

May 25, 2016

Mr. Sidney Burns
Panola County Auditor
110 South Sycamore, Room 213
Carthage, Texas 75633

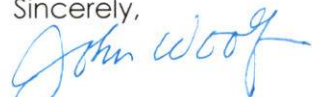
Dear Mr. Sidney Burns,

Please note that as of January 1, 2016, our company name changed to Kofile Technologies, Inc.

This was included in a Certificate of Merger for the purpose of merging Kofile Solutions, Inc. with and into Kofile Preservation, Inc.—with Kofile Preservation, Inc. as the surviving corporation (now both a d.b.a. or 'formerly known as' for this new company).

All contractual rights and obligations remain unaffected. Ownership of the company has not changed. As referenced in the attached W9, the Tax Identification Number did not change. There will be no personnel changes for personnel performing the responsibilities of any projects. This does not impact Kofile's ability to perform any project—any agreed upon terms and conditions stand as previously accepted.

Sincerely,



John Woolf
CFO

sgf

CC: Hon. Debra Johnson
Panola County District Clerk
100 S. Sycamore, Room 227
Carthage, TX 75633

Hon. Bobbie Davis
Panola County Clerk
100 S. Sycamore, Room 201
Carthage, TX 75633

KOFILE TECHNOLOGIES

May 24, 2016

Honorable Debra Johnson
Panola County District Clerk
110 South Sycamore, Room 227
Carthage, TX 75633

RE: Pre-Preservation and Archival Digitization of Historical Civil Case Files Phase IV

Dear Hon. Debra Johnson,

Per your request, please find our quote for the pre-preservation and digitization the Panola County District Clerk's historical Civil Case Files. All pricing is good for 90 days from the date of the quote.

This phase addresses 900 cases—Civil Case Files Nos. 2536—3676 (there are gaps between the numbers).

Please note that as of January 1, 2016, our company name changed to Kofile Technologies, Inc. Kofile Preservation, Inc. is now both a d.b.a. or 'formerly known as' for this new company. All contractual rights and obligations remain unaffected. Our company's Tax Identification Number did not change. There will be no personnel changes for personnel performing the responsibilities of any project. This does not impact Kofile's ability to perform any project.

SCOPE OF SERVICES

PRE-PRESERVE

Sheets are prepped for imaging and receive limited conservation treatments — which includes removal of fasteners, flattening, and humidification. Sheets are placed in archival acid free folders, and housed in small plastic Iris® File-n-Stack Totes.

IMAGE

Document preparation, batching, and scanning, while adhering to strict quality control policies. This service also includes:

- Image Capture
- Image Processing
- Zonal Enhancements
- Deskew & Despeckle
- Border Removal
- Page Validation
- Image Splitting
- Image Annotations

INDEX

Manually keying of case number, filed date, and parties—plaintiff and defendant. The County received a pipe-delimited index file.

MICROFILM

Sheets are captured on 16 MM microfilm as a security backup. Microfilm produced from this project is stored in the Media Vault at Kofile's Dallas facility per the conditions on Page 7.

6300 CEDAR SPRINGS ROAD, DALLAS, TEXAS 75235
P: 214/ 351.4800 F: 214/ 442.6669 WWW.KOFILE.US

METHODOLOGY

PRE-PRESERVATION & PREP

Files are physically prepared for scanning. Prep includes staple and brad removal, reduction of adhesives, orientation of documents, and unfolding. Kofile utilizes several paper conservation methods for safely flattening the documents without damaging originals. Tools to 'flatten' documents include tacking irons, heat presses, and a custom Ultrasonic Humidification Chamber (also known as a paper suction table).

Also at this stage, fragile documents are identified and flagged for exception handling and placement in Mylar, as necessary. Sequential document order is maintained and controlled by either batch or page. Page order is maintained by hand numbering with a light pencil.

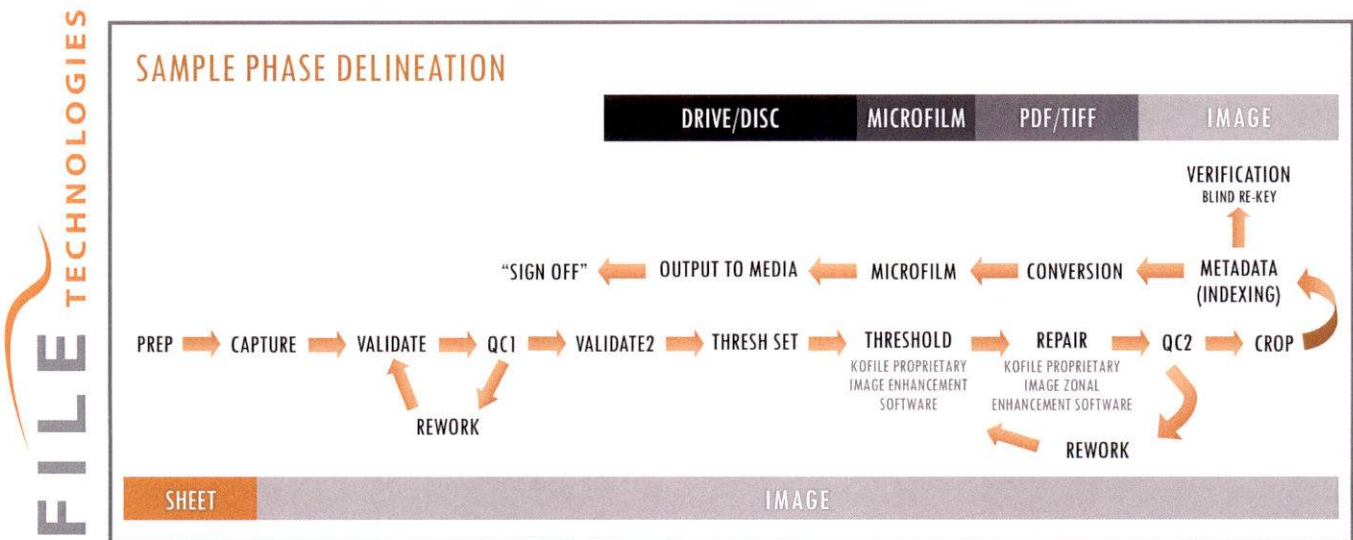
INITIAL CAPTURE

Domain specific knowledge is necessary for this project. A vendor that does not understand permanent asset collections may address the Panola County's files as disposable documents. Kofile understands that these are not disposable records, and will maintain file order and identification.

Operators observe each page during capture. For faint or illegible pages, the operator marks the page, readjusts the scanner, and employs contrast tools. If unsuccessful, the operator indicates and inserts a review form for the quality assurance team to assess. The page is treated with a "Best Possible Image Indicator" or further enhancements.

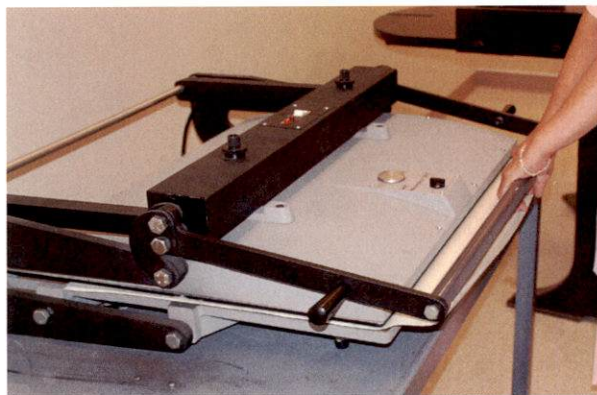
Images are captured at a minimum of 300 dpi at 256 bi-tonal or gray levels. This ensures the highest image quality for documents with poor contrast and illegible information. Images accumulate as Group IV bi-tonal images in a standard TIFF format. Images are optimized and scaled for system output.

Upon request, Kofile stores an electronic security back up of all images in case of loss, damage, or destruction by fire or natural disaster.





Ultrasonic Humidification corrects folds and bends for fragile sheets. Documents dry between acid-free blotters. Monitoring eliminates ink bleeds and mold/fungus growth.



A heat press is used to flatten the document in order to obtain the best initial capture.



Tacking irons, a specialized tool, flattens standard sized documents. The irons have temperature controls to alleviate damage.

Kofile utilizes multiple types of scanners for various conditions and types of documents. The map pictured right is being captured with an overhead non-contact scanner. Roll scanners would damage the originals and will not produce a viable permanent digital working copy. Documents are imaged by hand, and technicians are trained to handle fragile documents.

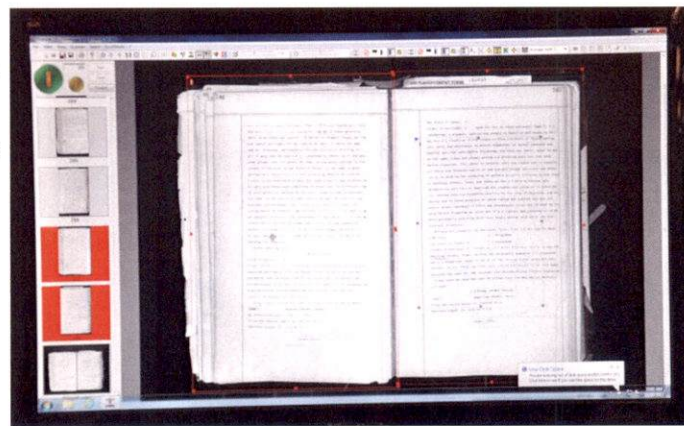


IMAGE PROCESSING

Kofile's proprietary software is *IMAGE PERFECT*. This software ensures that Panola County has the optimum image quality. When documents vary in size and density, this custom programming ensures image uniformity. *IMAGE PERFECT* provides proprietary algorithms to achieve the highest image quality. The utilization of algorithms are critical for capturing different densities and quality levels in a records collection.



Kofile maintains 100% document integrity and image control with exclusive Image Locking capabilities. The processing procedures will not allow for information from rescanned pages to cut and paste into the incorrect page. The *IMAGE PERFECT* application software uses custom image clean up and enhancements such as deskew, despeckle, character repair, and zonal processing.



Quality Targets (see pictured) establish the baseline digital capture quality of the scanner during scanning. Therefore, Kofile can measure the digitization physics at the time of capture. The *Quality Target* serves as the foundation for our quality assurance analysis. Our software will measure each image for the following attributes at a minimum:

- Target DPI
- Target Tone scale and correction
- Color Management
- Brightness/Contrast Correction
- Gamma Adjustment
- White Balancing
- Page Orientation
- Exposure uniformity
- Color reproduction data

During image repair, custom *IMAGE PERFECT* software allows repair of the currently displayed image without rescanning. This eliminates the need to rescan additional images that could compromise image integrity. Our procedures and software insures the highest possible quality at each step during the image capture/processing process.

QUALITY CONTROL

Quality control is a key element in all imaging and archiving projects. Our quality control process ensures that all images are certified. We do not use random sampling in our QC methodology. Each and every image is checked during QC. Kofile will provide an image log which notes the steps employed. Image quality is checked during scanning to ensure that information is not lost during capture.

ARCHIVAL INDEXING

Data integrity is essential. Kofile's goal is to provide consistently keyed fields to improve document retrieval and build a dependable, searchable database for staff and the public. Proprietary indexing software and keying procedures provides proven 99.25% accuracy.

Before indexing commences, Kofile conducts a comprehensive assessment of the Office's indexing specifications. This allows for accurate and consistent indexes to guarantee

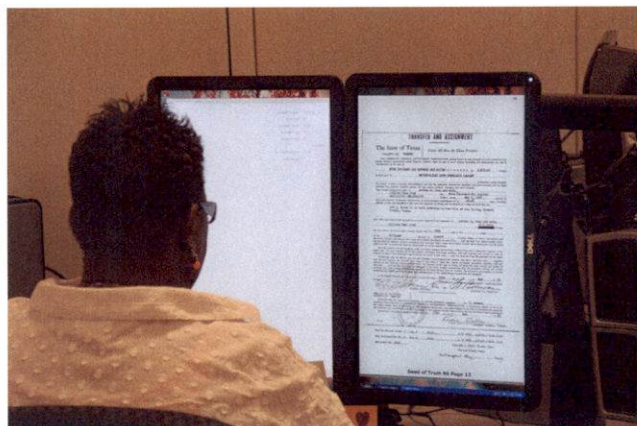
quick user searches. The assessment includes documenting established methods of indexing specific instruments, clarifying terminology, and determining the standards used for entering names, dates, and other required basic information. This analysis produces essential information to ensure the metadata's accuracy and integrity. Full consideration is given to all indexing situations, including:

- ▶ *differentiation between individual names & corporation names*
- ▶ *government departments & agencies*
- ▶ *alternate & alias names*
- ▶ *abbreviations, titles, & naming consistency (e.g., hyphens, nos., spaces, & suffixes)*

DATA ENTRY PROCEDURES

Kofile performs key entry at least twice for every field. Following the initial field key entry, the record displays to a second technician. This individual also keys the field (also termed a "blind re-key"). The software compares the entries. If they do not match, the record is sent to a supervisor.

This supervisor identifies the problem with the field entry and determines if it is a one-time keying error or a prevailing issue. The supervisor decides if a new keying standard is needed. The record is then sent to another technician and keyed again. **With this methodology, each field is blind-keyed three times.**



Our Data Entry Manager, Wanda Gomez, has over 43 years of experience. She excels at placing the customer's needs first.

In quality control (QC), managers and supervisors internally research problematic processes. If County input is required, Kofile will contact the District Clerk directly. Client involvement demonstrates Kofile's pride in building successful relationships.

ARCHIVAL MICROFILM

Kofile provides the Best Value for this project. Kofile works closely with Eastman Park Micrographics, Inc. (EPM) formerly a division of Eastman Kodak Company, as our parent company affiliate owns and operates it. With Kofile, Panola County has access to the world's foremost microfilm experts, leaders, technology, and machines. Kofile's history in providing services to government and meeting precise records management requirements is exceptional.

Kofile will create security back-ups on EPM's Archival LE 500 Silver Microfilm from the digitized and processed images. All microfilming procedures are archival quality and produced according to ANSI Standards. Images are scanned with the correct compression, no proprietary headers, and with the proper scaling.

REHOUSING

Sheets are placed in archival acid free folders, and housed in small plastic Iris® File-n-Stack Totes. Each box and folder is appropriately labeled as to its contents.

PROJECT PRICE QUOTE

This quote is presented via Kofile's **TXMAS Contract No. TXMAS-13-36010**. To purchase via TXMAS, please reference this contract number on the County's PO. Prices are good for 90 days without a signed agreement. Pricing is based on estimated page counts and billing occurs on actuals per the unit pricing quoted below.

PANOLA COUNTY DISTRICT CLERK DIGITIZATION OF HISTORICAL CASE FILES PHASE IV							
QTY.	RECORDS SERIES TITLE	PART NO./NIGP	DESCRIPTION OF SERVICE	UNIT PRICE	UNIT QTY.	LINE ITEM TOTAL	PRICE QUOTE
UNIT PRICE PER PAGE:							
1	Case File Page	IMGP005/92030	Image Tri-Fold Case File	\$0.76/Page	1	\$0.76	\$0.9987
		PRV004/96272	Conservation	\$142.12/Hour	0.00168	\$0.2387	
TOTAL PRICE QUOTE (MAX OF 35,043 PAGES):							
35,043	Case File Page	IMGP005/92030	Image Tri-Fold Case File	\$0.76/Page	35,043	\$26,632.68	\$34,999.60
		PRV004/96272	Conservation	\$142.12/Hour	58.8722	\$8,366.92	

Pricing Includes:

- Prep (Staple Removal, Flattening, Etc.)
- Image Capture and Processing
- Page Validation
- Deskew and Despeckle
- Key and Re-Key Verify All Documents
- Disaster Recovery Electronic Off-Site Backup
- Disaster Recovery Microfilm Backup*
- 16 MM microfilm creation

*Microfilm storage is included at no additional cost as long as the County is engaged in a contract or not more than two years has passed since the County has been engaged in contract work. After two years, Kofile reserves the option to propose cost for continued storage or the County has the option to take possession of microfilm.

COUNTY ACCEPTANCE

Lillian Jones

 Signature of Authorized Official

County Judge

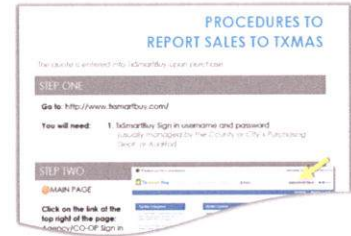
 Title

6.13.16

 Date

TXMAS REPORTING REQUIREMENTS

Per the Texas Comptroller of Public Accounts (CPA), upon purchase of this TXMAS project, Panola County reports the order online on the TxSmartBuy System at <www.txsmartbuy.com/>. Please review the attached instructions outlining the new process (as seen right).



Panola County's State of Texas CO-OP Listing for TXMAS purchase reporting:

CO-OP #	C1830
Expiration Date	24-MAY-2017

Kofile is pleased to serve the Panola County District Clerk again. Please do not hesitate to contact me with any questions.

Sincerely,
Bob Summers
 Bob Summers
 Account Manager

sgf

CC: Sidney Burns, County Auditor
 Panola County Auditor's Office
 110 S. Sycamore, Room 213-A
 Carthage, TX 75633



Purchase Order
PO No. 16108612

Order Date: 06/14/2016
 Internal Tracking No.: PO#020760

Contractor Info

Kofile Preservation, Inc.
 12640343286
 6300 Cedar Springs Road
 Dallas, TX 75235
 Susanna Records
 (214) 351-4800

Bill To

DEBRA JOHNSON
 PANOLA COUNTY DISTRICT CLERK
 110 S. SYCAMORE ST., ROOM 227
 CARTHAGE TX 75633

Ship To

DEBRA JOHNSON
 Panola County - C1830
 (903) 693-0306
 PANOLA COUNTY DISTRICT CLERK
 110 S. SYCAMORE ST., ROOM 227
 CARTHAGE TX 75633

NOTE TO CONTRACTOR:

Disclaimer

The State of Texas is exempt from all Federal Excise Taxes except as noted in each contract.

STATE AND CITY SALES TAX EXEMPTION CERTIFICATE:

The undersigned claims an exemption from taxes under Texas Tax Code, Section 151.309(4), for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas, or a Texas County, City, Special District, or Other Political Subdivision.

Dee Dorsey

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS - CTPM

Agency	Purchaser	Email	Phone
Panola County - C1830	Brooke Lipsey	brooke.lipsey@co.panola.tx.us	(903) 693-0320

Line #	NIGP Code	Commodity Code/ Supplier Part #	Item	QTY	UOM	Unit Price	Extended Price
1	96272			34,999.6	EACH	\$1.00	\$34,999.60
			Contract: TXMAS-13-36010 Contract Type: TXMAS Delivery ARO (days): 30 Delivery Date: 8/1/2016				

Total \$34,999.60

COUNTY OF PANOLA
CARTHAGE, TEXAS

020760

**PURCHASE
ORDER**

DEBRA JOHNSON, DISTRICT CLERK

Date: 06/13/16

Ship To: _____

QUANTITY	DESCRIPTION	AMOUNT
35,043	IMG P 005/92030 IMAGE Tri-Fold 0.76 per pg. Case File	26,632.68
58,872	PRY004/96272 Conservation 142.12/hr.	8366.92
	TXMAS Contract No. TXMAS-13-36010	
	State Purchase Order P.O. No. 16108612	#34,999.60

I certify the above-named items are legal, reasonable and necessary expenses to this office

DEBRA JOHNSON, DISTRICT CLERK

Jean Starling

Officer

Vendor: Ko file

Address: _____

SIRS: Please furnish the above items for the account of Panola County

Fund: General

SB

County Auditor

Approved *[Signature]*

County Judge

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

Certificate Number:
2016-71356

Date Filed:
06/15/2016

Date Acknowledged:

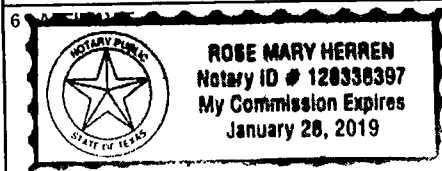
1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Kofile Technologies, Inc. (d.b.a. Kofile Preservation, Inc.)
Dallas, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Panola County, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
2016-47
Digitization of Historical Case Files Phase IV for the Panola County District Clerk's Office (\$34,999.60; PO 020760, TXMAS PO 16108612)

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Oates, William D.	Dallas, TX United States	X	

5 Check only if there is NO Interested Party.



I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

John D. Wolff
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said John D. Wolff, this the 15th day of June, 2016, to certify which, witness my hand and seal of office.

Rose Mary Herren
Signature of officer administering oath

Rose Mary Herren
Printed name of officer administering oath

Public Notary
Title of officer administering oath