policies as developed by OverDrive and as modified from time-to-time. OverDrive will provide County with documentation regarding Primary Support and OverDrive support personnel will be available for Secondary Support by e-mail and phone.

6.4 County will, upon request, promptly cooperate with OverDrive by completing forms, reports, or checklists as OverDrive may require its County's to complete as part of an installation, upgrade or provision of the Primary Support of the Application Services. County shall identify and promptly inform OverDrive of any design or programming errors or omissions in the Application Services, of which it becomes aware.

6.5 County represents and agrees that it will not make any representations or create any warranties, expressed or implied, concerning the DLR Application Services products. County will take reasonable steps to insure that its employees, agents, and others under its direction, abide by the terms and conditions of this provision and this Agreement.

6.6 County shall comply with all applicable laws, ordinances, rules and regulations, in connection with the use and/or operations of the Application Services. ~~Regardless of any disclosure made by County to OverDrive of an ultimate destination for users of the Application Services, County agrees not to export either directly or indirectly any Application Services or system incorporating such Application Services without first obtaining a license to export or re-export from the United States Government, as may be required and to comply with the United States Government export regulations, as applicable.~~

7. OVERDRIVE'S OBLIGATIONS

OverDrive will create a County Website that will be in compliance with the requirements listed in the attachments. As part of the Application Services OverDrive will either implement the required services directly or oversee the necessary procedures to assure compliance with the Digital Library Reserve guidelines. OverDrive will use reasonable efforts to make the Application Services perform substantially in accordance with the product description, as it may exist from time to time. However, County acknowledges that inevitably some errors may exist in the Application Services, and the presence of such errors shall not be a breach of this provision. OverDrive's sole obligation with regard to such errors shall be to use commercially reasonable efforts to correct such errors and provide Secondary Support as stated in this Agreement. Such services will be provided by phone or email. Such services will be provided at such times as are mutually agreed upon by the parties.

8. OVERDRIVE'S OPTION TO MODIFY OR DISCONTINUE APPLICATION SERVICES

8.1 OverDrive has the right, at any time, to make such modifications to the Application Services as it sees fit to the operation, performance, or functionality of the Application Services or as required by OverDrive's suppliers.

8.2 OverDrive has the right, at any time, to discontinue distribution of any or all Application Services or versions of Application Services, to remove supported Application Services or versions of supported Application Services from OverDrive's supported Application Services list, or to discontinue support, maintenance, or the provision of new versions, updates, or corrections for any Application Services or for any version or for any hardware or Application Services platform or operating system. If such a discontinuance of distribution of the Application Services or of support, maintenance or the provision of new versions, updates, or corrections materially impairs the value of this Agreement to County, County shall have the option to terminate this Agreement and receive a pro-rata refund of any Application Service Fees paid; such option to terminate shall expire after sixty (60) days from the date notice of impairment is given.

9. WARRANTY

9.1 OverDrive represents and warrants to County that it has the necessary rights to enter into this Agreement and that it has the necessary ownership and intellectual property rights and licenses to the Application Services to grant the licenses herein. OverDrive warrants that the Application Services will operate as intended if properly used by County and Patron. If any errors are discovered, County shall promptly notify OverDrive in writing as to the description of the problem, whereupon OverDrive shall use reasonable efforts to correct such problems within a reasonable time thereafter. Corrections will be provided to County with instructions for implementation. The remedies set forth in this Agreement shall be County's sole remedies for breach of this Agreement.

9.2 THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE RIGHTS AND REMEDIES GRANTED TO COUNTY AND ITS PATRONS UNDER THIS PARAGRAPH CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF COUNTY AND COUNTY'S PATRONS AGAINST OVERDRIVE FOR BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR FOR ANY ERRORS OR DEFECTS IN THE APPLICATION SERVICES. IN NO EVENT SHALL OVERDRIVE OR ITS SUPPLIERS BE LIABLE TO COUNTY OR COUNTY'S PATRONS FOR ANY DAMAGES ARISING FROM OR RELATED TO FAILURE OR INTERRUPTION OF THE APPLICATION SERVICES, OR FOR INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROFIT OR OPPORTUNITY, LOSS OF USE OR OTHER FINANCIAL LOSS ARISING OUT OF OR IN CONNECTION WITH THE LICENSE, TRANSFER OR USE OF THE APPLICATION SERVICES. IN NO EVENT SHALL OVERDRIVE'S LIABILITY HEREUNDER EXCEED THE TOTAL AMOUNT RECEIVED BY OVERDRIVE UNDER THIS AGREEMENT.

10. INDEMNIFICATION

10.1 OverDrive agrees to indemnify County against liability and expense, including reasonable attorney fees, arising from any breach of OverDrive's warranty that it has the required rights to the Application Services and that the Application Services does not infringe any ownership or intellectual property right of a third party, provided that OverDrive: (i) is notified immediately after County receives notice of such claim; (ii) is solely in charge of the defense of and any settlement negotiations with respect to such claim; (iii) received County's cooperation in the defense or settlement of such claim; (iv) has the right, upon either the occurrence of or the likelihood (in the opinion of OverDrive) of the occurrence of a finding of infringement, either to procure for County the right to continue use of the Application Services, or to replace the relevant portions of the Application Services with other equivalent, non-infringing portions. If OverDrive is unable to accomplish either of the options set forth in (iv) above, at OverDrive's option OverDrive shall either remove the portion of the Application Services in issue and refund to County the value of such portion, or remove the entire Application Services and refund to County the entire amount paid pro-rata under this Agreement as it relates to the incident that gave rise to the claim.

10.2 OverDrive shall have no obligation to County to defend or satisfy any claims made against County that arise from use, marketing, licensing, or disposition of the Application Software by County other than as permitted by this Agreement. OverDrive shall not be responsible to indemnify County for claims arising from the use or license of third party software including DRM where OverDrive is not afforded such corresponding indemnification from said third party vendor. In the event a claim arises from use of non-OverDrive technology, where the vendor of such product or

technology does not indemnify OverDrive, then OverDrive is not liable to extend indemnification under this section to County for any such claims.

11. TERM AND TERMINATION

11.1 This Agreement shall take effect on the Effective Date. Unless sooner terminated in accordance with the relevant provisions of this Agreement, or pursuant to the Early Termination provision of Schedule "A-2," the initial term of this Agreement shall be for four (4) years. County shall have the option to terminate this Agreement without cause after an initial term of eighteen (18) months from the Effective Date ("Early Termination"), and at any time after that initial term of eighteen (18) months, provided that County shall provide OverDrive at least ninety (90) days prior written notice of such Early Termination.

11.2 In the event of a filing by or against either party of a petition for relief under the United States Bankruptcy Code or any similar petition under the insolvency laws of any jurisdiction, where such filing is not dismissed within thirty (30) days after the date of the filing, or should County discontinue the operations relevant to this Agreement, then the other party may immediately terminate this Agreement upon written notice.

11.3 In addition to provisions authorizing termination hereunder, either party shall have the right to terminate this Agreement as a result of a material breach of the Agreement by the other party that is not cured within thirty (30) days after written notice of such breach.

11.4 Upon termination of this Agreement, and except as otherwise provided in this Agreement, the license granted to County by this Agreement shall be terminated immediately; County shall make no further use of all or any part of the Application Services, Content or any confidential information received from OverDrive.

11.5 The provisions of this Agreement concerning confidential information and indemnification shall survive the termination and/or expiration of this Agreement, and termination shall not relieve either party of the obligation to pay any amount due to the other.

12. GENERAL PROVISIONS

12.1 Independent Contractor. OverDrive and County are independent contractors under this Agreement and nothing in this Agreement authorizes either party to act as a legal representative or agent of the other for any purpose. It is expressly understood that this Agreement does not establish a franchise relationship, partnership, principal-agent relationship, or joint venture. Neither party shall have the power to bind the other with respect to any obligation to any third party. Each party is solely responsible for its employees, including terms of employment, wages, hours, required insurance, and daily direction and control.

12.2 Confidential Information. Both OverDrive and County acknowledge that each will receive confidential information from the other relating to technical, Application Services and operational affairs of the other. Each party agrees that all confidential information of the other party shall be held in confidence and shall not be disclosed, not withstanding any laws and regulations permitting public access to documents and information that are considered public.

12.3 Announcements. OverDrive and County may issue, at a mutually agreed upon time and in a mutually agreed upon form, a public announcement relating to this Agreement. OverDrive and County will each give the other party the opportunity to review and approve, in advance of its issuance, any public announcement or publicity relating to this Agreement or any aspect of the parties' relationship hereunder.

12.4 No Exclusivity. This Agreement is not exclusive and does not impose any obligation on either party with respect to competing relationships or opportunities.

12.5 No Waiver. The failure of either party to exercise any right or the waiver by either party of any breach, shall not prevent a subsequent exercise of such right or be deemed a waiver of any subsequent breach of the same of any other term of the Agreement.

12.6 Notice. All notices, requests, demands or other communications required to be given pursuant to the Agreement shall be in writing and shall be deemed to have been given, if sent by U.S. mail, registered or certified mail, return receipt requested, postage prepaid, addressed to the parties at their place of business or to such other addresses as the parties direct in writing. Notice to OverDrive shall be addressed to OverDrive at the address provided in the Introduction, Attention: President or to such person or to such address as OverDrive may designate. Notice to County shall be addressed to the address for County in the Introduction to this Agreement, Attention to the individual signing on behalf of County or to such person or to such address as County may designate.

12.7 Force Majeure. Neither party shall be deemed in fault of this Agreement to the extent that performance of their obligations or attempts to cure any breach are delayed or prevented by reason of any act of God, fire, natural disaster, accident, act of government, shortages of materials or supplies, or any other causes beyond the control of such party provided that such party gives the other written notice thereof promptly and, in any event, within fifteen (15) days of discovery thereof and uses its best efforts to cure the delay. In the event of such Force Majeure, the time of performance or cure shall be extended for a period equal to the duration of the Force Majeure but in no event shall exceed three (3) months.

12.8 Assignment. This Agreement may not be assigned by either party, nor any duty hereunder be delegated by either party without the prior written consent of the other party, which shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective heirs, legal representatives, successors and permitted assigns.

12.9 Limitations of Liability. In the event of failure of either party to fulfill any of its obligations hereunder, the initial remedy of the other party under this Agreement shall be to request performance of such obligation. If such performance is not rendered, the other party may terminate the Agreement pursuant to Paragraph 11.3, and where appropriate, bring an action for any moneys due and payable hereunder for services rendered. However, either party shall be entitled to enforce its rights regarding patents, copyrights, trademarks, or trade names, by any appropriate action, including actions for damages and equitable relief.

12.10 Injunctive Relief. The parties to this Agreement recognize that a remedy at law for a breach of the provisions of this Agreement relating to confidential information, use of OverDrive's and/or DLR's trademarks, copyright, and other intellectual property rights, and/or Non-competition, will not be adequate for OverDrive's protection, and accordingly OverDrive shall have the right to obtain, in addition to any other relief and remedies available to it, injunctive relief to enforce the provisions of this Agreement.

12.11 Severability. In the event that a court of competent jurisdiction determines that any portion of the Agreement is unenforceable, void, invalid or inoperative, the remaining provisions of this Agreement shall not be affected and shall continue in effect as though such invalid provisions were deleted.

12.12 Entire Agreement. This Agreement constitutes the entire Agreement and understanding of the parties and supersedes all prior and contemporaneous Agreements, understandings, negotiations and proposals, oral or written. Section headings are provided for convenience purposes only and do not provide any modifications or substantive meaning to the terms and conditions of this Agreement. This Agreement may be amended or modified only by a subsequent Agreement in writing signed by each of the parties and may not be modified by course of conduct.

12.13 Binding. This Agreement shall be binding and inure to the benefit of the parties hereto and their respective successors. In the event OverDrive enters into an agreement to sell substantially all the assets of OverDrive, this agreement shall be binding upon the purchaser.

[Signature Page Follows]

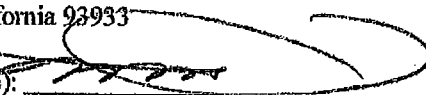
IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives:

Accepted and Agreed:

OverDrive, Inc.
("OverDrive")
8555 Sweet Valley Drive, Suite N
Cleveland, Ohio 44125 USA

Monterey County Free Libraries
("County")
188 Seaside Circle
Marina, California 93933

By (signature): _____

By (signature):  _____

Name (Print): _____

Name (Print): Michael R. DARR

Title: _____

Title: CONTRACTS/PURCHASING OFFICER
COUNTY OF MONTEREY

Date: _____

Date: 11/23/11

Schedule "A-1"
Digital Library Reserve
Application Service and License Fee Schedule - (Content Service Plan)

The following modules comprise Digital Library Reserve County services for County administration of a circulating digital content collection. All prices are in USD.

Application Service	Service Information	Setup and Configuration Fee	Application License and Hosting Fee
Digital Library Reserve Server (DLR-S)	DLR is the digital content repository and database established for each library. Included is support for delivery and fulfillment of Adobe software compatible with DRM-protected eBooks, Mobipocket PDA titles, and digital audio books. Includes associated copyright protection services (DRM). Included with this fee are all third party software and technology licenses. Services are hosted at the secure DLR hosting center. Access to County-managed services is accomplished via secure admin web services. The County utilizes a PC, Internet connection and Web browser (Internet Explorer 5.5 or higher) to administer its digital collection. No additional hardware or software is required by County.	Per Schedule A-2	Per Schedule A-2
DLR Patron Website (DLR-PW)	This is the patron facing website that incorporates the County's look-and-feel. The Patron Website is a complete digital book center providing browsing, searching, promotional and checkout services for patrons to explore and download digital media to their own PC or mobile devices.	Included	
DLR Content Reserve Collection Access (DLR-CRCA)	This module enables the County collection staff to administer approval plans and development profiles to aid in building its digital content collection from Digital Library Reserve. Each account has access to digital media from leading publishers. Digital Library Reserve offers a large collection of best-selling popular, academic, business and educational titles.	Included	
DLR Patron Authentication Integration (DLR-PAI)	OverDrive personnel will work with County automation personnel to integrate its existing patron authentication system. Will support present County card, student ID, or other authentication to insure access of titles is limited to County patrons.	Initial integration of one ILS included	Subsequent integrations may be subject to additional fees
DLR OPAC Record Integration (DLR-OPAC)	OverDrive will assist County to coordinate access to MARC records for integration into the County catalog for patron searching and direct access to eBook and audio book titles. Included in the record will be a direct link for patrons to view the eBook and audio book title and status for lending. MARC records are available for purchase by County from OCLC.	MARC Records available for purchase from OCLC	
DLR Open Content Collection (DLR-OPC)	This module permits uploading digital content from other sources into the collection. This permits direct management of supported files and setting DRM to manage copyright protection and circulation of the title. This also enables the County to acquire eBooks and other documents directly from publishers and authors.	Included	
DLR Windows® Media Server (DLR-WMS)	Support for download or streaming of copyright protected digital audio and video using Microsoft® Windows® Media Series 9 and up. * OverDrive reserves the right to limit bandwidth.	Included*	

Schedule "B"
Digital Library Reserve and County Website Guidelines

1. Patron Support Resources

County will provide Primary Support for its Patrons via e-mail and/or by phone in direct support of all Patron inquiries, issues, and problems relating to the County Website. County will post on the County Website OverDrive supplied Frequently Asked Questions (FAQs) and other support information and links to assist with providing Patrons with answers to frequently asked questions. County will cooperate with OverDrive to implement practices as recommended by OverDrive to reduce the instances of Patron technical support issues.

2. Copyright Protection, Patron Authentication and Data Security

County will take reasonable steps to prevent unwarranted intrusion into data managed or maintained by OverDrive or on behalf of County and acquired in the course of County's operation of County's Application Services. This includes reasonable steps to protect its password and access to County's administrative website for management of its Digital County Reserve and County Website.

For Digital Products and Content which County acquires rights from OverDrive's Content Reserve for re-distribution and lending to Patrons, County agrees to deploy the following practices and methods to respect the Copyright Protection and Patron Authentication terms of OverDrive's Publishers and suppliers:

- A. County will respect and deploy the DRM protection settings as designated by Publisher that may restrict copying, sharing and/or printing.
- B. County acknowledges that Digital Product titles selected will not entitle County to access a copy of the title, but will enable its County Website the right to provide download access to the title for their Patrons as fulfilled through the Application Services after the DRM services have been applied.
- C. County is not granted any license to use titles for any "online" use, except for the display of Digital product cover art, excerpts and metadata as designated by Publisher and available from Content Reserve.
- D. County will be allowed to loan to their patrons or "check-out" Digital Products or Content via a download link from the County Website. County acknowledges that all circulating Digital Products will have a predetermined period for an automatic self-expiring use period or "time-out", which shall not be less than seven (7) days or other minimum lending period as required by publishers and suppliers.
- E. A Digital Product in the County's Website that is checked out by a Patron will not be available for another Patron to check out unless multiple copies of the title have been selected by County, or until the expiration period of the first Patron's time period has expired.
- F. County will take reasonable measures to ensure that only authorized Patrons of their County have access to the County Website for access to Digital Products or Content.
- G. Access to the Application Services shall be limited to those patrons of the County that have the required relation to the County to receive a County card ("Authorized Patrons"). County shall not provide access to the Application Services to any end users who are not Authorized Patrons. Authorized Patrons shall be defined as individuals who can provide proof of residency, employment, or enrollment in school or similar institution in the County's service area. Online County card applications and issuance, with or without any fees, that provide access to the Application Services without proof of the required County relation (as referenced in the foregoing sentence) shall not be permitted. OverDrive reserves the right to immediately terminate this Agreement if County provides access to the Application Services to end users who are not Authorized Patrons.

3. Third Party Logo and Trademark Use Guidelines

County acknowledges that its County Website will utilize and rely upon third party software and technologies provided by OverDrive, Microsoft Corporation, Adobe Systems, Inc., and other technology suppliers. OverDrive shall provide to County the applicable guidelines for utilizing the registered trademarks, logos, and software products associated with County's operation of the County Website. County agrees to abide by the terms and conditions of these third party suppliers. OverDrive will provide to County all necessary links, art, logos and instructions to permit County to comply with this provision.