County of Los Angeles
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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
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First District

YVONNE B. BURKE
Second District

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Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

June 4, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF TREASURER AND TAX COLLECTOR:
RECOMMENDATION TO APPROVE A SOLE SOURCE CONTRACT
WITH COLUMBIA ULTIMATE, INC.
FOR CONTINUATION OF LICENSING, MAINTENANCE, AND SUPPORT SERVICES
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: (X) APPROVE ( ) APPROVE WITH MODIFICATION
( ) DISAPPROVE**

SUBJECT

The County of Los Angeles (County) has been using Revenue Plus Collection System (RPCS), a proprietary debt collection software application developed and owned by Columbia Ultimate, Inc. (Columbia Ultimate), utilized and identified by the Treasurer and Tax Collector (TTC) as the Collections and Accounts Receivable System (CARS) for over twenty (20) years. This system has had regular releases and programming updates to meet changes in required functionality. TTC procured the CARS software and related services from Columbia Ultimate through a purchase order. The purchase order process has specific statutory limitations pertaining to service contracting, and the authority to contract for services beyond a specific dollar threshold rests with your Board. Accordingly, TTC is recommending approval of a sole source contract with Columbia Ultimate to provide a continued license, maintenance, support, and professional services for the CARS software.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached sole source contract (Contract) with Columbia Ultimate to provide continued licensing, professional services, and ongoing maintenance and support for Columbia Ultimate's proprietary debt collection software application identified by TTC as CARS. The Contract is for a term of five (5) years, with two (2) additional one (1) year extension periods and six (6) additional month to month extension periods, for a total of seven (7) years and six (6) months, commencing on July 1, 2008 or upon the date of Board approval, whichever is later, with a contract sum not to exceed $604,631.51 plus applicable sales tax; the contract sum is comprised of $549,631.51 for license and support and $55,000 allocated for pool dollars.

2. Delegate authority to TTC to execute future modifications to the Contract which (a) do not materially affect the scope of work, period of performance, payments, or other terms or conditions of the Contract; (b) acquire additional work using available pool dollars; (c) increase the maximum contract sum by no more than 15% of the contract sum as of the effective date during each twelve (12) calendar month period of the term of the Contract; (d) elect to extend the term of the Contract for the two (2) additional one (1) year extension periods and the six (6) additional month to month extension periods; (e) consent to assignments and delegations under Section 8.2 of the Contract; and (f) add or change certain terms and conditions in the Contract as required by the Board of Supervisors or Chief Executive Officer.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Columbia Ultimate is a leader in collection software used by a total of seventy-one (71) state, county, and city locations across the Country, which includes forty-five (45) cities and counties in California; of which includes the Counties of San Bernardino, Orange, San Diego, Riverside, Kern, and City/County of San Francisco and the cities of Pasadena and Los Angeles. Columbia Ultimate is the only company that installs, supports, and licenses the RPCS proprietary software identified by TTC as CARS. CARS provides prioritized, simplified, and automated collections on delinquent accounts for all departments in the County of Los Angeles, including collections on Probation Department (Probation) accounts that are forwarded monthly to victims of crimes as restitution payments. This software resides in a secure server environment within the County's Enterprise Network in the Downey Data Center.

CARS has substantially increased recovery of outstanding revenue by providing intensive management of accounts with consistent follow up. There are new accounts

being referred to TTC for collection on a regular basis and payment information is being transmitted to and from the referral department to ensure that the respective system data remains consistent and up-to-date. Tax intercept data is being transmitted routinely to the State for California Department of Social Services (CDSS) and Probation collections. Some of the efficiencies customized in the application include, automated assignment of accounts, automated collection letter processes, automatic movement of data to the outside collection agent (OCA) and transaction auditing between OCA and CARS, and an interface with eCAPS. Without this application, the automated collection and reporting functions would be significantly disrupted and require labor intensive handling and processing of the extensive volume of accounts and data, which will create scheduling and transmittal backlogs impacting all users, agencies, and constituents and increase the potential for error. A disruption would adversely impact Probation's court mandate to monitor probationer's payment of fines and fees as part of their conditions of probation and could result in a decrease in the restitution payments made to crime victims. In addition, a significant interruption would compromise TTC's successful system of internal controls.

In the event a comparable replacement system was available and sought, it would require a considerable amount of analysis, cost and development time to identify and replicate the current application's functionality. A new contractor, unfamiliar with TTC's collection operations and requirements, would experience an extensive learning curve with setup and integration, while compromising the current system's successful operation and impact TTC's ability to remain compliant with certain statutorily required reporting deadlines, and would negatively impact the County. During any lengthy transition time, collections would likely decrease significantly and have a detrimental economic impact on the County.

As CARS is proprietary to Columbia Ultimate, Columbia Ultimate is the only vendor that can provide licensing, professional services and comprehensive maintenance and support services for CARS. The licensing and services agreement is required for the continued licensing, professional services, and ongoing support and maintenance of CARS.

Implementation of Strategic Plan Goals

Licensing, professional services, and ongoing maintenance and support of the CARS system are in accordance with TTC's approved Business Automation Plan. Successful performance and support of the CARS software will also meet the County's Strategic Plan Goals of Organizational Effectiveness and Service Excellence.

FISCAL IMPACT/FINANCING

The contract sum for the seven (7) year term is $604,631.51 and is subject to increase for sales tax. The contract sum is comprised of (a) $549,631.51 allocated for license and support fees over the seven (7) year term; and (b) $55,000.00 pool dollars for as needed additional software products and professional services, such as training and custom programming. In addition, TTC can increase the maximum contract sum up to 15% per year during each twelve (12) calendar month period of the term of the contract. The hourly rate under the Contract for professional services is $160.00. Funding for this Contract has been included in the 2008-09 Proposed Budget, and will be included in TTC's budget requests for subsequent fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contract is required for the continued licensing, professional services, and the ongoing maintenance and support of Columbia Ultimate's software, which TTC has utilized for the last twenty (20) years for collections on delinquent accounts for all departments in the County. The application has been updated through regular releases and programming modifications to meet changes in required functionality. Specifically, TTC is the custodian of the system, and in addition to TTC, Probation has on-line access to their respective accounts for up-to-date activity. There are approximately 753,000 active accounts currently in CARS. The software application also provides government specific modules that deal with Tax Intercept, Account Distribution and Proration, California specific Employment Development Department and Franchise Tax Board modules, which include data transmittal from the State for CDSS tax intercept on all accounts that qualify. CARS also interfaces with the Department's OCA and uploads collection referrals from the Department of Public Social Services, Los Angeles Eligibility Automated Determination Evaluation & Reporting (LEADER) System. On a yearly basis, TTC collects approximately $42,000,000 and adds approximately 90,000 new accounts to the system.

The County's Chief Information Officer concurs with TTC's recommendation (Attachment I). The attached Contract has been reviewed and approved as to form by County Counsel. Except as identified below, the Contract contains the Board's required contract provisions, including those pertaining to compliance with County's Child Support and Jury Service programs.

This is not a Proposition A Contract due to the technical nature of the services provided, therefore, not subject to the Living Wage Program (County Code Chapter 2.201). It has been determined that the services under this Contract do not impact Board Policy

No. 5.030, "Low Cost Resource Program," because of the specialized training needed to perform the work.

Attached for your information is the required Sole Source Contract Checklist (Attachment II), identifying and justifying the need for the contract with Columbia Ultimate. The Sole Source Checklist has been approved by the Chief Executive Office.

CONTRACTING PROCESS

This is a sole source contract for the continuation of services provided by Columbia Ultimate. CARS software is proprietary to Columbia Ultimate which is the only vendor that can provide licensing, professional services, and comprehensive maintenance and support services. An inquiry was made to the Auditor-Controller regarding potential functionality within eCAPS; however, it was determined that debt collection is outside the scope of eCAPS.

In some cases, Columbia Ultimate did not completely accept the County's standard contract language. TTC staff discussed the limitation of liability requested by Columbia Ultimate with the Chief Executive Office's Risk Management Operations staff and, with their concurrence, TTC believes that the negotiated alternative language is commercially reasonable and does not impose any unacceptable risks or burdens on the County. TTC additionally believes the negotiated alternative language regarding intellectual property indemnification is commercially reasonable and does not impose any unacceptable risks or burdens on the County. The terms and conditions rejected by Columbia Ultimate, and the alternative language negotiated by TTC, are identified below:

1. Limitation of Liability – Columbia Ultimate insisted on limiting its liability to the amount of direct damages to the persons or property up to the greater of (a) $1,000,000 or (b) the Contract Sum indicated on Exhibit A, Pricing Schedule, to the Contract. Columbia Ultimate additionally will not be liable for any indirect, special incidental or consequential damages. These limitations of liability, however, do not apply to liability arising from (i) Columbia Ultimate's intellectual property indemnification, confidentiality obligations, and insurance obligations; (ii) Columbia Ultimate's obligations to comply with applicable laws; (iii) claims and actions relating to personal injury; and (iv) Columbia Ultimate's intentional or willful misconduct.

2. Intellectual Property Indemnification – Columbia Ultimate insisted on adding language that in the event of an alleged software infringement, Columbia Ultimate will indemnify, defend, and hold harmless the customer from liability if the customer

notifies Columbia Ultimate promptly and if Columbia Ultimate has sole control of defense and negotiations for settlement and if the customer fully cooperates concerning the legal action. In the event the Contract is terminated under this provision, Columbia Ultimate shall refund all amounts paid by the customer under the contract for use of such software balance, if any, of license fees paid for the software, prorated over three (3) years.

IMPACT ON CURRENT SERVICES

There is no impact on current services. Approval of the Contract will ensure uninterrupted use and maintenance and support services for the CARS software for TTC's debt collection operations.

CONCLUSION

Instruct the Executive Officer of the Board to return two (2) signed originals of the Contract and one (1) adopted stamped Board letter to TTC.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

Reviewed by:

RICHARD SANCHEZ
Interim Chief Information Officer

WTF: MJS

Attachments

c: County Counsel
Auditor-Controller
Chief Information Officer
Treasurer and Tax Collector

CIO ANALYSIS

DEPARTMENT OF THE TREASURER AND TAX COLLECTOR SOLE SOURCE AGREEMENT WITH COLUMBIA ULTIMATE, INC. FOR CONTINUED LICENSING, MAINTENANCE AND SUPPORT OF THE COUNTY'S DEBT COLLECTION SOFTWARE

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

Contract Type:

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☒ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 5 Yrs. # of Option Yrs. 2 1/2

Contract Components:

☒ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Mark J. Saladino, Treasurer & Tax Collector

Budget Information :

Y-T-D Contract Expenditures	$ 0
Requested Contract Amount	$604,631 (plus applicable sales taxes)
Aggregate Contract Amount	$604,631 (plus applicable sales taxes)

Project Background:

Yes	No	Question
☐	☒	Is this project legislatively mandated?
☐	☒	Is this project subvented? If yes, what percentage is offset?
☒	☐	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. Provides debt collection services for all County departments.

Strategic Alignment:

Yes	No	Question
☒	☐	Is this project in alignment with the County of Los Angeles Strategic Plan?
☒	☐	Is this project consistent with the currently approved Department Business Automation Plan?
☒	☐	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
☒	☐	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
☐	☒	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

This project will allow the Treasurer & Tax Collector (TTC) to enter into a sole source Agreement with Columbia Ultimate, Inc. (Columbia Ultimate) for continued licensing, support and professional services of the Revenue Plus Collection System. This system is identified by the TTC as its Collections and Accounts Receivable System (CARS). The Agreement will be for five (5) years, with two (2) additional one-year extensions, and six (6) additional month-to-month extensions and has a maximum contract sum of $604,631.51.

Background:

The County has used the CARS system for more than 20 years. During that time, the system has had regular software releases and programming updates to meet the County's evolving business requirements. The system resides in a secure server environment within the County's Enterprise Network at the Downey Data Center. The initial procurement of the system and related services from Columbia Ultimate was completed through a Purchase Order (PO). However, because of limitations associated with POs, the TTC is recommending approval of this sole source contract.

Project Justification/Benefits:

This system is used by seventy-one (71) other states, counties and cities across the country. CARS provides TCC prioritized, simplified and automated collections on delinquent accounts for all departments in the County. The system has substantially increased recovery of outstanding revenue by providing tools for consistent management of accounts. There are approximately 753,000 active accounts in CARS, and the TTC adds approximately 90,000 new accounts to the system each year. The TTC utilizes the system to collect approximately $42,000,000 annually.

Project Metrics:

Because the system is already in place, there are no project metrics. However, from a system and vendor performance standpoint, TTC's IT Management reports that the vendor performance has been outstanding, and the system enhancements have effectively supported the TTC's business requirements.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved:

Without this system, the automated collection and reporting functions would be significantly disrupted and require labor intensive handling and processing of the extensive volume of accounts and data. This would create scheduling and transmittal backlogs impacting users, agencies, and constituents.

Alternatives Considered:

Because Columbia Ultimate is the only company that installs, supports and licenses this proprietary software, no outside alternatives were considered. The TTC completed the required Sole Source Checklist and indicated that only one bona fide source for the service exists.

If a replacement system is pursued, it would require extensive research, cost and development time to replicate the current system's functionality. A new contractor, unfamiliar with TTC's collections operations and requirements, would have an extensive learning curve which would have a detrimental economic impact on the County.

At the CIO's request, the TTC inquired with the Auditor Controller to determine if eCAPS could provide similar debt collection functionality, but it was determined that this was outside the scope of eCAPS.

Project Risks:

The only project risks identified involve Columbia Ultimate's exceptions to the County's standard contract language in the areas of Limitation of Liability and Intellectual Property Indemnification. Both of these issues are described in detail in the Board Letter.

Risk Mitigation Measures:

The TTC discussed the above mentioned exceptions with the Chief Executive Office's Risk Management Operations staff, and believes that the negotiated alternative language is commercially reasonable and does not pose any unacceptable risks or burdens to the County.

Financial Analysis:

The total maximum obligation is $604,631, plus applicable sales taxes. This does not include the TTC's requested Board delegated authority to increase the contract sum by up to 15 percent.

The contract sum of $604,631 is comprised of (a) $549,631.51 for license and support fees over the seven-year term; and (b) $55,000 for pool dollars for as needed additional software products and professional services, such as training and custom programming. Funding for this contract has been included in the 2008-2009 Proposed Budget, and will be included in TTC's budget requests for subsequent years.

CIO Concerns:

None.

CIO Recommendations:

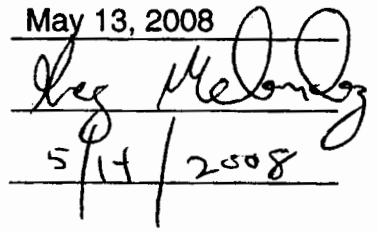
My Office supports this action, and recommends Board approval.

CIO APPROVAL

Date Received: May 12, 2008

Prepared by: Henry Balta

Date: May 13, 2008

Approved: 

Date: 5/14/2008

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CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

COLUMBIA ULTIMATE, INC.

FOR

DEBT COLLECTION SOFTWARE AND RELATED SERVICES

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CONTRACT BETWEEN

COUNTY OF LOS ANGELES

AND

COLUMBIA ULTIMATE, INC.
FOR

DEBT COLLECTION SOFTWARE AND RELATED SERVICES

This Contract for Debt Collection Software and Related Services made and entered into this ___ day of _____, 2008 by and between the County of Los Angeles, hereinafter referred to as County and Columbia Ultimate, Inc., doing business as RevQ, hereinafter referred to as Contractor. Contractor is located at 4400 NE 77th Avenue Suite 100, Vancouver, WA 98662.

RECITALS

WHEREAS, the County may contract with private businesses for Debt Collection Software and Related Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm which provides Debt Collection Software and Related Services; and

WHEREAS, this Contract is authorized under California Codes, Government Code Section 31000 and otherwise; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

The base Contract, together with Exhibits A, B, C, D, E, F, G, H, I, J and K, all of which are attached to and incorporated by reference in the base Contract, collectively constitute this "Contract". In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the base Contract and then to the Exhibits according to the following priority.

1.1 EXHIBIT A - Pricing Schedule
1.3 EXHIBIT B – RPCS Software License Agreement
1.4 EXHIBIT C – RPCS Software Support Agreement

1.5 EXHIBIT D - Contractor's EEO Certification
1.6 EXHIBIT E - County's Administration
1.7 EXHIBIT F - Contractor's Administration
1.8 EXHIBIT G - Jury Service Ordinance
1.9 EXHIBIT H- Safely Surrendered Baby Law
1.10 EXHIBIT I - Employee Acknowledgement & Confidentiality Agreement
1.11 EXHIBIT J - Contractor's Obligations as a "Business Associate" Under the Health Insurance Portability & Accountability Act of 1996 (HIPAA)
1.12 EXHIBIT K - RPCS System Specifications

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to sub-paragraph 8.1 – Change Notices and Amendments and signed by both parties.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

2.1 Additional Services: The meaning set forth in Paragraph 3.2.

2.2 Additional System Components: The meaning set forth in Paragraph 3.2.

2.3 Additional Work: The meaning set forth in Paragraph 3.2.

2.4 Board of Supervisors: The County's Board of Supervisors (Board), which is the governing body of the County.

2.5 Contract: The meaning set forth in the preamble to this Contract.

2.6 Contractor: The meaning set forth in the preamble to this Contract.

2.7 Contractor Project Manager: The individual designated by the Contractor on Exhibit F, Contractor's Administration, with the duties set forth in Paragraph 7.2.

2.8 County Project Director: Person designated by County on Exhibit E, County's Administration, with the duties set forth in Paragraph 6.1.

2.9 County Project Manager: Person designated by County on Exhibit E, County's Administration, with the duties set forth in Paragraph 6.2.

2.10 Day(s): Calendar day(s) unless otherwise specified.

2.11 Director: Director of County Department of Treasurer and Tax Collector.

2.12 Documentation: As defined in Exhibit B, RPCS Software License Agreement.

2.13 Effective Date: The date set forth in the preamble to this Contract, which is later of July 1, 2008 and the date on which (a) an authorized representative of Contractor executed this Contract on behalf of Contractor and (b) County's Board of Supervisors has approved this Contract.

2.14 Fiscal Year: The twelve (12) month period beginning July 1st and ending the following June 30th.

2.15 Out-of-Pocket Expenses: Contractor's reasonable and necessary expenditures for Contractor's staff transportation, meals, and lodging, but not to exceed the limits set forth in the then current Chapter 5.40 (Travel and Other Expenses) of the Los Angeles County Code.

2.16 Pool Dollars: The aggregate amount available for Additional Work under this Contract, using a Change Notice under Subparagraph 8.2. The Pool Dollars is listed on Exhibit A, Pricing Schedule.

2.17 Releases: As defined in Exhibit C, RPCS Software Support Agreement.

2.18 Software: The Contractor's proprietary software products described in Exhibit B, RPCS Software License Agreement, to this Contract, which software products are licensed by Contractor to County under this Contract, all Additional System Components and custom programming, modifications, or enhancements to the Software, in each case, from time to time acquired as Additional Work under this Contract and all Upgrades and Releases.

2.19 TTC: The County's department of the Treasurer and Tax Collector.

2.20 Upgrades: As defined in Exhibit C, RPCS Software Support Agreement.

3.0 WORK

3.1 Commencing on the Effective Date and pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, goods, services and other work specified in Exhibits B, RCPS Software License Agreement, and C, RCPS Software Support Agreement, and elsewhere in this Contract.

3.2 In addition to the work specified in Paragraph 3.1, from time to time following the Effective Date, County's Project Director may request that Contractor provide County with (a) licenses for additional software applications to be added to and become part of the Software ("Additional System Components"), (b) custom programming, modifications, or enhancements to the Software, other than Upgrades or Releases, (c) additional maintenance and support for the Software beyond the maintenance and support described in Exhibit C, RPCS Software Support Agreement, or elsewhere in this Contract and/or (d) other professional services beyond the services described in this Contract (together with the services described in clauses (b) and (c), "Additional Services", together with Additional System Components, "Additional Work"). Upgrades and Releases shall not increase the amount paid by County hereunder for the services provided by Contractor under Exhibit C, RPCS Software Support Agreement. Custom programming, modifications and enhancements to the Software shall not increase the amount paid by County hereunder for the services provided by Contractor under Exhibit C, RPCS Software Support Agreement, unless expressly agreed in the applicable Change Notice or Amendment.

3.2.1 Within ten (10) Working Days of each request for Additional Work, or such other period as mutually agreed to by Contractor and County's Project Director, Contractor shall provide a written cost estimate in response to the request, together with all applicable Documentation for such Additional Work. Every cost estimate for Additional Services submitted hereunder shall be calculated using the applicable rates for Additional Services set forth on Exhibit A, Pricing Schedule. To the extent applicable, every cost estimate for Additional Work submitted hereunder shall include an estimate of the Out-of-Pocket Expenses necessary to perform such Additional Work. If County finds the cost estimate acceptable, the parties shall mutually and cooperatively draft a proposed Change Notice or a proposed Amendment to this Contract under the applicable provisions of Paragraph 8.1 (Change Notices and Amendments). Each such Change Notice and Amendment shall at a minimum, describe the Additional Work

to be performed thereunder and attach a payment schedule supplementing Exhibit A, Pricing Schedule, for such Additional Work. If for Additional System Components and/or custom programming, modifications, or enhancements to the Software, each such Change Notice and Amendment additionally shall attach a statement of work, a technical specification sheet and any other applicable Documentation and shall update Exhibit B, RPCS Software License Agreement, to include such Additional System Components and custom programming, modifications, or enhancements to the Software.

3.2.2 Any cost estimate for Additional Work submitted hereunder shall constitute a "not-to-exceed" price for such Additional Work and shall remain valid for sixty (60) days following Contractor's provision of such cost estimate.

3.2.3 Proposed Change Notices and Amendments shall become effective under this Agreement only upon execution in accordance with the applicable provisions of Paragraph 8.1 (Change Notices and Amendments).

3.2.4 At the time Contractor submits Additional System Components or custom programming, modifications, or enhancements to the Software to County for approval, Contractor shall additionally submit a revised statement of work, technical specification sheet and/or other applicable Documentation, as necessary to reflect any changes to the Additional System Components or custom programming, modifications, or enhancements made during the design, development and/or implementation process. The revised statement of work, technical specification sheet and other applicable Documentation will be subject to County's approval as well.

3.2.5 Contractor's performance of any and all tasks, subtasks, deliverables, goods, services and/or other work delivered by Contractor under any Change Notice or Amendment that is entered into and becomes effective in accordance with this Contract, shall be subject to the terms and conditions of this Contract in addition to the terms and conditions of such Change Notice or Amendment, including any applicable performance and/or service level standards set forth herein. Without limiting the foregoing, all Additional System Components and custom programming, modifications, or enhancements to the Software provided under such Change Notice or Amendment shall constitute Software for all

purposes under this Contract and all statements of work, technical specification sheets and other applicable Documentation with respect thereto shall constitute Documentation for all purposes under this Contract.

3.3 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

4.0 TERM OF CONTRACT

4.1 The initial term of this Contract shall be five (5) years commencing upon execution by County's Board of Supervisors, or July 1, 2008, whichever occurs last, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County shall have the sole option to extend this Contract term for up to two (2) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of seven (7) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Director or his/her designee.

4.3 As used in this Contract, the phrases "term of this Contract", "Contract term" and phrases of similar import shall mean the initial term of this Contract, as extended under Paragraph 4.2.

4.4 The Contractor shall notify the County when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the County at the address herein provided in Exhibit E, County's Administration.

5.0 CONTRACT SUM; INVOICES AND PAYMENTS

5.1 The Contract Sum under this Contract is identified on Exhibit A, Pricing Schedule, and shall be the total monetary amount payable by County to Contractor for supplying the Software and all other the tasks, subtasks, deliverables, goods, services and other work requested and specified under this Contract in accordance with the amounts set forth in Exhibit A, Pricing Schedule. Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance

hereunder, except as specified herein or in a Change Notice or Amendment entered into in accordance with Paragraph 8.1.

5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks, deliverables, goods or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein.

5.3 County and Contractor agree that this is a firm-fixed price Contract. During the term of the Contract the County shall compensate Contractor for the work described in Exhibit B, RCPS Software License Agreement and Exhibit C, RCPS Software Support Agreement, at the applicable rates set forth in Exhibit A, Pricing Schedule, in each case, in accordance with the terms of this Contract. Additionally, County shall compensate Contractor for all Additional Work pursuant to each Change Notice and Amendment entered into in accordance with Paragraphs 3.2 and 8.1, in each case, in accordance with the terms of the applicable Change Notice and Amendment and this Contract.

5.4 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, the Contractor shall send written notification to the County at the address herein provided in Exhibit E, County's Administration.

5.5 No Payment for Services Provided Following Expiration/ Termination of Contract

The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

5.6 Invoices and Payments

5.6.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibits B, RCPS Software License Agreement

and C, RCPS Software Support Agreement, and elsewhere hereunder. Except for work under Exhibits B, RCPS Software License Agreement and C, RCPS Software Support Agreement, which is paid for annually, in advance, as described in Paragraph 5.7.4, the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.6.2 The Contractor's invoices shall be priced in accordance with the applicable rates set forth on Exhibit A, Pricing Schedule and, for Additional Work, additionally in accordance with the applicable Change Notice or Amendment entered into in accordance with Paragraph 8.1.

5.6.3 The Contractor's invoices shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's invoices additionally shall describe the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed and shall identify the specific portion of the Contract (e.g., Exhibit B or C) and Change Notice/Amendment under which the work was provided. If the invoice is for Additional Work, the Contractor's invoices shall additionally, if applicable, (a) state the Pool Dollars used for such Additional Work and (b) if applicable, state the Pool Dollars available both before and after giving effect to the payment requested.

5.6.4 Contractor shall invoice County for provision of the tasks, deliverables, goods, services and other work under Exhibits B, RCPS Software License Agreement and C, RCPS Software Support Agreement during first year of the term of this Contract on the Effective Date (the fees for each year during the term of this Contract are referred to as "Annual License and Maintenance Fee"). For each year during the term of this Contract thereafter, the Contractor shall invoice County for such work no less than thirty calendar days prior to the anniversary of the Effective Date. For Additional Work, Contractor shall invoice County upon completion of all Additional Work under the applicable Change Notice or Amendment.

5.6.5 All invoices under this Contract shall be submitted in two (2) copies to the following address:

Treasurer and Tax Collector
Fiscal Services
500 West Temple Street, Room 434
Los Angeles, CA 90012

5.6.6 All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld. For each invoice, the County will remit payment within ninety calendar days of receipt of an invoice which complies with the requirements of Contract.

5.7 The Contract Sum identified in Paragraph 5.1 above includes all amounts necessary for County to reimburse Contractor for all applicable California and other State and local sale/use and other taxes on all components of Software and other taxable work provided under this Contract or otherwise due as a result of this Contract. Contractor shall be solely responsible, and shall pay such taxes directly to, the State or other taxing authority. Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County under Paragraph 8.23 from, and all such California and other State and local sales/use and other taxes. In addition, Contractor shall be solely responsible for all taxes based on Contractor's personal property to which County does not hold title and, accordingly, shall not invoice County for any such taxes.

6.0 ADMINISTRATION OF CONTRACT – COUNTY ADMINISTRATION

The County's Project Director and County's Project Manager are listed in Exhibit E. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Director

The County's Project Director has the authority to request and negotiate for Additional Work as permitted hereunder, authorize Change Notices as permitted hereunder, and confirming the objectives of this Contract are met.

6.2 County's Project Manager

6.2.1 The County's Project Manager is County's chief contact

person with respect to the day-to-day administration of this Contract. The County's Project Manager, or designee, is the approving authority for all work performed for TTC.

The responsibilities of the County's Project Manager include but are not limited to the following:

- Coordinating and monitoring the work of Contractor personnel assigned to fulfill this Contract, and
- Monitoring Contractor performance under this Contract.

6.2.2 The County's Project Manager is not authorized to make any changes in rates, dollar totals or periods of performance, or in the terms and conditions of this Contract.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 The Contractor's Project Manager is designated in Exhibit F, Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager on a regular basis.

7.2 Approval of Contractor's Staff

County has the reasonable right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

7.3 Contractor's Authorized Official(s)

7.3.1 Contractor's Authorized Official(s) are designated in Exhibit F. Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

7.3.2 Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Contract on behalf of Contractor.

7.4 Contractor's Staff Identification

Contractor shall provide County a list of all Contractor staff providing services under this Contract on County's premises Contractor's staff, while on duty or when entering a County facility or its grounds, shall produce upon demand a legally acceptable photo identification such as a California Driver License or other state or government issued photo identification.

Contractor agrees to notify County of any change in staff authorized to provide services pursuant to this Contract on County premises when the Contractor plans to send staff to the County.

7.5 Background and Security Investigations

7.5.1 At any time prior to or during term of this Contract, the County may require that all Contractor's staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

7.5.2 County may request that the Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to the Contractor nor to the Contractor's staff any information obtained through the County conducted background clearance.

7.5.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff that do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

7.5.4 Disqualification, if any, of the Contractor's staff, pursuant to this sub-paragraph 7.5, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

7.6.2 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.6.3 The Contractor shall sign and adhere to the provisions of the "Employee Acknowledgement & Confidentiality Agreement", Exhibit I.

7.6.4 The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Employee Acknowledgement & Confidentiality Agreement", Exhibit I.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

All changes to this Contract shall be accomplished as provided in this Paragraph 8.1

8.1.1 For changes which either (a) does not affect the scope of work, period of performance, payments or any other term or condition of this Contract or (b) acquire Additional Work under Paragraph 3.2 using available Pool Dollars, a written Change Notice shall be prepared and executed by County's Project Director, or designee, and an authorized representative of Contractor. Change Notices using Pool Dollars must be approved as to form by County Counsel. Change Notices using Pool Dollars to acquire licenses for additional software applications and/or custom programming, modifications, or enhancements to the Software, other than Upgrades or Releases, additionally must be recommended by County's Chief Information Officer.

8.1.2 Except as set forth in Paragraph 8.1.1, for any change which (a) does not materially affect the scope of work, period of performance, payments or any other term or

condition of this Contract, (b) increases the Maximum Contract Sum by no more than fifteen percent (15%) of the Contract Sum as of the Effective Date during each twelve (12) calendar month period of the term of this Contract (commencing on the Effective Date), (c) elects to extend the term of this Contract as set forth in Paragraph 4.0, Term, and/or (d) consents to an assignment or delegation under Section 8.2 below, a written Amendment shall be prepared and executed by Director and an authorized representative of Contractor. Amendments have to be approved as to form by County Counsel.

8.1.3 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Director, or designee, and an authorized representative of Contractor.

8.1.4 For all other changes other than as described in Paragraphs 8.1.1-8.1.3 above shall be accomplished through a written Amendment prepared and executed by County's Board of Supervisors and an authorized representative of Contractor.

8.2 ASSIGNMENT AND DELEGATION

8.2.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of the Director or his/her designee, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, Director consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein.

However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Director's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 WARRANTIES

The Contractor represents and warrants that:

8.3.1 The person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority;

8.3.2 All tasks, deliverables, goods, services, and other work performed under this Contract will be performed in a timely and workmanlike manner using only qualified trained maintenance technicians familiar with the Software and its maintenance requirements;

8.3.3 All tasks, deliverables, goods, services, and other work provided by Contractor under this Contract shall conform to the standards generally observed in the industry for the same or similar tasks, deliverables, goods, services, and other work;

8.3.4 This Contract and the Software licensed or acquired herein, are not subject to any liens, encumbrances, or pledges, and are not subordinate to any right or claim of

any third party, including Contractor's creditors;

8.3.5 Contractor shall not, and shall not allow any third party to, subordinate this Contract or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the Software (or any part thereof) in accordance with this Contract;

8.3.6 The Software shall not cause any unplanned interruption of the operations of, or accessibility to the Software or any County system through any device, method or means including, without limitation, the use of any "virus," "lockup," "time bomb," or "key lock," "worm," device or program, or disabling code, which has the potential or capability of: (a) compromising the security of County's confidential or proprietary information; (b) causing any unplanned interruption of the operations of, or accessibility of the Software or any Software product to, County or any user; (c) inhibiting the use of the data contained in the Software; (d) altering or destroying the use of the data contained in the Software; or (e) blocking access to or otherwise preventing the use of the Software or any Software product by County or users (collectively referred to in this Paragraph 8.3.6 as a "Disabling Device. The Software does not contain, and is not affected by, any Disabling Device. Clauses (b), (c) and (e) of this Paragraph 8.3.4 do not apply to the authorization code described in Paragraph 8.3.7 below; and

8.3.7 Software contains an authorization code permitting use for each year during the term of this Contract for the number of Port Access Licenses listed on attached Exhibit A, Pricing Schedule, under the line item called RPCS Plus Licenses. THIRTY CALENDAR DAYS PRIOR TO EACH ANNIVERSARY OF THE EFFECTIVE DATE OF THIS CONTRACT, A NOTICE WILL APPEAR INDICATING THAT THE LICENSE IS ABOUT TO EXPIRE. IF, YEAR DURING THE TERM OF THIS CONTRACT, CONTRACTOR WOULD BE ENTITLED TO TERMINATE THIS CONTRACT UNDER PARAGRAPH 8.43.7 CONTRACT, THE SOFTWARE WILL BECOME INOPERABLE UNLESS (A) COUNTY NOTIFIES CONTRACTOR THAT CONTRACTOR HAS NOT PROVIDED AN INVOICE FOR SUCH ANNUAL LICENSE AND MAINTENANCE FEE WHICH COMPLIES WITH THE REQUIREMENTS OF PARAGRAPH 5.6 OF THIS

CONTRACT, IN WHICH CASE CONTRACTOR SHALL GRANT COUNTY AN EXTENSION ELECTRONICALLY OR IN WRITING, OR (B) CONTRACTOR, IN ITS SOLE DISCRETION, OTHERWISE GRANTS COUNTY AN EXTENSION ELECTRONICALLY OR IN WRITING. Contractor is not responsible for any damages, including, but not limited to, lost profits and additional expense caused by County's failure to pay the Annual License and Maintenance Fee by the date required by the terms of this Contract.

8.4 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 Within 30 business days after the Effective Date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.

8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D, Contractor's EEO Certification.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit G and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the

Subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the

Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request

is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made

immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.20 FORCE MAJEURE

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in sub-paragraph 7.6 - Confidentiality.

8.23 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs,

and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract. This Paragraph 8.23 is subject to the limitation of liability set forth in Section 8 of Exhibit B to this Contract.

8.24 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

8.24.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

Treasurer and Tax Collector
Contracts Section
500 West Temple Street, Room 464
Los Angeles, CA 90012

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be

executed by a corporate surety licensed to transact business in the State of California.

8.24.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

8.24.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

8.24.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County's Project Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

8.24.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor

shall pay full compensation for all costs incurred by the County to purchase insurance.

8.24.6 Insurance Coverage Requirements for Subcontractors: The Contractor shall ensure any and all Subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of Subcontractors, or
- The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

8.25 INSURANCE COVERAGE REQUIREMENTS

8.25.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	$2 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Each Occurrence:	$1 million

8.25.2 Automobile Liability written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than $1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

8.25.3 Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.
In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	$1 million
Disease - policy limit:	$1 million
Disease - each employee:	$1 million

8.25.4 Professional Liability

Professional Liability insurance with a combined single limit of not less than $2,000,000 per occurrence. The coverage also shall provide an extended two year reporting period commencing upon termination or cancellation of this Contract. Such insurance shall include coverage for any actual or alleged infringement of any patent, copyright, or other rights of any third party, or any actual or alleged trade secret disclosure or misappropriation (intellectual property liability coverage). Alternatively, such intellectual property liability coverage may be provided under a separate insurance policy.

8.26 [INTENTIONALLY OMITTED]

8.27 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.28 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D, Contractor's EEO Certification.

8.28.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance

with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.28 when so requested by the County.

8.28.7 If the County finds that any provisions of this sub-paragraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars ($500) for each such violation pursuant to

California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.29 NON EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict TTC from acquiring similar, equal or like goods and/or services from other entities or sources.

8.30 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the **Director** or designee, along with the Contractor's Management, shall resolve it.

8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit H of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.34 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E, County's Administration and F, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Director shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 PUBLIC RECORDS ACT

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to sub-paragraph 8.38 - Record Retention and Inspection/Audit Settlement of this Contract become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.37 PUBLICITY

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.37.2 County Seal and TTC Logo

County claims right, title, and interest in and to certain intellectual property embodied in and relating to certain insignia, emblems, seals and the like used by County, including but not limited to County Seal and TTC's Logo. Except as expressly authorized herein, County intellectual properties shall not be reproduced, copied, distributed, republished, downloaded, displayed, posted, transmitted or made any other use of any kind whatsoever in any format and by any means whatsoever.

8.37.3 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this sub-paragraph 8.37 shall apply.

8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to

this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's

maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.39 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 SUBCONTRACTING

8.40.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.40.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.40.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

8.40.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.

8.40.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval

of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.

8.40.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

8.40.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to:

Treasurer and Tax Collector
Contracts Section
500 West Temple St., Room 464
Los Angeles, CA 90012

before any Subcontractor employee may perform any work hereunder.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to sub-paragraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.42 TERMINATION FOR CONVENIENCE

8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such

termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with sub-paragraph 8.38, Record Retention & Inspection/Audit Settlement.

8.42.4 County will pay Contractor for all tasks, deliverables, goods, services and other work which Contractor has provided to County in accordance with the terms and conditions of this Contract as of the effective date of the termination.

8.43 TERMINATION FOR DEFAULT

8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in sub-paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the

performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.43.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph 8.43.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.43, or that the default was excusable under the provisions of sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.42 - Termination for Convenience.

8.43.5 In the event that this Contract is terminated under this Paragraph 8.43 or under any other provision of this Contract providing for termination, (a) Contractor shall reimburse County for all tasks, deliverables, goods, services and other work which were pre-paid in accordance with the terms and conditions of this Contract, but were not yet provided by Contractor and (b) each of Contractor and County shall return copies of the other party's confidential information (as

defined either under Paragraph 7.6 of this Contract or Section 6 of Exhibit B, RPCS Software License Agreement).

8.43.6 The rights and remedies of the County provided in this sub-paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.43.7 In the event the County does not comply with the payment amounts as defined in Exhibit A, Pricing Schedule and in accordance with terms stated in Section 5, Contract Sum, the Contractor has the right to terminate this Contract. The Contractor may exercise this right to terminate if the Contractor delivers written notice to the County specifying such failure to comply and the County does not cure such failure within ten (10) business days of County's receipt of such notice.

8.44 TERMINATION FOR IMPROPER CONSIDERATION

8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.44.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.44.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8.45 TERMINATION FOR INSOLVENCY

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this sub-paragraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.47 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County

shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.49 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 WARRANTY AGAINST CONTINGENT FEES

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.51 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT OF 1996 (HIPAA)

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Contract, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit J in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit J, Contractor's Obligations

As a "Business Associate" Under Health Insurance Portability & Accountability Act of 1996 (HIPAA).

8.52 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

8.52.1 This Contract is subject to the provisions of the County's ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

8.52.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

8.52.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

8.52.4 If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award.

8.53 SURVIVAL

The following provisions survive expiration or termination of this Contract: Paragraphs 1.0, 2.0, 3.3, 5.2, 5.6, 7.6, 8.3, 8.4, 8.6, 8.17, 8.18, 8.19, 8.20, 8.21, 8.22, 8.23, 8.24, 8.25, 8.34, 8.36, 8.37, 8.38, 8.40.3, 8.42, 8.43, 8.45, 8.47, 8.48, 8.49, 8.51, 8.53, and Sections 6, 8 and 9 of Exhibit B, RPCS Software Support Agreement.

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IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: COLUMBIA ULTIMATE, INC., doing business as RevQ

By _____
Name

President - RevQ
Title

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:

SACHI HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By _____
Deputy County Counsel

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2008 through June 30, 2009

				Fiscal 2009		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$28,416.00	$9,472.00
84	CU·Emulate			$32,760.00	$4,872.00	
1	Client Access Logon			$1,540.00	$355.00	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$3,150.00	$630.00
1	Victim Restitution			$19,400.00	$2,910.00	$580.00
1	Tax Intercept			$4,200.00	$630.00	$130.00
1	California EDD Module			$6,100.00	$915.00	$180.00
2	Test Logon Support				$280.00	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$53,060.00**	**$10,992.00**

SUB-TOTAL	**$64,052.00**
88 License UniVerse Support	**$6,600.00**
Fiscal 2009 TOTAL	**$70,652.00**

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2009 through June 30, 2010

				Fiscal 2010		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$29,836.80	$9,945.60
84	CU·Emulate			$32,760.00	$5,115.60	
1	Client Access Logon			$1,540.00	$372.75	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$3,307.50	$661.50
1	Victim Restitution			$19,400.00	$3,055.50	$609.00
1	Tax Intercept			$4,200.00	$661.50	$136.50
1	California EDD Module			$6,100.00	$960.75	$189.00
2	Test Logon Support				$294.00	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$55,136.40**	**$11,541.60**

SUB-TOTAL	**$66,678.00**
88 License UniVerse Support	**$6,600.00**
Fiscal 2010 TOTAL	**$73,278.00**

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2010 through June 30, 2011

				Fiscal 2011		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$31,328.64	$10,442.88
84	CU·Emulate			$32,760.00	$4,872.00	
1	Client Access Logon			$1,540.00	$355.00	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$3,472.88	$694.58
1	Victim Restitution			$19,400.00	$3,208.28	$639.45
1	Tax Intercept			$4,200.00	$694.58	$143.33
1	California EDD Module			$6,100.00	$1,008.79	$198.45
2	Test Logon Support				$308.70	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$56,780.85**	**$12,118.68**

SUB-TOTAL	**$68,899.53**
88 License UniVerse Support	**$6,600.00**
Fiscal 2011 TOTAL	**$75,499.53**

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2011 through June 30, 2012

				Fiscal 2012		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$32,895.07	$10,965.02
84	CU·Emulate			$32,760.00	$4,872.00	
1	Client Access Logon			$1,540.00	$355.00	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$3,646.52	$729.30
1	Victim Restitution			$19,400.00	$3,368.69	$671.42
1	Tax Intercept			$4,200.00	$729.30	$150.49
1	California EDD Module			$6,100.00	$1,059.23	$208.37
2	Test Logon Support				$324.14	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$58,781.95**	**$12,724.61**

SUB-TOTAL	**$71,506.56**
88 License UniVerse Support	**$6,600.00**
Fiscal 2012 TOTAL	**$78,106.56**

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2012 through June 30, 2013

				Fiscal 2013		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$34,539.83	$11,513.28
84	CU·Emulate			$32,760.00	$4,872.00	
1	Client Access Logon			$1,540.00	$355.00	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$3,828.84	$765.77
1	Victim Restitution			$19,400.00	$3,537.12	$704.99
1	Tax Intercept			$4,200.00	$765.77	$158.02
1	California EDD Module			$6,100.00	$1,112.19	$218.79
2	Test Logon Support				$340.34	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$60,883.09**	**$13,360.84**

SUB-TOTAL	**$74,243.94**
88 License UniVerse Support	**$6,600.00**
Fiscal 2013 TOTAL	**$80,843.94**

PRICING SCHEDULE

Annual SILVER Support

for July 1, 2013 through June 30, 2014

				OPTIONAL RENWAL YEAR 1 Fiscal 2014		
Qty	Description			Value Amount	Annual Amount	License Amount
78	RPCS Plus Licenses			$315,735.00	$36,266.82	$12,088.94
84	CU·Emulate			$32,760.00	$5,115.60	
1	Client Access Logon			$1,540.00	$372.75	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$4,020.29	$804.06
1	Victim Restitution			$19,400.00	$3,713.98	$740.24
1	Tax Intercept			$4,200.00	$804.06	$165.92
1	California EDD Module			$6,100.00	$1,167.80	$229.73
2	Test Logon Support				$357.36	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$63,350.66**	**$14,028.89**

SUB-TOTAL	**$77,379.55**
88 License UniVerse Support	**$6,600.00**
Fiscal 2014 TOTAL	**$83,979.55**

PRICING SCHEDULE

Annual SILVER Support
for July 1, 2014 through June 30, 2015

				OPTIONAL RENWAL YEAR 2 Fiscal 2014		
				Value	Annual	License
Qty	Description			Amount	Amount	Amount
78	RPCS Plus Licenses			$315,735.00	$38,080.16	$12,693.39
84	CU·Emulate			$32,760.00	$5,371.38	
1	Client Access Logon			$1,540.00	$391.39	
1	CU*Transit –	Data Pipeline for credit transmissions - $150/month		$0.00	$1,800.00	
1	Account-Distribution/Payment Proration			$21,000.00	$4,221.30	$844.26
1	Victim Restitution			$19,400.00	$3,899.68	$777.25
1	Tax Intercept			$4,200.00	$844.26	$174.22
1	California EDD Module			$6,100.00	$1,226.19	$241.22
2	Test Logon Support				$375.23	
1	Proj. #12063	Monthly acct.actv. Report	Prob	$5,000.00	$600.00	
1	Proj. #13179	Programming of AtX codes for special bills	Prob	$3,000.00	$360.00	
1	Proj. #14592	DPSS Assignment	Prob	$12,150.00	$1,458.00	
1	Proj. #17129	Probation changes	Prob	$13,375.00	$1,605.00	
1	Proj. #18858	Modify "BA" record in "receive" interface	Prob	$4,725.00	$567.00	
1	Proj. #19909	DPSS Leader Acknowledgement Report and file	Prob	$2,970.00	$356.00	
1	Proj. #19910	DPSS Leader remit program to build a file	Prob	$4,590.00	$551.00	
1	Proj. #57275	Add fields to DPSS food stamp confirmation pmt programs	Prob	$2,486.00	$298.00	
1	Proj. #154145	Interface to New ECAPS System	TTC	$13,916.00	$1,670.00	
1	Proj #187540	Modify DPSS Interface for Claim begin and end	TTC	$2,400.00	$288.00	
1	Proj #178467	Modify USCB Forward Interface - Linebarger	TTC	$9,450.00	$1,134.00	
1	Proj #201490	Export Payment Updates and Adjus	TTC	$6,000.00	$720.00	
		Release Upgrade		$0.00	$125.00	
				$480,797.00	**$65,941.59**	**$14,730.33**

SUB-TOTAL	**$80,671.93**
88 License UniVerse Support	**$6,600.00**
Fiscal 2015 TOTAL	**$87,271.93**

PRICING SCHEDULE

Annual SILVER Support

	2009 TOTAL	$70,652.00
	2010 TOTAL	$73,278.00
	2011 TOTAL	$75,499.53
	2012 TOTAL	$78,106.56
	2013 TOTAL	$80,843.94
Optional Renewal Year 1	2014 TOTAL	$83,979.55
Optional Renewal Year 2	2015 TOTAL	$87,271.93
Total 7 Year Licensince		$549,631.51
Pool Dollars	10% of total	$55,000.00
	GRAND TOTAL	**$604,631.51**
	15% of Grand Total	$90,694.73

Hourly Rate for Professional Services: (Professional Services Includes Custom Programming) Up to $165 for FY-2009. Columbia Ultimate/RevQ reserves the right to increase this amount by $5 for each of the next six (6) years. The County reserves the right to approve staff assigned to provide Professional Services in accordance with Contract Section 7.2, *Approval of Contractor's Staff*.

Please note:

- ★ *Any applicable taxes are not included.*
- ★ *Products and/or services purchased after receipt of this schedule will be added to the invoice.*
- ★ *Support for custom development is 12% of the programs value. Projects 10 hours or less are not charged support and have been removed from the schedule.*

Exhibit B

RPCS
Software License Agreement

Between

Columbia Ultimate, Inc., doing business as RevQ
4400 NE 77th Avenue Suite 100
Vancouver, WA 98662
360-260-5838
Hereafter "RevQ"

And
County of Los Angeles
Treasurer and Tax Collector
500 West Temple Street
Los Angeles, CA
213-974-0720
Hereafter "Customer"

This Exhibit B, RPCS Software License Agreement ("License Agreement"), is made by and between RevQ and Customer. This License Agreement is attached to that certain Contract for Debt Collection Software and Related Services, dated as of _____ _____, 2008 (together with all Exhibits thereto, including the License Agreement, "Contract"), between RevQ, as Contractor, and Customer, as County. In consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

---

1. **BACKGROUND.** RevQ is an independent software sales, development, re-seller and consulting company licensed in the State of Washington. RevQ owns a copyright and holds all ownership rights to a series of computer programs collectively known as RPCS (referred to in the body of the Contract and as further defined in Section 2 of this License Agreement, "Software"). Customer is licensing the Software from RevQ which will be used in the operation of Customer's business. Customer is aware that RevQ does not manufacture nor maintain any hardware or networks.
2. **DEFINITIONS.** For purposes of this License Agreement, the following terms have the meanings set forth below:
   - 2.1 Client Software: the component of the Software that allows a computer, workstation or other digital electronic device to access or utilize the services provided by the Server Software.
   - 2.2 Documentation: the RPCS Reference Guide, the RPCS User Guide, Exhibit K to the Contract (as may be updated by RevQ in connection with a Release installed by Customer), and all other written and electronic publications relating to the Software delivered or otherwise made available by RevQ to Customer as part of the Documentation. Documentation additionally includes the statements of work and technical specification sheets delivered with respect to Additional Work under Paragraph 3.2 of the body of the Contract.
   - 2.3 Port Access License: the right to use one input and/or output connection to access the services provided by the Server Software.
   - 2.4 Product(s): means those goods, supplies, materials, items, components, hardware, and the incidental associated software listed and/or described in this License Agreement.
   - 2.5 Release: means an update of the Software, subsequent to the initial delivery of the Software, in which RevQ provides multiple new features and functionality to the Software. A Release will have updated Documentation, a new Release number, and by its nature will include any accumulated corrections which make the Software conform to the Documentation, or any improvements in the performance of the Software. Updated Documentation included with each Release will additionally reflect Upgrades issued since the last Release.
   - 2.6 Server: means all the inclusive attributes of the Software residing on a computer used to store the database and Software application.
   - 2.7 Server Software: the component of the Software that is installed and provides services on a computer acting as a server.

2.8 Services: includes RevQ offered training, project management, data interface consultation, custom programming, or software implementation provided by RevQ in helping the Customer use RPCS.

2.9 Software: means RPCS Server and Client Software, and any other components of the RPCS not included in the definitions of Server Software and Client Software, incidental software included in Products and any ancillary products used in collection of outstanding credit obligations, together with (a) Upgrades, and Releases to any of the foregoing and (b) Additional System Components and custom programming, modifications, or enhancements to the Software, in each case, provided as Additional Work under Paragraph 3.2 of the body of the Agreement.

2.10 Upgrades: means an update to the Software, subsequent to the initial delivery of the Software, in which RevQ has incorporated any accumulated corrections which make the Software conform to the then current Documentation, any improvements in the performance of the Software, any minor new feature or functionality which were not formerly functions of the Software.

3. **COPYRIGHT.** The Software and Documentation are licensed, not sold. All title to and copyrights in the Software, the Documentation and any copies of the Software and/or Documentation are owned by RevQ. Customer may not copy or modify, or permit others to copy or modify the Software or Documentation except as expressly provided herein. Customer may not reverse engineer, decompile or disassemble the Software. Customer may not access, disable or modify the access code that controls the operability of the Software. RevQ continues to own all rights to the copy of the Software licensed to Customer under this License Agreement along with all copies and modifications that Customer makes to the Software whether or not such copies or modifications are authorized by RevQ. Customer does not own the copy of the Software licensed to Customer or any media on which the software may be embodied. Customer's right to possess and use the Software is only as specified in this License Agreement. Nothing in this License Agreement constitutes a waiver of any rights under U.S. copyright law or any other international, federal or state law.

4. **SCOPE OF LICENSE.**

4.1 During the term of and subject to the provisions of this License Agreement, RevQ grants to Customer a nonexclusive, nontransferable license, without the right to sublicense, for the Software to be used for accounts receivable, collections and related purposes.

4.2 Customer's rights to use Software are specified in this License Agreement, and RevQ retains all rights not expressly granted in this License Agreement.

4.3 Customer may use one computer input and output connection to access the services provided by the Server Software for each Port Access License acquired by Customer. Customer must have a Port Access License for each simultaneous access to the Server Software. Use of software or hardware that reduces the number of users directly accessing or utilizing the Server Software (sometimes called "multiplexing" or "pooling" software or hardware) does not reduce the number of Port Access Licenses required; the required number of Port Access Licenses equals the maximum possible number of distinct inputs to the multiplexing or pooling software or hardware "front end" at any one time.

4.4 Customer may make two back-up copies of the Software for disaster recovery use.

4.5 The Software is and at all times shall remain the sole property of RevQ. The ownership is protected by the copyright laws of the United States and by international treaty provisions. Nothing in this License Agreement constitutes a waiver of any rights under U.S. Copyright law or any other international, federal or state law.

4.6 Unless agreed to in advance in writing by RevQ, Customer shall not assign, rent, lease, or otherwise sublet the Software or any part thereof to any third party, and Customer shall not use the Software for any purpose other than expressed in this License Agreement.

4.7 The Software is licensed to Customer so that only one copy of the Server Software is in use at any given moment and that the Customer will only access the Server Software up to the maximum Port Access Licenses the Customer has purchased from RevQ as shown on Exhibit A, Pricing Schedule under the line item called RPCS Plus Licenses.

4.8 The data populated by the Customer is solely owned by the Customer. RevQ will not use any Customer data elements in any form.

4.9 Upgrades and Releases of the Software currently licensed to the Customer will be offered to the Customer at no additional charges as long as they have a valid and current agreement for support of the Software. If a CD is requested, then Customer is responsible for the freight charges.

RPCS
Software License Agreement

5. SERVICES AND SUPPORT

5.1 RevQ provides no Software support under this License Agreement. The software support being provided to Customer with respect to the Software is described in Exhibit C, RCPS Software Support Agreement, to the Contract.

5.2 If the Customer would like additional on-site, electronic, or telephone services setting up the software, those services will be requested, priced and documented as Additional Work under Paragraph 3.2 of the body of the Contract.

6. CONFIDENTIAL INFORMATION: The term "Confidential Information" means all RevQ Confidential Information and all Customer Confidential Information as defined herein and in any attachment hereto. The term "RevQ Confidential Information" means the Software and Documentation, including any subsequent revisions thereto, the source code for the Software and any trade secrets related thereto, or other propriety information provided by RevQ to Customer which RevQ plainly and prominently labeled "Confidential" or "Proprietary" at the time of disclosure or, if the disclosure is oral, is reduced to writing and plainly and prominently marked "Confidential" or "Proprietary" within ten (10) days of the time of the first oral disclosure. The term "Customer Confidential Information" means any information contained in Customer's database(s), any other information to which RevQ has access by virtue of performing its work under the Contract and any other propriety information disclosed by Customer to Columbia Ultimate which Customer labeled "Confidential" or "Proprietary" at the time of disclosure or, if the disclosure is oral, is reduced to writing and marked "Confidential" or "Proprietary" within ten (10) days of the time of the first oral disclosure.

6.1 Neither Customer nor RevQ shall disclose or use the other's Confidential Information for any purpose not expressly permitted by the Contract or this License Agreement unless such disclosure is expressly authorized in writing by Disclosing Party. The Receiving Party will take all reasonable steps necessary to ensure that neither the Disclosing Party's Confidential Information nor any portion thereof are disclosed or made available by the Receiving Party, or by any of its agents or employees, in any form (including, but not limited to, magnetic tape, disk, or memory) to any organizations or individuals other than the Receiving Party. The Receiving Party will ensure that all individuals having access to the Disclosing Party's Confidential Information will observe and perform this confidentiality covenant. This confidentiality covenant applies to all Disclosing Party's Confidential Information provided to the Receiving Party at any time prior to, contemporaneously with or subsequent to execution of the Contract. The Receiving Party stipulates that, in the event the Receiving Party breaches this confidentiality covenant, Disclosing Party will be harmed in a manner that cannot be cured by monetary damages and that therefore Disclosing Party shall be entitled to injunctive relief without the need to prove actual damages or the unavailability of a remedy at law.

6.2 Neither RevQ nor Customer shall have any obligation to limit disclosure of the following information:

6.2.1 Information in the public domain at the time it is communicated by the Disclosing Party. Information shall not be deemed in the public domain if only a minor portion of such information is in the public domain, or if substantially all the information is found only by combining information from multiple public domain sources;

6.2.2 Information that enters the public domain through no fault of the non-Disclosing Party;

6.2.3 Information that enters the public domain through a breach of this License Agreement by the Disclosing Party; and

6.2.4 Information which the non-Disclosing Party can establish by its written or electronic records to have been in its possession prior to and independent of the Disclosing Party's communication of that information to it.

6.3 This Section 6 is subject in all respects to Customer's obligations under the California Public Records Act (California Government Code Section 6250 et seq.) and Paragraphs 8.36 (Public Records Act) and 8.51 (Contractor's Obligations As a "Business Associate" Under Health Insurance Portability & Accountability Act of 1996 (HIPAA)) of the body of the Contract.

7. LIMITED WARRANTY.

7.1 During the term of this License Agreement, RevQ warrants that it has the right to license the Software to Customer under terms of this License Agreement and that neither the Software nor the Documentation infringe upon any United States patent or copyright or violate any trade secret of a third party.

7.2 RevQ warrants that the Software will perform substantially as described in the Documentation for that Release and Upgrade, as the case may be, provided Customer installs the Release or Upgrade, as the case may be, and uses the Software on the designated Server within required operational conditions specified in the Documentation, if applicable, as updated following the Release or Upgrade. If the Software does not so perform, RevQ will remedy such failure in accordance with Exhibit C, RPCS Software Support Agreement.

7.3 REVQ MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THE WARRANTIES EXPLICITLY STATED IN THIS LICENSE AGREEMENT OR ELSEWHERE IN THE CONTRACT. THE WARRANTIES EXPLICITLY STATED IN THIS LICENSE AGREEMENT OR ELSEWHERE IN THE CONTRACT ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES WHATSOEVER, EXPRESS, IMPLIED, OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, REVQ DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES ARISING BY USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE.

7.4 RevQ's warranty obligations under Section of this License Agreement do not cover "Software Errors" caused by: (a) defects in or malfunctions of Customer's Server, workstations, platform or operating system; (b) operation of the Server or workstations in environmental conditions outside those prescribed by the computer manufacturer; (c) errors in or malfunctions of Customer supplied databases or application programs; (d) abuse or misuse of the Server or workstations or failure by Customer to keep the Server and workstations properly maintained in accordance with the standards of maintenance recommended by the manufacturer; (e) Customer or a third party, in each case, acting other than as authorized by RevQ; (f) any use of the Software in a manner not authorized by this License Agreement or otherwise by the Contract; (g) any modification of the Software in a manner not authorized by RevQ; (h) any modification of the Server by Customer or a third party in a manner not authorized by RevQ; or (i) Customer's failure to install and use any Update, Release, Corrected Release or Error Correction which, absent such installation, RevQ would no longer be obligated to provide Support for the Software under Section 4.1 of Exhibit C to the Contract; or (j) Customer's failure to perform its obligations under this License Agreement. If a Software Error is caused by any of the foregoing, Customer may engage RevQ to provide support with respect to such Software Error in accordance with Exhibit C, RCPS Software Support Agreement, as Additional Work under Paragraph 3.2 of the body of the Contract. RevQ's warranty obligations do not cover: (a) software maintained or modified by anyone other than RevQ or a third party who has been previously authorized to do so in writing by RevQ; or (b) Software that has been merged into or combined with any computer program(s) not licensed by RevQ under this License Agreement or which has not be authorized in advance by RevQ.

7.5 RevQ assumes no responsibility for Software that has been altered or modified, except if altered or modified by RevQ or by anyone authorized by RevQ.

7.6 No person is authorized by RevQ to make any further or different warranties or representations concerning the Software.

8. **LIMITATION OF LIABILITY**. If RevQ's acts or omissions constituting a tort (including but not limited to negligence, interference with contract and negligent misrepresentation), breach of contract, or violation of a statute or regulation cause damage to persons or property, RevQ will only be liable for the amount of direct damages to the persons or property up the greater of (a) $1,000,000 or (b) Contract Sum indicated on Exhibit A, Pricing Schedule, to the Contract. IN NO EVENT WILL REVQ BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES SUCH AS, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS, LOSS OF ANTICIPATED REVENUE, INCREASED COSTS OF OPERATION, INCREASED COST OF OVERHEAD, COSTS OF ANY SUBSTITUTE SERVICE, CLAIMS OF CUSTOMER'S CLIENTS FOR SUCH DAMAGE OR OTHER ECONOMIC DAMAGES, IN EACH INSTANCE INCLUDING, WITHOUT LIMITATION, LOSS IN CONNECTION WITH OR ARISING OUT OF THE USE OF THE SOFTWARE, THE SOURCE CODE FOR THE SOFTWARE OR THE SERVICES PROVIDED FOR IN THIS LICENSE AGREEMENT OR ANY ATTACHMENT HERETO. THESE LIMITATIONS APPLY EVEN IF REVQ WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THEY APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, TORT (INCLUDING BUT

NOT LIMITED TO NEGLIGENCE, INTERFERENCE WITH CONTRACT AND NEGLIGENT MISREPRESENTATION), STATUTE, OR ANY OTHER LEGAL OR EQUITABLE THEORY. IN NO EVENT WILL REVQ BE LIABLE FOR MORE THAN THE GREATER OF (A) $1,000,000 OR (B) THE CONTRACT SUM INDICATED ON EXHIBIT A TO THE CONTRACT. THESE LIMITATIONS HAVE BEEN SPECIFICALLY BARGAINED FOR BY REVQ AND AGREED TO BY CUSTOMER AS A MEANS BY WHICH TO ALLOCATE RISK IN THIS TRANSACTION. No portion of the limitation of liability described in this Section 8 applies to liability arising from: (a) RevQ's obligations under Sections 6 and 9 of this License Agreement; (b) RevQ's obligations under Paragraph 8.6, 8.24 and 8.25 of the body of the Contract; (c) claims and actions relating to personal injury, including but not limited to wrongful death; and (d) RevQ's intentional or willful misconduct.

9. **INTELLECTUAL PROPERTY INDEMNIFICATION.** RevQ will indemnify, defend and hold harmless the Customer, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the RevQ's acts and/or omissions arising from and/or relating to an allegation that the Software infringes a U.S. patent or copyright or violates a trade secret if Customer notifies RevQ promptly in writing of such action, if RevQ has sole control of defense and negotiations for settlement and if Customer fully cooperates concerning the legal action. If Customer's use of the Software is finally enjoined, RevQ will, at its option: (1) procure the continued right of use; or (2) replace or modify the Software to restore the right of use; or (3) if RevQ has determined that neither of options (1) or (2) are commercially practical with respect to a majority of RevQ's customers impacted by the infringement claim, terminate the License Agreement for the infringing Software and refund all amounts paid by Customer under the Contract for use of such Software balance, if any, of license fees paid for the Software, prorated over three (3) years. If RevQ remedies the infringement by providing Customer with a new Release which modifies the Software in such a manner as to restore Customer's right to use the Software ("Corrected Release"), Customer shall, notwithstanding any other provision of this License Agreement, accept and utilize the Corrected Release and immediately cease all further use of all prior Releases of the Software. RevQ shall not be obligated to provide indemnification if the infringement claim arises from: (1) Customer's use of the Software in a manner not specified or authorized by this License Agreement or otherwise by the Contract; (2) Any modification of the Software by anyone other than RevQ and anyone authorized by RevQ; and (3) Any combination or merger of the Software with or into any computer program(s) not licensed by RevQ; and (4) Customer's failure to use the Corrected Release which, absent such use, RevQ would no longer be obligated to provide Support for the Software under Section 4.1 of Exhibit C to the Contract.

10. **DISPUTE RESOLUTION.** If any controversy or claim arises out of or relates to this License Agreement, or the breach thereof, the parties agree that senior management will attempt in good faith to settle the controversy or claim within ten (10) business days thereafter before resorting to court action pursuant to this Section. If said controversy or claim cannot be settled through such senior management intervention, either party may initiate action in a court of competent jurisdiction.

Exhibit C

RPCS
Software Support Agreement

Between

Columbia Ultimate, Inc., doing business as RevQ
4400 NE 77th Avenue Suite 100
Vancouver, WA 98662
360-260-5838
Hereafter "RevQ"

And
County of Los Angeles
Treasurer and Tax Collector
500 West Temple Street
Los Angeles, CA
213-974-0720
Hereafter "Customer"

This Exhibit C, RPCS Software Support Agreement ("Software Support Agreement") is attached to that certain Contract for Debt Collection Software and Related Services, dated as of _____ _____, 2008 (together with all Exhibits thereto, including the License Agreement, "Contract"), between RevQ, as Contractor, and Customer, as County, and is subject in all respects to the Contract and Exhibit B, RPCS Software License Agreement ("Software License Agreement"), to the Contract, except that in the event of a conflict between this Software Support Agreement and the Software License Agreement, the terms and conditions of this Software Support Agreement shall govern for the purposes of this Software Support Agreement only.

---

1. **TERM OF SUPPORT.** The term of this Software Support Agreement shall be as specified in the body of the Contract.
2. **DEFINITIONS.** In addition to the terms defined in the Software License Agreement and in the body of the Contract, the following capitalized terms used in this Software Support Agreement shall have the following meanings for purposes of this Software Support Agreement only:
   - 2.1 "Error" shall mean an error in the Software or a failure of the Software to conform, as documented in the Documentation, which negatively impacts the performance of Customer's operations. Errors can occur as: (i) errors in the Software or (ii) errors in Documentation.
   - 2.2 "Priority 1 Error" shall mean the Software is unusable, produces incorrect results, or fails catastrophically in response to input files. The Software does not perform most of its documented functions.
   - 2.3 "Priority 2 Error" shall mean the Software is usable, performs most, but not all of its documented functions.
   - 2.4 "Priority 3 Error" shall mean the Software is usable but due to an error does not provide the function in the most convenient way.
   - 2.5 "Support" means the work to be provided by RevQ under the terms of this Software Support Agreement, including answering of questions regarding the operations of the Software and any corrections required to make the Software operational as provided in the Documentation and otherwise in the Contract.
3. **SERVICE PROVIDED BY REVQ**
   - 3.1 RevQ agrees to maintain the Software in conformity in with the Documentation and otherwise with the Contract. RevQ shall correct all Errors discovered by Customer or RevQ in accordance with the timeframes set forth below.
   - 3.2 If Customer believes that there is an Error, Customer will notify RevQ, describing the Error in such detail as is reasonably necessary and available for RevQ to provide resolution of the Error. RevQ shall promptly investigate the Error and shall advise Customer of RevQ's plans for corrective action. RevQ shall remedy such Error as follows:
     - 3.2.1 Priority 1 Error. RevQ will promptly respond within (2) hours of notification and shall use its best efforts to provide a resolution to Priority 1 Errors within thirty-six (36) hours of receipt of an Error report.
     - 3.2.2 Priority 2 Error. RevQ will respond within (8) hours of notification and shall use its best efforts to provide a resolution to a Priority 2 Error within five (5) business days of receipt of an Error report.

3.2.3 Priority 3 Error. RevQ shall use its best efforts to provide a solution for problems designated a Priority 3 Errors within thirty (30) calendar days of receipt of an Error report.

3.3 RevQ will provide to Customer toll free phone service (in the United States) for consultation, Error report and resolution. Calls shall be placed by the System Administrator defined in the Exhibit E, County's Administration, to the Contract. Calls can be placed during U.S. Pacific Time from 5:00 a.m. to 5:00 p.m. Monday through Saturday, excluding any holidays recognized by RevQ as company-wide holidays as posted on RevQ's website annually. Support outside of these hours will be requested, priced and documented as Additional Work under Paragraph 3.2 of the body of the Contract.

3.4 Customer will, at its expense, provide the necessary equipment to allow RevQ remote access to Customer's computer. Customer authorizes RevQ to access Customer's computer either on site or via remote electronic access to isolate Errors in the Software, and, where practicable, attempt to apply corrections. Customer shall furnish access to Customer's computer to RevQ without charge for the time required by RevQ to furnish Support.

3.5 Any services provided in addition to those described in this Software Support Agreement or otherwise in the Contract will be requested, priced and documented as Additional Work under Paragraph 3.2 of the body of the Contract.

4. TERMS AND CONDITIONS OF SUPPORT

4.1 For Software Support, RevQ shall only be responsible for providing Support for RevQ's most current Release of the Software and for the three (3) previous Releases of the Software.

4.2 RevQ shall be under no obligation to furnish Support under this Agreement should Support be required as a result of:

4.2.1 Operation of the Software in environmental conditions outside those prescribed by the hardware platform manufacturer or those defined in Exhibit K to the Contract or as otherwise agreed by RevQ in advance;

4.2.2 Failure by Customer to keep the hardware platform properly maintained in accordance with standards of maintenance prescribed by the manufacturer; or

4.2.3 The Software maintained or modified by anyone other than RevQ or a third party authorized by RevQ.

4.3 In the event it is determined that RevQ provided Support arising from the above or from some other cause not related to the Software, RevQ reserves the right to charge Customer for the performance of such Support. Performance of such support shall be requested, priced and documented as Additional Work under Paragraph 3.2 of the body of the Contract .

4.4 Notwithstanding the exclusions specified above, RevQ's obligations to provide support shall not be affected by Customer's modification of the Software so long as RevQ can discharge its Support obligations notwithstanding such modifications or following their removal by Customer.

4.5 Customer agrees to provide the name of the one System Administrator as defined Exhibit E, County's Administration, to the Contract as a person to work with RevQ in diagnosing areas of concern.

Exhibit D

CONTRACTOR'S EEO CERTIFICATION

Columbia Ultimate, Inc.
Contractor's Name

4400 NE 77th Ave, Suite 100, Vancouver, WA 98662
Address

91-1996106
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with Paragraph 4.32.010 of the Code of the County of Los Angeles, the above-referenced Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S CERTIFICATION

		YES	NO
1.	The Contractor has a written policy statement prohibiting discrimination in all phases of employment.	☑	☐
2.	The Contractor periodically conducts a self analysis or utilization analysis of its work force.	☑	☐
3.	The Contractor has a system for determining if its employment practices are discriminatory against protected groups.	☑	☐
4.	Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action to include establishment of goals or timetables.	☑	☐

Bruce Randall President
Name and title of signer

Signature

May 15, 2008
Date

COUNTY'S ADMINISTRATION

AGREEMENT NO. _____

COUNTY'S PROJECT DIRECTOR	
NAME	Lourdes Guerrero
TITLE	Information Systems Manager
ADDRESS	500 West Temple Street, Room 409 Los Angeles, CA 90012
TELEPHONE	213-974-7618
FACSIMILE	213-217-4974
E-MAIL	lguerrero@ttc.lacounty.gov

COUNTY'S PROJECT MANAGER	
NAME	Trudy Sturcke
TITLE	
ADDRESS	500 West Temple Street, Room 409 Los Angeles, CA 90012
TELEPHONE	213-974-8113
FACSIMILE	213-217-4974
E-MAIL	tsturcke@ttc.lacounty.gov

COUNTY'S SYSTEM ADMINISTRATOR	
NAME	To Be Determined By County's Project Manager
TITLE	
ADDRESS	500 West Temple Street, Room 409 Los Angeles, CA 90012
TELEPHONE	213-974-8113
FACSIMILE	213-217-4974
E-MAIL	tsturcke@ttc.lacounty.gov

Exhibit F

CONTRACTOR'S ADMINISTRATION

Columbia Ultimate, INC.
CONTRACTOR'S NAME

AGREEMENT NO. _____

CONTRACTOR'S PROJECT MANAGER:	
NAME	Jerry Anderson
TITLE	Client Relations Executive
ADDRESS	4400 NE 77th Avenue, Suite 100, Vancouver, WA 98662
TELEPHONE	360-260-5766
FACSIMILE	360-260-5760
E-MAIL	Jerry.anderson@revq.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)	
NAME	Bruce Randall
TITLE	President, RevQ, A Columbia Ultimate Company
ADDRESS	4400 NE 77th Avenue, Suite 100, Vancouver, WA 98662
TELEPHONE	360-260-5675
FACSIMILE	360-260-5760
E-MAIL	Bruce.randall@revq.com
NAME	Mike R. England
TITLE	Chief Financial Officer
ADDRESS	4400 NE 77th Avenue, Suite 100, Vancouver, WA 98662
TELEPHONE	360-260-5682
FACSIMILE	360-260-1614
E-MAIL	Mike.england@columbiaultimate.com

Notices to Contractor shall be sent to the following address:
ADDRESS: 4400 NE 77th Avenue, Suite 100, Vancouver, WA 98662
TELEPHONE: 360-684-7387
FACSIMILE: 360-260-5760
E-MAIL: Jerry.anderson@revq.com

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more such contracts or subcontracts.

B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.

C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:

1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or

2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or

3. A purchase made through a state or federal contract; or

4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or

5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or

6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or

7. A non-agreement purchase with a value of less than $5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:

1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or

2. The contractor has a long-standing practice that defines the lesser number of hours as full time.

E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.

B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,

2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

1. Has ten or fewer employees during the contract period; and,

2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than $500,000; and,

3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed $500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

Exhibit H

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

No shame.
No blame.
No names.

Newborns can be safely given up at any Los Angeles County hospital emergency room or fire station.

In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?
California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?
A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?
Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?
In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?
No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?
No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?
The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?
Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story
At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena.
Sin culpa.
Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.

En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora

Consejo de Supervisores del Condado de Los Angeles
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

Exhibit I

EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name _____ Contract No._____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

BUSINESS ASSOCIATE
PROTECTED HEALTH INFORMATION DISCLOSURE AGREEMENT

COLUMBIA ULTIMATE, INC., BUSINESS ASSOCIATE

This Business Associate Protected Health Information Disclosure Agreement ("Agreement") is entered into effective this _____ day of _____, 2008 ("Effective Date") by and between the County of Los Angeles ("Covered Entity" or "County") and Columbia Ultimate, Inc., a Washington corporation ("Business Associate" or "Contractor").

RECITALS

WHEREAS, the parties have executed a software, maintenance and support Agreement ("Services Agreement"), whereby Business Associate provides Services to Covered Entity, and Business Associate receives, has access to or creates Protected Health Information in order to provide those Services;

WHEREAS, Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Regulations") and the Health Insurance Reform: Security Standards (the "Security Regulations") at 45 Code of Federal Regulations Parts 160 and 164 ("Privacy Regulations") (together, the "Privacy and Security Regulations");

WHEREAS, the Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

I. DEFINITIONS

1.1 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.

1.2 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. §160.103. Electronic Media means (1) electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk or digital memory card; or (2) transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks and the physical movement of

removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data at rest (that is, in storage) as well as during transmission.

1.3 "Electronic Protected health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; or (ii) maintained in Electronic Media.

1.4 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.5 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. Protected Health Information includes Electronic Health Information.

1.6 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under s government program providing benefits.

1.7 "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification or destruction of information in, or interference with system operations of, an information system which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an information system when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the information system.

1.8 "Services" the work performed under the Services Agreement.

1.9 "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment,

application, utilization, examination or analysis of such Information within Business Associate's internal operations.

Terms used, but not otherwise defined, in this Agreement and the Services Agreement shall have the same meaning as those terms in the Privacy and Security Regulations.

II. OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;

(b) shall Disclose Protected Health Information to Covered Entity upon request;

(c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

(i) Use Protected Health Information; and

(ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

2.2 Adequate Safeguards for Protected Health Information.

(a) Business Associate warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Agreement. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy and Security Regulation's minimum necessary standard.

(b) effective as of April 20, 2005, specifically as to Electronic Health Information, shall implement and maintain administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of Electronic Protected Health Information.

2.3 Reporting Non-Permitted Use or Disclosure. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement, and, effective as of April 20, 2005, each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the applicable Department Privacy Officer within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 525
Los Angeles, CA 90012

2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

2.5. Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

2.8 Accounting of Disclosures. Business Associate agrees to maintain documentation of the information required to provide an accounting of Disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528 and to make this information available to Covered Entity upon Covered Entity's request, in order to allow Covered Entity to respond to an Individual's request for accounting of Disclosures. However, Business Associate is not required to provide accounting of Disclosures that are necessary to perform its Services if such Disclosures are for either payment or health care operations purposes, or both. Additionally, such accounting is limited to Disclosures that were made in the six (6) years prior to the request (not including Disclosures that were made prior to the compliance date of the Privacy Rule, April 14, 2003) and shall be provided for as long as Business Associate maintains the Protected Health Information.

Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

III. OBLIGATION OF COVERED ENTITY

3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

IV. TERM AND TERMINATION

4.1 Term. The term of this Agreement shall be the same as the term of the Services Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in the Services Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

(a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Services Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

(b) Immediately terminate this Agreement and the Services Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

(c) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information upon Termination or Expiration.

(a) Except as provided in paragraph (b) of this Section 4.3, upon termination for any reason or expiration of this Agreement and the Services Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to

Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

V. MISCELLANEOUS

5.1 No Third Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Agreement.

5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Agreement is contrary to a provision of the Services Agreement, the provision of this Agreement shall control. Otherwise, this Agreement shall be construed under, and in accordance with, the terms of the Services Agreement.

5.4 Regulatory References. A reference in this Agreement to a section in the Privacy and/or Security Regulations means the section as in effect or as amended.

5.5 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

5.6 Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date stated above.

COLUMBIA ULTIMATE, INC.:		**COUNTY OF LOS ANGELES:**	
BY:	[signature]	BY:	
TITLE:	President, Rec Q	TITLE:	
DATED:	May 15, 2008	DATED:	

RPCS SYSTEM SPECS FOR UNIX

RECOMMENDED SERVER AND WORKSTATION HARDWARE & SOFTWARE SPECIFICATIONS FOR UNIX®

The following are recommended hardware and required software for the RPCS 2006 or higher software releases to run in an Unix stand alone application server environment. Depending on actual customer goals for the performance of RPCS, final hardware specifications may vary from the recommendations. To ensure the correct hardware and software is purchased please send your hardware/software specifications to your RevQ Client Relations Executive and Staging specialist prior to ordering for review.

Recommended Server Hardware Specifications

SERVER ENVIRONMENT/NETWORK CONFIGURATION

Due to the architecture of the RPCS application and database and to ensure optimal performance, RevQ recommends a stand alone application server environment.

CPU PROCESSOR

NUMBER OF USERS	PROCESSOR	SPEED	CACHE	MEMORY
Up to 50	2-way 610 6E1 Power 3-11	450 mhz	8 MB	1 GB
Up to 100	2-way 620 6F1 RS64 IV	750 mhz	8 MB	2 GB
Up to 200	4-way 620 6F1 RS64 IV	750 mhz	8 MB	4 GB
Up to 400	6-way 620 6F1 RS64 IV	750 mhz	8 MB	8 GB

DISK REQUIREMENTS

NUMBER OF ACCOUNTS IN RPCS AND CORRELATING DISK SPACE USED	RAID LEVE
500,000~6 GB	IBM SSA RAID 1+0, 3 spindles (6 disks)
1,000,000~12 GB	IBM SSA RAID 1+0, 4 spindles (8 disks)
2,000,000~24 GB	IBM SSA RAID 1+0, 5 spindles (10 disks)
4,000,000~48 GB	IBM SSA RAID 1+0, 6 spindles (12 disks)

Disk space figures include space for the application, the database structure, and additional hard drive space to maintain between 30% and 50% free space for optimal performance, and maintenance such as periodic defragmentation.

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Updated May 15, 2008

recommended Server and Workstation Hardware & Software Specifications for UNIX®

ADDITIONAL SERVER HARDWARE SPECIFICATIONS

- Tape backup device (used to archive system data on removable media)
- Dual 1000 MB Ethernet network interface with fail over and network load balancing.

PRINTERS

- Hp Hewlett Packard non-USB, with Parallel, Network and PCL6 compatibility (i.e. HP2420, HP2430, HP4250 and HP4350) Note: Not all HP printers are network and parallel compatible. You must specify this to your hardware vendor when ordering.

REQUIRED SERVER SOFTWARE SPECIFICATIONS

Server operating system version AIX5.2x or 5.3x

- Compatible version of jBase or UniVerse for Unix multi-value database software
- CU•EMULATE v3.0 From RevQ (2.4i or higher is acceptable).
- TCP/IP network protocol.
- ANSI C Compiler – C for AIX software development application.
- System backup software such as tar, cpio or IBM Tivoli
- ItiVity Remote Support Application – allows system administrators and/or Columbia Ultimate Client Care Technicians to view the console display, expediting problem resolution.
- Virus protection software such as Symantec's Norton. **** is this needed for Unix *****

RECOMMENDED NETWORK SPECIFICATIONS

- 100/1000 MB switched Ethernet network.

RECOMMENDED CLIENT WORKSTATION HARDWARE & REQUIRED SOFTWARE SPECIFICATIONS

The following are recommended RPCS workstation specifications. Depending on actual customer goals for the performance of RPCS, final system specifications may need to vary from the recommendations. RPCS is not compatible with thin client software such as Citrix or Microsoft Terminal Service Hardware.

RECOMMENDED WORKSTATION HARDWARE SPECIFICATIONS

- Pentium Dual Core 2.8 GHz Processor or above
- 1GB RAM

  Note: When running more applications simultaneously, in addition to the Windows operating system and RPCS, more memory may be required.

- CD-ROM drive
- 1000 MB Ethernet Network Interface
- Windows compatible mouse, keyboard and monitor
- TCP/IP Network Protocol

REQUIRED THIRD PARTY WORKSTATION SOFTWARE SPECIFICATIONS

- Microsoft Windows 2000, 2003 or XP.
- CU•EMULATE 3.0 from RevQ (v2.4i or higher acceptable)

CURRENT TREASURER AND TAX COLLECTOR HARDWARE SPECIFICATIONS

As of commencement date of this Contract, with Columbia Ultimate's concurrence, the Treasurer and Tax Collector's (TTC) hardware specifications (listed below) either meet or exceed Columbia Ultimate's minimum UNIX system requirements.
TTC's designated Server for the Columbia Ultimate Software is made up of the following:

- Model : HP – rp 2450
- Single 550 Mhz cpu
- 6GB RAM
- OS Version: HP-UX 11.11