County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

November 20, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

APPROVE AN AGREEMENT WITH FUJIFILM MEDICAL SYSTEMS USA, INCORPORATED TO PROVIDE FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE AND REPAIR SERVICES (ALL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman of the Board of Supervisors to sign an Agreement with FujiFilm Medical Systems USA, Incorporated (FujiFilm). The term of this Agreement shall be for three (3) years, plus two (2) one-year options, plus a month-to-month extension option in any increment not to exceed six (6) months, if required to best serve the County's interest. The Agreement shall have a maximum contract sum of $789,207.

2. Authorize the Sheriff or his designee to execute all change orders, extensions, and amendments as specified in the Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this Agreement is to provide the County of Los Angeles Sheriff's Department's (Department) Medical Services Bureau (MSB) with Fuji digital x-ray capture system equipment maintenance and repair services.

The Department's MSB is the largest correctional medical services provider of its kind in the country.

On average, 425 inmates are processed into the jail system (intake) daily, 365 days per year, through the Inmate Reception Center. As part of MSB's communicable disease

control program, each inmate, upon intake, is provided a chest screening x-ray in order to detect the presence of tuberculosis or other threats to the health and safety of the inmate or others.

To avoid delays in moving inmates through the intake process, it is imperative that the Fuji digital x-ray capture systems used in the screening process be maintained regularly and repaired within a reasonable time frame when problems are detected.

Implementation of Strategic Plan Goals

The services provided support the County's Strategic Goals for Service Excellence. Specifically, the contract will allow FujiFilm to provide uninterrupted digital x-ray capture system maintenance and repair services.

FISCAL IMPACT/FINANCING

This Agreement includes a provision, at no charge to the County, for the as-needed teardown, move, and reconfiguration of digital x-ray capture systems during the contract term.

Funding has been identified in the Department's operating budget. Annual allocations will be made to finance the ongoing cost of this maintenance program.

The maximum contract sum, which includes the six-month option period, is $789,207.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Department's MSB is the only County agency in California that operates as a licensed Correctional Treatment Center. The MSB is responsible for the provision of medical treatment and ongoing care for inmates remanded to the custody of the Department.

Contractor will be required by the Department to provide a full-service maintenance and repair program for all Fuji digital x-ray capture systems and associated accessories originally furnished by Fujifilm and in the manner set forth in the Agreement.

In addition to the services cited above, the County anticipates that during the term of the Agreement several x-ray systems may require to be moved to another location or facility in the greater Los Angeles County area. The Contractor shall facilitate the teardown, move, and reconfiguration of said equipment at no additional cost to the County.

This Agreement is in compliance with all Board, Chief Executive Office, and County Counsel requirements and has been approved as to form by County Counsel.

CONTRACTING PROCESS

On March 8, 2007, the Department issued a Request for Letters of Interest (RFLOI) from businesses, which were certified to maintain and repair the Department's Fuji digital x-ray systems. On September 6, 2007, the Department issued an Invitation for Bids (IFB) to provide Fuji Digital X-Ray Capture System equipment maintenance and repair services. The solicitation was posted on the Los Angeles County and Department's websites. The Department received two responses to the solicitation and FujiFilm Medical Systems USA, Incorporated was selected.

FujiFilm's response to the IFB satisfactorily demonstrates their capacity to provide the services necessary to successfully implement a full-service digital x-ray capture system equipment maintenance and repair program.

As such, the Department is recommending an agreement with FujiFilm.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current Department operations and services.

CONCLUSION

Upon approval and execution of the Contract by your Board, please return an adopted copy of this action and two originally executed copies of the Agreement to the Department's Contracts Unit for further processing.

Sincerely,

Lee Baca

LEROY D. BACA
SHERIFF

AGREEMENT

BY AND BETWEEN

THE COUNTY OF LOS ANGELES SHERIFF'S DEPARTMENT

AND

FUJIFILM MEDICAL SYSTEMS USA, INCORPORATED

FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM
EQUIPMENT MAINTENANCE AND REPAIR SERVICES

NOVEMBER 2007

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AGREEMENT
FUJI DIGITAL X-RAY CAPTURE SYSTEM MAINTENANCE AND REPAIR SERVICES

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LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AGREEMENT
FUJI DIGITAL X-RAY CAPTURE SYSTEM MAINTENANCE AND REPAIR SERVICES

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INTRODUCTION

THIS AGREEMENT is entered into as of the Effective Date by and between the County of Los Angeles ("County") and Fujifilm Medical Systems USA, Incorporated, a corporation organized under the laws of the State of New York, located at 419 West Avenue, Stamford, Connecticut 06902 ("Contractor"), for the Los Angeles County Sheriff's Department (the "Department").

RECITALS

WHEREAS, the Department owns and utilizes specialized Fuji digital x-ray capture systems ("Equipment") to process in-patient medical x-ray files;

WHEREAS, the Equipment requires preventative maintenance and remedial repair services to ensure continuous operation; and

WHEREAS, the County does not have the knowledge and technical expertise necessary to provide preventative maintenance and remedial repairs for the Equipment; and

WHEREAS, Contractor represents that it possesses the necessary special skills, knowledge, technical competence, and sufficient staffing to provide such equipment maintenance and repair services; and

WHEREAS, this Agreement (as defined below) is authorized pursuant to California Government Code Section 31000.

NOW THEREFORE, In consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

1.0 AGREEMENT AND INTERPRETATION

1.1 Agreement. This base document along with *Exhibits A through G*, any schedules attached hereto or thereto, and any Change Order or amendment from time to time hereto or thereto collectively constitute and throughout and hereinafter are referred to as the "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement.

1.2 Interpretation. 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, Subtask, Deliverable, goods, service, or other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits and any attachments thereto, according to the following priority:

1.2.1 Exhibit A - Additional Terms and Conditions

1.2.2 Exhibit B - Statement of Work

1.2.3 Exhibit G - Contractor's Obligations Under the federal Health Information Portability and Accountability Act (HIPAA)

1.2.4 Exhibit C - Performance Requirements Summary

1.2.5 Exhibit D - Equipment List and Price Schedule

1.2.6 Exhibit E - Contractor's EEO Certification

1.2.7 Exhibit F - Contractor's Employee Acknowledgement and Confidentiality Agreement

1.3 Additional Terms and Conditions. Without limiting the generality of *Paragraph 1.0, Agreement*, attached hereto as *Exhibit A, Additional Terms and Conditions*, and incorporated by reference herein, are additional terms and conditions to this Agreement. Contractor acknowledges and agrees that it shall be bound by the additional terms and conditions enumerated in such Exhibit as if such terms and conditions were enumerated in the body of this base document.

1.4 Construction. The words "herein", "hereof", and "hereunder" and words of similar import used in this Agreement refer to this Agreement, including all annexes, attachments, Exhibits, and Schedules as the context may require. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words "including", "for example", "e.g.", "such as", "etc.", or any derivation of such words, such examples are intended to be illustrative and not limiting. Captions and Paragraph headings used in the Agreement are for convenience only and are not a part of the Agreement and shall not be used in construing the Agreement.

2.0 DEFINITIONS

The following terms and phrases in quotation marks and with initial letters capitalized shall have the following specific meaning when used in this Agreement.

2.1 "Agreement" has the meaning set forth in *Paragraph 1.0 (Agreement)*.

2.2 "Board" means the Los Angeles County Board of Supervisors.

2.3 "Business Day" means Monday through Friday, excluding County observed holidays.

2.4 "Change Order" has the meaning set forth in *Section 6.0 (Change Orders and Amendments)*.

2.5 "CIO" means County's Chief Information Officer.

2.6 "Contractor Project Director" has the meaning set forth in *Paragraph 4.1 (Contractor Project Director)*.

2.7 "Contractor Project Manager" has the meaning set forth in *Paragraph 4.2 (Contractor Project Manager)*.

2.8 "County" has the meaning set forth in the Recitals.

2.9 "County Counsel" means County's Office of the County Counsel.

2.10 "County Indemnitees" has the meaning set forth in *Paragraph 13.1 (Indemnification)* of *Exhibit A (Additional Terms and Conditions)*.

2.11 "County Project Director" has the meaning set forth in *Paragraph 3.1 (County Project Director)*.

2.12 "County Project Manager" has the meaning set forth in *Paragraph 3.2 (County Project Manager)*.

2.13 "Customizations" means any customizations or modifications to the System Software and/or any module thereof.

2.14 "Daily Labor Rate" means, for Contractor's personnel, the fully burdened per diem rates set forth in *Exhibit D (Equipment List & Price Schedule)*, each of which such rates includes an allocated average of direct and indirect costs, overhead, administrative expenses attributable to each personnel day worked.

2.15 "Deficiency" has the meaning set forth in *Section 12.0 (Deficiencies)*.

2.16 "Department" has the meaning set forth in the Recitals.

2.17 "Dispute Resolution Procedure" has the meaning set forth in *Section 2.0 (Dispute Resolution Procedure)* of *Exhibit A (Additional Terms and Conditions)*.

2.18 "Infringement Claims" has the meaning set forth in *Section 14.0 (Intellectual Property Indemnification)* of *Exhibit A (Additional Terms and Conditions)*.

2.19 "Initial Term" has the meaning set forth in *Section 7.0 (Term)*.

2.20 "Invoice Discrepancy Report" or "IDR" has the meaning set forth in *Paragraph 10.5 (Invoice Discrepancy Report)*.

2.21 "Jury Service Program" has the meaning set forth in *Section 34.0 (Compliance with Jury Service Program)* of *Exhibit A (Additional Terms and Conditions)*.

2.22 "Maximum Contract Sum" has the meaning set forth in *Section 8.0 (Prices and Fees)*.

2.23 "Notice of Delay" has the meaning set forth in *Section 56.0 (Notice of Delay) of Exhibit A (Additional Terms and Conditions)*.

2.24 "Option Term" has the meaning set forth in *Section 7.0 (Term)*.

2.25 "Sheriff" means the elected official who is the Sheriff of the County of Los Angeles.

2.26 "Statement of Work" or "SOW" means the Statement of Work, attached as *Exhibit B (Statement of Work)* to this Agreement, as the same may be amended by any approved Change Order or amendment.

2.27 "Subtask" means one or more sub-areas of work to be performed under this Agreement and identified as a numbered Subtask in the Statement of Work or any approved Change Order or amendment.

2.28 "System Software" means any software resident on any component of the X-Ray Systems described in detail in *Exhibit D*, which contributes in any part or way to the functionality of the X-Ray Systems, as intended by the original equipment manufacturer.

2.29 "Task" means one or more major areas of work to be performed under this Agreement and identified as a numbered Task in the Statement of Work or any approved Change Order or amendment.

2.30 "Tax" and "Taxes" means governmental fees (including license, filing and registration fees) and all taxes (including franchise, excise, stamp, value added, income, gross receipts, gross revenue, import, export, sales, use, transfer, and property taxes), withholdings, assessments, levies, imposts, duties, charges, or interest thereon imposed.

2.31 "Tear-down, Move and Reconfiguration" and "TMR" has the meaning set forth in *Exhibit B (Statement of Work), Paragraph 3.7*.

2.32 "Term" has the meaning set forth in *Section 7.0 (Term)*.

2.33 "Updates, Software" also "Updates" means: any enhancements, revisions, improvements, bug fixes, patches, and modifications, other than Customizations and custom programming modifications, to the System Software,;

any updates or modifications required during the Term in order for the System Software to remain in compliance with applicable federal laws and regulations;

any updates or modifications required in order for the System Software to achieve compliance with applicable state and local laws and regulations put into effect during the Term of the *Agreement*; and

any update delivered by Contractor to County is and shall become a component of the System Software.

2.34 "Work" means any and all Tasks, Subtasks, Deliverables, goods, and other services performed by or on behalf of Contractor including the work required pursuant to this Agreement, the Statement of Work, and all the Exhibits, Change Orders, and amendments hereto.

3.0 ADMINISTRATION OF AGREEMENT – COUNTY

3.1 County Project Director

3.1.1 The "County Project Director" for this Agreement shall be the following person:

Michael K. Kwan, Captain
Medical Services Bureau
Twin Towers Correctional Facility
450 Bauchet Street, Room E-873
Los Angeles, California 90012
Phone: (213) 893-5460
Email: mkkwan@lasd.org

3.1.2 County will notify Contractor of any change in the name or address of the County Project Director.

3.1.3 Except as set forth in *Section 6.0 (Change Orders and Amendments)* of this Agreement, the County Project Director is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

3.1.4 The County Project Director shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor.

3.2 County Project Manager

3.2.1 The "County Project Manager" for this Agreement shall be the following person:

Rita C. Dineros, Director
Medical Services
450 Bauchet Street, Room E-873 Los
Angeles, California 90012
Phone: (213) 893-5510
Fax: (323) 415-2696
Email: rcdinero @lasd.org

3.2.2 Unless otherwise specifically noted, whenever this Agreement calls for a notice, report, or other delivery to be made by Contractor (or any representative thereof) to the County Project Manager, such notice, report, or other delivery shall be made to the County Project Manager in accordance with the notice information set forth above or in accordance with such other notice information as County may notify Contractor from time to time pursuant to *Sub-paragraph 3.2.2*.

3.2.3 County shall notify Contractor of any change in the name or address of the County Project Manager.

3.2.4 The County Project Manager shall be a resource for addressing the technical standards and requirements of this Agreement, shall interface regularly with Contractor and further shall have the duties from time to time give to such person by County.

3.2.5 The County Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement nor obligate County in any respect whatsoever.

3.2.6 The County Project Manager shall advise the County Project Director as to Contractor's performance in areas relating to technical requirements and standards, County policy, information requirements, and procedural requirements.

3.3 Consolidation of Duties

County reserves the right to consolidate the duties of the County Project Director, which duties are enumerated in *Paragraph 3.1 (County Project Director)*, and the duties of the County Project Manager, which duties are enumerated in *Paragraph 3.2 (County Project Manager)*, into one County position, and to assign all such duties to one individual who will act as County's liaison in all matters relating to this Agreement. County will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this *Paragraph 3.3*.

3.4 County Personnel

All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County.

4.0 ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1 Contractor Project Director.

4.1.1 The "Contractor Project Director" shall be the following person, who shall be a full-time employee of Contractor:

Keith Dickens
Fujifilm Medical Systems
29012 North Hancock Parkway, Bldg. 7
Valencia, California 91355
Phone: 800-431-2861
Fax: 661775-0390
Email: keith.dickens@fujimed.com

4.1.2 The Contractor Project Director shall be responsible for Contractor's performance of all of the Work and ensuring Contractor's compliance with this Agreement.

4.1.3 From the Effective Date through the expiration of the Term, the Contractor Project Director shall be available to meet and confer with the County Project Director at least monthly in person or by phone, to review project progress and discuss project coordination.

4.2 Contractor Project Manager

4.2.1 The "Contractor Project Manager" shall be the following person who shall be a full-time employee of Contractor:

Keith Dickens
Fujifilm Medical Systems
29012 North Hancock Parkway, Bldg. 7
Valencia, California 91355
Phone: 800-431-2861
Fax: 661775-0390
Email: keith.dickens@fujimed.com

4.2.2 The Contractor Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement and for reporting to County in the manner set forth in *Paragraph 4.3.1 (Reports by Contractor)*.

4.2.3 From the Effective Date through the expiration of the Term, the Contractor Project Manager shall be available to meet and confer as necessary, but no less frequently than monthly, with County.

4.3 Approval of Contractor's Staff

4.3.1 County approves the proposed Contractor Project Director and Contractor Project Manager listed in *Sub-paragraphs 4.1.1 and 4.2.1*. The County Project Director has the right to approve or disapprove any proposed replacement for the Contractor Project Director and the Contractor Project Manager. If Contractor desires to replace, or if County, at its discretion, requires removal of, either the Contractor Project Director or the Contractor Project Manager, Contractor shall provide County with a resume of each such proposed replacement, and an opportunity to interview such person prior to such person performing any Work

hereunder. County shall not unreasonably delay its approval of a replacement of Contractor Project Director or Contractor Project Manager.

4.3.2 Contractor shall ensure that its personnel assigned to provide services under this Agreement are trained and experienced to maintain and repair the equipment, and if appropriate, are licensed or certified in the technology, trades and tasks required by the Agreement.

4.3.3 Contractor shall endeavor to assure continuity during the Term of Contractor personnel performing key functions under this Agreement, including systems engineers, programmers and equipment repair technicians, together with Contractor Project Director and Contractor Project Manager. Notwithstanding the foregoing, County Project Director may require removal of any Contractor staff.

4.3.4 In the event Contractor should desire to remove any Contractor personnel from performing Work under this Agreement, Contractor shall provide County with notice at least fifteen (15) days in advance, except in circumstances in which such notice is not possible (e.g., a removal for cause or other egregious act), and shall work with County on a mutually agreeable transition plan so as to ensure project continuity.

4.3.5 Contractor shall promptly fill any vacancy in Contractor personnel with individuals having qualifications at least equivalent to those of Contractor personnel being replaced.

4.3.6 All staff employed by and on behalf of Contractor shall be adults who are legally eligible to work under the laws of the United States of America and the State of California. All Contractor personnel who have direct contact with County (either by telephone, electronic or written correspondence, or in person) shall be fully fluent in both spoken and written English.

4.4 Reports by Contractor

At a minimum, in order to ensure the reporting of all Work provided by Contractor, the Contractor Project Manager shall provide the County Project Manager with Service Reports, each time services are performed on any of the equipment. Such Reports shall detail the equipment problem or preventative maintenance procedure, any corrective measures taken, and possible future problems or services required, and such other information as the County Project Director or the County Project Manager may from time to time reasonably request.

5.0 WORK; APPROVAL AND ACCEPTANCE

5.1 General

Contractor shall fully complete and timely deliver, pursuant to standards, requirements and schedules either presently incorporated in or to be developed hereunder, all tasks,

goods, services and other Work specified in *Exhibit B (Statement of Work)* and elsewhere in this Agreement.

Contractor acknowledges that, subject to this *Section 5.0 (Work; Approval and Acceptance)*, all Work performed under this Agreement, including pursuant to an executed Change Order or amendment, is payable in accordance with the terms and conditions of this Agreement, including this *Section 5.0 (Work; Approval and Acceptance)*, *Section 8.0 (Prices and Fees)*, and *Section 10.0 (Invoices and Payments)*.

5.2 Approval of Work

All Work shall be completed in a timely manner and in accordance with the requirements set forth in this Agreement, and must have the written approval of the County Project Manager. In no event shall County be liable or responsible for payment for a particular Task or Deliverable prior to the County Project Manager's written approval for such Task or Deliverable.

6.0. CHANGE ORDERS AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of this Agreement, except through the procedures set forth in this *Section 6.0 (Change Orders and Amendments)*.

6.1 General

County reserves the right to change any portion of the Work required under this Agreement, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the following manner:

6.1.1 For any change which does not materially affect the scope of Work, period of performance, amount of payments, or any other term or condition included under this Agreement, a Change Order shall be executed by both the County Project Director (with the concurrence of County Counsel) and the Contractor Project Director. To the extent that extensions of time for Contractor performance do not impact either the scope of Work or cost of this Agreement, the County Project Director, in the County Project Director's discretion, may grant Contractor extensions of time in writing for the Work listed in the Statement of Work or otherwise in this Agreement, provided that such extensions shall not extend the Term of this Agreement by more than sixty (60) days. Any such extension greater than sixty (60) days shall be in accordance with *Sub-paragraph 6.1.3*.

6.1.2 The County Project Director is authorized to execute and approve amendments in the form of Change Notices that delete equipment from or add equipment to *Exhibit D (Equipment List and Price Schedule)*. The cost of such changes shall not exceed the Maximum Contract Sum.

6.1.3 Except as elsewhere specified, including *Section 7.0 (Term)*, for any change that materially affects the scope of Work, period of performance, amount of payments, or any other term or condition in the body of this Agreement or *Exhibit A (Additional Terms and Conditions)*, then a negotiated amendment to this Agreement shall be executed by the Board and Contractor.

6.1.4 Notwithstanding any other provision of this *Section 6.0 (Change Orders and Amendments)*, the Sheriff, with written concurrence of the County Counsel, is authorized to approve and execute amendments in the form of Change Notices for all Board ordered provisions.

6.2 Audit of Change Order Work

County is entitled to audit, in accordance with *Section 44.0 (Records and Audits)* of *Exhibit A (Additional Terms and Conditions)*, Contractor's compliance with *Section 6.0 (Change Orders and Amendments)* in respect of Work performed pursuant to a Change Order.

7.0 TERM

The term of this Agreement shall commence on the Effective Date, and shall continue for three (3) years, unless terminated earlier in whole or in part, as provided in this Agreement (the "Initial Term"). The Sheriff has the option, at the Sheriff's sole discretion and upon notice to Contractor no later than thirty (30) days prior to the end of the then-current period of the Term, to extend the term of this Agreement for up to two (2) additional one (1) year periods, plus one 6-month period in any increment (each an "Option Term"). As used herein, the "Term" shall mean the Initial Term and, if extended, each Option Term, as the case may be. Contractor shall notify the County Project Manager and the County Project Director when the Initial Term, or when each Option Term, as the case may be, is within three (3) months from the expiration of the Initial Term, or such Option Term, as the case may be, as provided for in this *Section 7.0 (Term)*.

8.0 PRICES AND FEES

8.1 General

Attached to this Agreement as *Exhibit D (Equipment List and Price Schedule)*, is a schedule of all fees applicable to this Agreement. *Exhibit D (Equipment List and Price Schedule)* includes a price schedule for bi-annual maintenance and remedial repair services (Work) for the Initial Term and each of the Option Terms. The annual flat-rate fee shall include costs of a bi-annual inspection, maintenance and servicing of equipment identified as covered under the Full-Service Maintenance and Repair Services program (see *Exhibit B, Statement of Work, Paragraph 3.2*) which includes all as-needed repairs, including parts, labor and travel expenses for Contractor employees providing services under this Agreement, and for telephonic access to Contractor technical support. All rates listed in *Exhibit D (Equipment List and Price Schedule)*,

specified by Contractor for the Initial Term and each Option Term, shall remain firm and fixed. County will pay Contractor for the entire year at the beginning of the Initial Term and each properly executed Option Term.

8.2 Maximum Contract Sum

The "Maximum Contract Sum" shall be the total monetary amount that would be payable by County to Contractor for providing the Full-Service Maintenance program specified under this Agreement as defined in *Paragraph 8.3*. The Maximum Contract Sum for this Agreement, including applicable Taxes authorized by County hereunder shall in no event, expressly or by implication, exceed **$789,207** and shall be allocated as set forth in *Exhibit D (Equipment List and Price Schedule)*. Contractor acknowledges and agrees that the Maximum Contract Sum is an all-inclusive, not-to-exceed price, that is an agreed upon assessment of the amount to be paid by County to Contractor for the Term of the Agreement for providing the Full-Service Maintenance and Repair Services program defined in *Exhibit B (Statement of Work)*.

8.3 Teardown, Move and Reconfiguration (TMR)

8.3.1 Contractor shall provide as-needed TMR services at no charge to the County. Contractor assumes all responsibility for the costs of any repairs resulting from damage incurred during said TMRs, including parts, labor and travel expenses for Contractor employees providing services under this Agreement

8.4 Option Term Maintenance and Repair Fees

Exhibit D (Equipment and Price Schedule) includes Contractor's price quotation, for its provision of Maintenance and Repair Services, during the Option Terms. In respect of its provision of Maintenance and Repair Services, Contractor acknowledges and agrees as follows: (a) County shall only be liable for Maintenance and Repair Fees for an Option Term if, and only if, County elects to extend the Term for such Option Term as described in *Section 7.0 (Term)*; (b) the price quotation for each Option Term is agreed upon and is effective through the expiration of such Option Term, except as provided for in *Paragraph 8.5*.

8.5 Taxes

The amounts set forth in *Exhibit D (Equipment List and Price Schedule)* include all amounts necessary for County to reimburse Contractor for all applicable California and other state and local taxes for Work procured by County from Contractor. County shall not be liable or responsible for reimbursement of any taxes associated with the procurement except as set forth in *Exhibit D (Equipment List and Price Schedule)*. Contractor will be solely liable and responsible for, and shall pay such tax directly to, the state or other taxing authority. In addition, Contractor shall be solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which County does not hold title, and, accordingly, shall not invoice County for any such taxes.

8.6 Price Changes

County shall receive Contractor's most current offered published price, less any applicable discounts. In the event that such current published prices are less than those set forth in this Agreement, then Contractor shall immediately notify and offer the lower prices to County. Such lower prices shall be effected by an amendment in the form of a Change Order pursuant to *Sub-paragraph 6.1.1* of this Agreement.

9.0 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

Notwithstanding any other provision of this Agreement, either expressly or by implication, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Board appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed a termination for convenience pursuant to *Section 6.0 (Termination for Convenience)* of *Exhibit A (Additional Terms and Conditions)*. County shall endeavor to notify Contractor in writing of any such non-appropriation of funds at the earliest possible date.

10.0 INVOICES AND PAYMENTS

10.1 Approval of Invoices

All invoices submitted by Contractor for payment must have the written approval of the County Project Manager, as evidenced by the County Project Manager's countersignature, prior to any payment thereof, less any offsets due to County. County approval shall be provided or denied in a timely manner, within ten (10) days following submission of the invoice. In no event shall County be liable or responsible for any payment prior to such written approval

The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other Work specified in *Exhibit B (Statement of Work)*.

10.2 Submission of Invoices

Contractor shall invoice County for the Full-service maintenance program and TMR services as the case may be, according to the schedule specified in *Paragraph 8.1*. All invoices and supporting documents under this Agreement shall be submitted to the following addresses.

Original to Scientific Services Bureau·

Los Angeles County Sheriff
Medical Services Bureau
450 Bauchet Street, Room E-873

Los Angeles, California 90012
Attention: Karen Giles

With a copy to:

Los Angeles County Sheriff's Department
Accounts Payable
4700 Ramona Boulevard, Room 316
Monterey Park, California 91754

10.3 Detail

Contractor shall prepare invoice format and content in the following manner:

a. County's Agreement Number;
b. Contractor's Name and Address;
c. Contractor's Federal Tax ID Number;
d. Billing Period;
e. Description of services provided;
f. Service-call ticket (TMR only);
g. Total amount due;
h. Any additional supporting documentation and information reasonably requested by County.

10.4 No Out-of-Pocket Expenses

Contractor acknowledges that out-of-pocket expenses, including travel, meal, and lodging expenses, are not reimbursable by County. Accordingly, Contractor's invoices shall not include out-of-pocket expenses.

10.5 Invoice Discrepancy Report

The County Project Manager or designee shall review all invoices for any discrepancies and issue an "Invoice Discrepancy Report" (or "IDR") to Contractor within ten (10) days of receipt of invoice if payment amounts are disputed. Contractor shall review the disputed charges and submit to the County Project Manager a written explanation detailing the basis for the charges within ten (10) days of receipt of the IDR from the County Project Manager. If the County Project Manager does not receive a written response from Contractor within ten (10) days of County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges.

10.6 Contractor Responsibility

Contractor is responsible for the accuracy of invoices submitted to County. Further, it is the responsibility of Contractor to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by Contractor.

10.7 County's Right to Withhold

In addition to any rights of County provided in this Agreement, or at law or in equity, County may, upon notice to Contractor, withhold payment for any Work while Contractor is in default hereunder, or at any time that Contractor has not provided County approved Work.

11.0 DEFICIENCIES

11.1 Deficiencies

As used herein, the term "Deficiency" shall mean and include, as applicable to any Work provided by or on behalf of Contractor to County: any malfunction, error, or defect in the design, development, or implementation of Work; any error or omission, or deviation from the Equipment Specifications, or mutually agreed upon industry standards, as determined by the County Project Director, in County's Project Director's sole discretion.

11.2 Corrective Measures

The County Project Director shall notify the Contractor Project Director of any Deficiency in writing, or if not practicable, orally (and provided such oral notification is reduced to writing within ten (10) days) to either the Contractor Project Director or the Contractor Project Manager. Upon the earlier of (a) a notice (orally or in writing) from County, or (b) Contractor's discovery of such Deficiency, Contractor shall promptly commence corrective measures to remedy any Deficiency.

11.3 Approval

No Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by the County Project Director.

12.0 LIQUIDATED DAMAGES

12.1 In the event that Contractor fails to fulfill its obligations under *Exhibit B (Statement of Work)*, the Contractor and County agree that the County will have actual damages. In the event the County is able to obtain alternative maintenance and remedial repair services for the digital x-ray capture systems in mitigation, its damages for such alternate maintenance and repair services are quantifiable as provided in *Paragraph 12.2* below. In the event the County does not obtain alternate maintenance and repair services for the digital x-ray capture systems, the Department will not be able to properly provide the medical treatments and/or diagnoses required for inmates remanded to the custody of the Sheriff, in which case such actual damages are extremely difficult to calculate and impracticable to fix. Therefore, the Contractor and the County agree that, in addition to any other remedies available to the County, the following calculations of damages shall apply:

12.2 If the Contractor fails to provide maintenance and repair services for the digital x-ray capture systems as scheduled or as needed, County may, without terminating the

Agreement or any portion thereof, procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those not provided. 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 as mitigated damages.

12.3 In the event County does not procure such goods and services described in *Paragraph 12.2*, County shall have a claim for liquidated damages in the amount of One Hundred Dollars **($100)** for each day of service not provided. Said amount shall be deducted form the County's payment to the Contractor.

12.4 Pursuant to *Section 11.0 (Deficiencies)*, if the County Project Director determines that deficiencies have occurred that are correctable by the Contractor over a period of time, the County Project Director will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct the deficiencies within said time frame, the County may deduct as liquidated damages One Hundred Dollars **($100)** per day per infraction. Such amount shall be deducted from County's payment to the Contractor.

12.5 The actions specified as liquidated damages in *Paragraphs 12.2 and 12.3* and *Paragraph 11.0 (Deficiencies)* shall not be construed as a penalty, but as an adjustment of payment to Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Agreement. The parties hereby agree that under the current circumstances such amounts are reasonable estimates of damage.

12.6 This *Section 12.0 (Liquidated Damages)* shall not, in any manner, restrict or limit the County's right to damages for any breach of this Agreement provided by law or as specified elsewhere in this Agreement and shall not, in any manner, restrict or limit the County's right to terminate this Agreement as agreed to herein.

13.0 NOTICES

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (a) by hand with signed receipt; (b) by first-class registered or certified mail, postage prepaid; (c) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid; or (d) by overnight commercial carrier, with signed receipt. Notice is deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party giving ten (10) days prior notice in accordance with the procedures set forth above, to the other party.

(1) To County:

Michael K. Kwan, Captain
Medical Services Bureau
Twin Towers Correctional Facility
450 Bauchet Street, Room E-873
Los Angeles, California 90012
Facsimile: (323) 415-1242
Email: mkkwan@lasd.org

with a copy to:

(2) Los Angeles County Sheriff's Department
Legal Advisory Unit
4700 Ramona Boulevard, Suite 225
Monterey Park, CA 91754-2169
Attention: County Counsel
Facsimile: (323) 267-6687

To Contractor: CONTRACTOR
Attention: Keith Dickens, Regional Service Manager
Facsimile: 661-775-0390

The County Project Director shall have the authority to issue all notices or demands, which are required or permitted by County under this Agreement.

14.0 ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of an arm's length negotiation between Contractor and County. Each party has had at all times the opportunity to receive advice from independent counsel of its own choosing. Accordingly, this Agreement is to be interpreted fairly as between the parties, and not strictly construed as against either party as drafter or creator.

15.0 SURVIVAL

The following *Sections* of this Agreement shall survive its expiration or termination for any reason: *1.0 (Agreement and Interpretation), 2.0 (Definitions), 8.0 (Prices and Fees), 10.0 (Invoices and Payments), 12.0 (Liquidated Damages), 13.0 (Notices), 14.0 (Arm's Length Negotiations), 15.0 (Survival)*, and all the terms and conditions set forth in *Exhibit A (Additional Terms and Conditions)*.

* * * * *

AGREEMENT
BY AND BETWEEN COUNTY OF LOS ANGELES
AND
FUJIFILM MEDICAL SYSTEMS USA, INCORPORATED

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its authorized officer, effective as of the date approved by such Board

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Directors

By _____
Deputy

ATTEST:
SACHI A. HAMAI
Executive Officer
Los Angeles County
Board of Supervisors

By _____
Deputy

Fujifilm Medical Systems USA, Incorporated

Fujifilm Medical Systems USA, Inc.
Contractor

Signed: _____
Printed KEITH DICKENS
Title Regional Service Manager

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By _____
Gary Gross
Principal Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

41 NOV 20 2007

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

CONTRACT FOR
FUJI DIGITAL X-RAY CAPTURE SYSTEM MAINTENANCE AND REPAIR SERVICES

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EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions are applicable to, and form a part of, the Agreement. Capitalized terms not otherwise defined in this Exhibit A (Additional Terms and Conditions (as used in this Exhibit A (Additional Terms and Conditions), this "Exhibit") have the meanings given to such terms in the base document of the Agreement.

1.0 SUBCONTRACTING

1.1 General

County has relied, in entering into the Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of the Agreement, or any portion thereof, shall be subcontracted by Contractor except in accordance with the procedures set forth in this Section 1.0 (Subcontracting). Any attempt by Contractor to subcontract any performance, obligation, or responsibility under the Agreement, except in accordance with the procedures set forth in this Section 1.0 (Subcontracting), shall be null and void and shall constitute a material breach of the Agreement, upon which County may immediately terminate the Agreement.

1.2 Procedure for Subcontracting

If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under the Agreement to any subcontractor, Contractor shall adhere to the following procedures.

1.2.1 Contractor shall notify the County Project Director of its desire to subcontract a portion of the Work, which notice shall include the reason for the proposed subcontract, and a description of the Work to be performed under the proposed subcontract.

1.2.2 The identity of such subcontractor and why such subcontractor was selected.

1.2.3 A certificate of insurance from the proposed subcontractor which establishes that the subcontractor maintains all the programs of insurance required by the Agreement.

1.2.4 If the proposed Work is to be performed by a subcontractor, then in addition to the foregoing, Contractor shall provide:

i. A draft copy of the proposed subcontract. The material provisions of any approved subcontract between Contractor and a third party may be changed or amended, as applicable, only with the prior written approval of the County Project Director, which approval shall not be unreasonably withheld; and

ii. Any other information and/or certifications reasonably requested by County.

The County Project Director will review Contractor's request to subcontract and determine, in his discretion, whether or not to consent to such request on an individual basis. Without limiting in any way County's prior approval rights, Contractor shall deliver to the County Project Director a fully executed copy of each subcontract entered into by Contractor pursuant to this Subparagraph 1.2.4, on or immediately after the effective date of the subcontract but in no event later than the date any Work is performed under the subcontract.

1.2.5 Contractor shall obtain an executed subcontractor Employee Acknowledgment and Confidentiality (see Exhibit E1 (Contractor's Employee Acknowledgement and Confidentiality Contract)) for each of subcontractor's employees performing Work under the subcontract. Such Contracts shall be delivered to the County Project Director on or immediately after the effective date of the particular subcontract but in no event later than the date any such employee commences performing Work under the subcontract.

1.3 Contractor Responsibilities.

1.3.1 Notwithstanding any County consent to any subcontracting, Contractor shall remain responsible for any and all performance required of it under the Agreement, including the obligation properly to supervise, coordinate, and perform, all Work required hereunder, and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County.

1.3.2 In the event that County consents to any subcontracting, such consent shall be subject to County's right to reject any and all subcontractor personnel providing services under such subcontract.

1.3.3 In the event that County consents to any subcontracting, Contractor shall cause the subcontractor, on behalf of itself, its successors and administrators, to assume and be bound by and shall be deemed to have assumed and agreed to be bound by each and all of the provisions

of the Agreement and any amendment hereto as it relates to or affects the Work performed by subcontractor hereunder.

1.3.4 Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors and their officers, employees, and agents. County shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractors or their officers, employees, and agents.

2.0 DISPUTE RESOLUTION PROCEDURE

2.1 General

Contractor and County agree to act immediately to resolve mutually any disputes that may arise with respect to the Agreement. All such disputes shall be subject to the provisions of this Section 2.0 (Dispute Resolution Procedure) (such provisions are collectively referred to as the "Dispute Resolution Procedures"). Time is of the essence in the resolution of disputes.

2.2 Continued Work

Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance, other than payment by County for approved Work, that the parties mutually determine should be delayed as a result of such dispute.

2.2.1 If Contractor fails to continue without delay its performance hereunder that County, in its discretion, determines should not be delayed as a result of such dispute, then any additional costs which may be incurred by Contractor or County as a result of Contractor's failure to continue to so perform shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. Contractor shall promptly reimburse County for such County costs, as determined by the County, or County may deduct or offset all such additional costs from any amounts due to Contractor from County.

2.2.2 If County fails to continue without delay to perform its responsibilities under the Agreement which County, in its discretion, determines should not be delayed as a result of such dispute, then any additional costs incurred by Contractor or County as a result of County's failure to continue to so perform shall be borne by County, and County shall make no claim whatsoever against Contractor for such costs. County shall promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by County.

2.3 Dispute Resolution Procedures

In the event of any dispute between the parties with respect to the Agreement, Contractor and County shall submit the matter as follows:

2.3.1 Contractor and County shall first submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.

2.3.2 If the Project Managers are unable to resolve the dispute within a reasonable time, not to exceed five (5) Business Days from the date of submission of the dispute, then the matter immediately shall be submitted to the parties' respective Project Directors for further consideration and discussion to attempt to resolve the dispute.

2.3.3 If the Project Directors are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute, then the matter shall be immediately submitted to Contractor's president or chief operating officer and the Sheriff of the County of Los Angeles. These persons shall have five (5) Business Days to attempt to resolve the dispute.

2.3.4 In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under the Agreement and its rights and remedies as provided by law.

2.4 Documentation of Dispute Resolution Procedures

All disputes utilizing the Dispute Resolution Procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in Paragraph 2.3 (Dispute Resolution Procedure), the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

2.5 Not Applicable to County's Right to Terminate

Notwithstanding any other provision of the Agreement, County's right to terminate the Agreement pursuant to Section 4.0 (Termination for Insolvency), Section 5.0 (Termination for Default), Section 6.0 (Termination for Convenience), or Section 7.0 (Termination for Improper Consideration), in each case, of this Exhibit, or any other termination provision hereunder, shall not be subject to the Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights, and shall not be deemed to impair any claims that

Contractor may have against County or Contractor's rights to assert such claims after any such termination or such injunctive relief has been obtained.

3.0 CONFIDENTIALITY

3.1 General

Contractor shall maintain the confidentiality of all records and information, events or circumstances which occur during the course of Contractor's performance under the Agreement, in accordance with all applicable Federal, State, and local laws, regulations, ordinances, guidelines, and directives relating to confidentiality. Contractor shall inform all of its directors, officers, shareholders, employees, and agents providing services hereunder of the confidentiality provisions of the Agreement. Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Contract (Exhibit E1 to the Agreement) for each of its employees performing Work under the Agreement. Notwithstanding anything herein to the contrary, Contractor acknowledges and agrees that it is responsible for any breach of the obligations of confidentiality set forth herein by any person or entity to whom Contractor discloses such confidential information.

3.2 Disclosure of Information.

3.2.1 With respect to any confidential information obtained by Contractor pursuant to the Agreement, Contractor shall: (a) not use any such records or information for any purpose whatsoever other than carrying out the express terms of the Agreement; (b) promptly transmit to County all requests for disclosure of any such records or information; (c) not disclose, except as otherwise specifically permitted by the Agreement, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (d) at the expiration or termination of the Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose.

3.2.2 Without limiting the generality of Subparagraph 3.2.1 of this Exhibit, in the event Contractor receives any court or administrative agency order, service of process, or request by any person or entity (other than Contractor's professionals) for disclosure of any such details, Contractor shall immediately notify the County Project Director. Thereafter, Contractor shall comply with such order, process, or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, Contractor shall delay such compliance and cooperate with County to obtain relief from such

obligations to disclose until County shall have been given a reasonable opportunity to obtain such relief.

3.3 Contractor Information

Any and all confidential or proprietary information which is developed or was originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "proprietary" or "confidential." County shall undertake reasonably to maintain the confidentiality of materials marked by Contractor as "proprietary" or "confidential." Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

3.3.1 Any of Contractor's proprietary and/or confidential materials not plainly and prominently marked with restrictive legends;

3.3.2 Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and

3.3.3 Any materials indicating the volume, frequency and type of goods and services provided by Contractor, including, but not limited to use under Section 25.0 (Re-solicitation of Bids, Proposals, or Information).

3.4 Use of County Name

In recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publishing its role under the Agreement within the following conditions:

3.4.1 Contractor shall develop all publicity material in a professional manner.

3.4.2 During the Term, Contractor shall not publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of the County Project Director, which shall not be unreasonably withheld or delayed.

3.4.3 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded the Agreement with County, provided that the requirements of this Paragraph 3.4 (Use of County Name) (other than the requirements set forth in Subparagraph 3.4.2) shall apply.

3.4.4 Notwithstanding anything herein to the contrary, County reserves the right to object to any use of County's name and Contractor shall cure promptly and prospectively any use of County's name that has been objected to by County.

3.5 Injunctive Relief

Contractor acknowledges that a breach by Contractor of this Section 3.0 (Confidentiality) may result in irreparable injury to County that may not be adequately compensated by monetary damages and that, in addition to County's other rights under the Agreement and at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Section 3.0 (Confidentiality).

4.0 TERMINATION FOR INSOLVENCY

4.1 County may terminate the Agreement immediately at any time following the occurrence of any of the following:

4.1.1 Contractor has ceased to pay or has admitted in writing its inability 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 United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay debts that Contractor disputes in good faith;

4.1.2 The filing of a voluntary or involuntary petition (which involuntary petition is not dismissed within sixty (60) days) regarding Contractor under the United States Bankruptcy Code;

4.1.3 The appointment of a receiver or trustee for Contractor; or

4.1.4 The execution by Contractor of a general assignment for the benefit of creditors other than in the course of arranging financial lines of credit.

4.2 The rights and remedies of County provided in this Section 4.0 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.

4.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects the Agreement, County may elect to retain its rights under the Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 U.S.C. Section 365(n)). Upon written request by County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow

County to exercise all of its rights and benefits under the Agreement. The foregoing shall survive the termination or expiration of the Agreement for any reason whatsoever.

5.0 TERMINATION FOR DEFAULT

5.1 Event of Default

County may, upon notice to Contractor, terminate the whole or any part of the Agreement if Contractor fails to perform or provide any Work within the times specified in the Agreement, or Contractor breaches or fails to perform or comply with any of the other provisions of the Agreement, including the applicable notice and cure periods, if any (if no cure period is specified in the Agreement, Contractor shall have ten (10) days following notice from the County Project Director specifying such breach or failure to cure prior to termination under this Section 5.0 (Termination for Default), or such longer period as the County Project Director may authorize, in writing, but in no event shall the period, as extended by the County Project Director, exceed thirty (30) days), provided that nothing in this Paragraph 5.1 shall in any way limit or modify any rights of County or obligations of Contractor relating to timely performance by Contractor as otherwise set forth in the Agreement.

5.2 Deemed Termination for Convenience

If, after County has given notice of termination under the provisions of this Section 5.0 (Termination for Default), it is determined by County or otherwise that Contractor was not in default under the provisions of this Section 5.0 (Termination for Default), or that the default was excusable or curable under the provisions of this Section 5.0 (Termination for Default), the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 6.0 (Termination for Convenience) of this Exhibit except that no additional notice shall be required to effect such termination.

5.3 Completion of Work

Without limiting any of County's rights and remedies pursuant to the Agreement, upon the occurrence of any event giving rise to County's rights to terminate the Agreement, in whole or in part, pursuant to this Section 5.0 (Termination for Default), County may, in lieu of such termination, (a) perform, or cause the performance of, any required correction, remedy and deficiency, replace any noncomplying Work, or take any other such action as may be reasonably required to promptly remedy such default, and (b) debit Contractor therefore at County's direct actual cost of outside labor and materials and County's burdened (including salary, employee benefits and reimbursement policies) rates for labor. Such debit shall be made against any amounts owed by County to Contractor under the Agreement. In the event County elects to proceed under this

Paragraph 5.3 (Completion of Work), any Work created, modified, or repaired by or at the direction of County shall be deemed Work under the Agreement.

6.0 TERMINATION FOR CONVENIENCE

6.1 Termination for Convenience.

The Agreement may be terminated, in whole or in part from time to time, by County in its sole discretion for any reason. Termination of Work hereunder shall be effected by delivery to Contractor of a notice of termination 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 thirty (30) days after notice.

6.2 No Prejudice; Sole Remedy

Nothing in this Section 6.0 (Termination for Convenience) is deemed to prejudice any right of Contractor to make a claim against the County in accordance with this Agreement and applicable law and County procedures for payment for Work through the effective date of termination. Contractor, however, acknowledges that the rights and remedies set forth in this Paragraph 6.2 shall be the only remedy available to Contractor in the event of a termination or suspension pursuant to this Section 6.0 (Termination for Convenience) by County.

7.0 TERMINATION FOR IMPROPER CONSIDERATION

7.1 County may, upon notice to Contractor, immediately terminate the right of Contractor to proceed under the Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to Contractor's performance pursuant to the Agreement. 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.

7.2 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 County Auditor-Controller's employee fraud hotline at (800) 544-6861.

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

8.0 TERMINATION FOR GRATUITIES

County may, by notice to Contractor, terminate the right of Contractor to proceed under the Agreement upon one (1) calendar day's notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer, employee, or agent of County with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such 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.

9.0 EFFECT OF TERMINATION

9.1 Remedies

In the event that County terminates the Agreement in whole or in part as provided in Section 4.0 (Termination for Insolvency), Section 5.0 (Termination for Default), Section 6.0 (Termination for Convenience), Section 7.0 (Termination for Improper Consideration), or Section 8.0 (Termination for Gratuities), in each case, of this Exhibit, then:

9.1.1 Contractor shall (a) stop performing Work under the Agreement on the date and to the extent specified in such notice, (b) promptly transfer and deliver to County copies of all completed Work and Work that is in process, in a media reasonably requested by County, (c) promptly transfer and deliver all items previously paid for by County, and (d) complete performance of such part of the Work as shall not have been terminated by such notice;

9.1.2 Unless County has terminated the Agreement pursuant to Section 6.0 (Termination for Convenience) of this Exhibit, County shall have the right to procure, upon such terms and in such a manner as County may determine appropriate, goods, services, and other Work, similar and competitive to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs reasonably incurred by County, as determined by County, to procure and furnish such similar goods, services, and other Work;

9.1.3 Contractor shall promptly return to County any and all of County's confidential information that relates to that portion of the Agreement or Work terminated by County;

9.1.4 Contractor shall tender promptly payment to County, and shall continue to tender payment for the duration, of any liquidated damages levied

pursuant to Section 11.0 (Liquidated Damages), of the Agreement, to the extent applicable; and

9.1.5 Contractor and County shall continue the performance of the Agreement to the extent not otherwise terminated.

9.2 Transition Services

Contractor agrees that in the event of any termination of the Agreement, as a result of the breach hereof by either party, or for any other reason, including expiration, Contractor shall fully cooperate with County in the transition by County to a new Contractor, toward the end that there be no interruption of the Department's day to day operations due to the unavailability of the Work during such transition. Contractor agrees that if County terminates the Agreement pursuant to Section 6.0 (Termination for Convenience) of this Exhibit or Paragraph 5.2 (Deemed Termination for Convenience) of this Exhibit, Contractor shall perform transition services, and shall invoice County for such transition services determined in accordance with the rates specified in Exhibit C (Price Schedule) of the Agreement, in accordance with a transition plan to be agreed upon, in advance, by the County Project Director and the Contractor Project Director. Contractor further agrees that in the event that County terminates the Agreement for any other breach by Contractor, Contractor shall perform transition services at its own expense. In connection with the provision of any transition services pursuant to this Paragraph 9.2 (Transition Services), Contractor shall provide to the County Project Director, on request by the County Project Director, documentation that reasonably details the source and amount of the expenses Contractor purports to have incurred in the provision of such transition services.

9.3 Remedies Not Exclusive

The rights and remedies of County set forth in this Section 9.0 (Effect of Termination) are not exclusive of any other rights and remedies available to County at law or in equity, or under the Agreement.

10.0 WARRANTY AGAINST CONTINGENT FEES

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

10.2 For breach of this warranty, County shall have the right to terminate the Agreement and, in its discretion, deduct from the Agreement price or

consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

11.0 AUTHORIZATION WARRANTY

Contractor and the person executing the Agreement on behalf of Contractor hereby represent and warrant that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

12.0 FURTHER WARRANTIES

Contractor represents, warrants and further covenants and agrees to the following:

12.1 Contractor bears the full risk of loss due to total or partial destruction of all or any part any goods acquired from Contractor, as applicable, until acceptance by the County.

12.2 At the time of delivery to and acceptance by County, all goods shall be new, in good working order, in conformity with manufacturer's published specifications and descriptions, and free from defects in workmanship and materials, as determined by County.

12.3 Contractor shall, in the performance of all Work, strictly comply with the descriptions and representations (including performance capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions, and requirements) as set forth in this Agreement, including the Statement of Work.

12.4 All Work shall be performed in a timely and professional manner by qualified personnel.

12.5 Contractor and each of its personnel performing Work hereunder have all permits, licenses, and certifications necessary to perform Contractor's obligations under the Agreement.

13.0 INDEMNIFICATION AND INSURANCE

13.1 Indemnification

Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, and agents (the "County Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness,

consulting, attorney and other professional fees) in any way arising from, connected with, or related to Contractor's, Contractor's agents', employees', officers', directors', or shareholders' acts, errors or omissions. Any legal defense pursuant to Contractor's indemnification obligations under this Section 13.0 (Indemnification and Insurance) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld or delayed. Contractor shall not, however, without County's prior written approval, accept any settlement, or enter a plea of guilty or *nolo contender*, to any charge or claim that results in other than a monetary judgment against County Indemnitees, which monetary judgment shall not exceed Contractor's ability to pay and which shall be paid by Contractor.

13.2 General Insurance Requirements

Without limiting Contractor's obligations of indemnification and defense of County Indemnitees, Contractor shall provide and maintain at its own expense during the Term the following programs of insurance covering its operations under the Agreement, as specified in this Paragraph 13.2 (General Insurance Requirements). Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County.

13.2.1 Evidence of Insurance

Certificates or other evidence of coverage satisfactory to the County's Risk Manager, and evidence of such programs satisfactory to County, shall be delivered to:

Karen Anderson, Assistant Manager
Sheriff's Department Contracts Unit
4700 Ramona Boulevard, Room 214
Monterey Park, California 91754-2169

on or before the execution of the Agreement by the Board. Such certificates or other evidence shall at a minimum:

(i) Specifically identify the Agreement;

(ii) Clearly evidence all coverages required in the Agreement;

(iii) Contain express conditions that County is to be given notice by registered mail at least thirty (30) days prior to any termination of any program of insurance, and, with respect to any modification of any program of insurance, at least thirty (30) days in advance or immediately following Contractor's first receipt of notice of modification in the event Contractor receives less than thirty (30) days advance notice of such modification;

(iv) Include copies of the additional insured endorsement to the commercial general liability policy, naming all County Indemnitees as insureds for all activities arising from the Agreement; and

(v) Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County Indemnitees, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including 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.

13.2.2 Insurer Financial Ratings

Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County's Risk Manager.

13.2.3 Insurance Programs

At a minimum, Contractor shall maintain during the Term programs of insurance which consists of:

(i) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	$2,000,000
Products/Completed Operations Aggregate:	$1,000,000
Personal and Advertising Injury:	$1,000,000
Each Occurrence:	$1,000,000

(iii) Comprehensive auto liability insurance (written on an ISO policy form CA 00 01 or its equivalent) endorsed for owned, non-owned, and hired vehicles, or coverage for "any auto" with a limit of not less than one million dollars ($1,000,000) per accident.

(iv) Workers' compensation insurance in an amount and form required by the California Labor Code (or the labor code of any other applicable state), covering all persons for which Contractor is responsible and all risks to such persons under the Agreement. Such insurance shall include employer's liability coverage covering accident and disease. In respect of accident, the limit shall be no less than one million dollars ($1,000,000) per accident, and, in respect of disease, the policy limit shall be no less than one million

dollars ($1,000,000) and one million dollars ($1,000,000) for each employee.

13.2.4 Notification of Incidents, Claims or Suits

Contractor shall report to County:

(i) Any accident or incident relating to services performed under the Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(ii) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under the Agreement. Such report shall be made in writing within twenty-four (24) hours of the earlier of service of process of such claim or lawsuit, or Contractor otherwise has knowledge of such claim or lawsuit.

(iii) Any injury to a Contractor staff member which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Director. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(v) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of the Agreement. Such report shall be made in writing within twenty-four (24) hours of occurrence.

13.3 Failure to Procure and Maintain Insurance

Failure on the part of Contrtactor to procure and maintain all the required insurance shall constitute a material breach of the Agreement upon which County may terminate the Agreement pursuant to Section 5.0 (Termination for Default) of this Exhibit and seek all remedies pursuant to Section 9.0 (Effect of Termination) of this Exhibit, or alternatively, may purchase such required insurance coverage and debit Contractor pursuant to Paragraph 5.3 (Completion of Work) of this Exhibit..

14.0 INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 13.1 (Indemnification) of this Exhibit, from and against any and all liability (alleged or actual), including damages, losses, costs, fees and other expenses

(including defense costs and legal, accounting and other expert, consulting, attorney, or other professional fees), for or by reason of any actual or alleged infringement of any patent, copyright, trademark, or other proprietary rights of any third party, or any actual or alleged trade secret disclosure of misappropriation, arising from or related to the operation of the Work under the Agreement (collectively referred to as "Infringement Claims").

15.0 BUDGET REDUCTIONS

In the event that the Board 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 correspondingly for that fiscal year and any subsequent fiscal year services provided by Contractor under this Agreement. 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. Contractor shall continue to perform all of its obligations set forth in this Agreement.

16.0 FORCE MAJEURE

Except with respect to defaults of any subcontractors, Contractor shall not be liable for any such excess costs, if its failure to perform the Agreement arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by Contractor or any of Contractor's subcontractors), freight embargoes, or other similar acts 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 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 Contractor and subcontractor, and without any fault or negligence of either of them, 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 Contractor to meet the required performance schedule. Contractor agrees to use commercially reasonable best efforts to obtain such goods or services from other sources, and to mitigate the damages and reduce the delay caused by any of the above mentioned *force majeure* events. As used in this Section 16.0 (Force Majeure), the term "subcontractor" and "subcontractors" mean subcontractors at any tier

17.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

17.1 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 Agreement. It is County's policy to conduct business only with responsible Contractors.

17.2 The Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles 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 Agreement, 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 to exceed five (5) years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Agreements the Contractor may have with the County.

17.3 County may debar Contractor if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (a) violated a term of a contract, including this Agreement, with County or a nonprofit corporation created by County; (b) 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; (c) committed an act or offense which indicates a lack of business integrity or business honesty; or (d) made or submitted a false claim against County or any other public entity.

17.4 If there is evidence that Contractor may be subject to debarment, the Sheriff's 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.

17.5 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. Contractor and the Sheriff's Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

17.6 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. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

17.7 If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five 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:

(a) elimination of the grounds for which the debarment was imposed; (b) a bona fide change in ownership or management; (c) material evidence discovered after debarment was imposed; or (d) any other reason that is in the best interest of the County.

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

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.

17.9 These terms shall also apply to subcontractors or sub-consultants of County contractors, including Contractor.

18.0 COMPLIANCE WITH APPLICABLE LAW

Contractor's activities hereunder shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, guidelines, and directives, and all provisions required thereby to be included in the Agreement are hereby incorporated herein by reference. Unless provided otherwise under the Agreement, Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, guidelines, and directives following notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and directives.

19.0 FAIR LABOR STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees and agents from any and all liability, including damages, losses, wages, overtime pay, liquidated damages, penalties, court costs, fees and other expenses (including attorneys' fees) arising under any wage and hour law, including the Federal Fair Labor Standards Act for Work performed by Contractor's employees.

20.0 NONDISCRIMINATION, AFFIRMATIVE ACTION, AND ASSURANCES

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

20.1 Contractor shall certify to, and comply with, the provisions of Contractor's EEO certification.

20.2 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, or physical or mental handicap, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include: 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.

20.3 Contractor certifies and agrees that it will deal with its bidders, or vendors as required by applicable laws and regulations without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap.

20.4 Contractor certifies and agrees that it, its affiliates, subsidiaries or holding companies, shall comply with all applicable Federal and State laws and regulations, including:

20.4.1 Title VII, Civil Rights Act of 1964;

20.4.2 Section 504, Rehabilitation Act of 1973;

20.4.3 Age Discrimination Act of 1975;

20.4.4 Title IX, Education Amendments of 1973, as applicable; and

20.4.5 Title 43, part 17, Code of Federal Regulations, subparts a & b;

And that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, be unlawfully excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Agreement, or under any project, program, or activity supported by the Agreement.

20.5 Contractor shall, with reasonable notice and during regular business hours, allow County representatives access to Contractor's employment records during

regular business hours to verify compliance with the provisions of this Section 20.0 (Nondiscrimination, Affirmative Action, and Assurances) when so requested by County; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. If County finds that any of the provisions of this Section 20.0 (Nondiscrimination, Affirmative Action, and Assurances) have been violated, such violation shall, at the election of County, constitute a material breach of the Agreement upon which County may immediately terminate the Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations such determination shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of the Agreement. All determinations of violations made pursuant to this Paragraph 20.5 shall be appealable by Contractor in accordance with applicable laws and regulations, and separately pursuant to the Dispute Resolution Procedures.

20.6 The parties agree that if Contractor violates the anti-discrimination provisions of the Agreement, County shall, at its 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 the Agreement.

21.0 NONDISCRIMINATION IN SERVICES

Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap, in accordance with all applicable requirements of Federal and State law. For the purpose of this Section 21.0 (Nondiscrimination in Services), discrimination in the provision of services may include the following: (a) denying any person any service or benefit or the availability of the facility, (b) providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others, (c) subjecting any person to segregation or separate treatment in any manner related to the receipt of any service, (d) restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit, and (e) treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.

22.0 EMPLOYMENT ELIGIBILITY VERIFICATION

22.1 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 the Agreement meet the citizenship or alien

status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended.

22.2 Contractor shall retain all such documentation for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 13.1 (Indemnification) of this Exhibit from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting or professional fees) arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County 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 hereunder.

23.0 HIRING OF EMPLOYEES

23.1 Prohibition Against Inducement or Persuasion

Contractor and County agree that, during the Term and for a period of one (1) year thereafter, except with the prior written consent of the other party, neither party shall in any way intentionally induce or solicit any Project Director, Project Manager or other 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.

23.2 Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform Work described in the Agreement, in the event that: (a) County has the right to terminate the Agreement pursuant to Section 4.0 (Termination for Insolvency) of this Exhibit, (b) the Agreement is terminated by County due to Contractor's default pursuant to Section 5.0 (Termination for Default) of this Exhibit, (c) without resolution acceptable to both parties, Contractor and County have followed the Dispute Resolution Procedures, or (d) Contractor either announces the withdrawal of support of, or otherwise no longer provides services County deems essential to, the ongoing support of the Work as applicable.

24.0 CONFLICT OF INTEREST

24.1 No County employee whose position with County enables such employee to influence the award of the Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in the Agreement. No officer or employee of Contractor, who may financially benefit

from the performance of Work hereunder, shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

24.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the Term. Contractor warrants that it is not now aware of any facts that do or could create a conflict of interest. If 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 County. Full written disclosure shall include identification of all persons implicated and a complete description of all relevant circumstances.

25.0 RESOLICITATION OF BIDS, PROPOSALS, OR INFORMATION

25.1 Contractor acknowledges that, prior to the expiration or earlier termination of the Agreement, County, in its discretion, may exercise its right to invite bids, request information, or request proposals for the continued provision of the goods and services delivered or contemplated under the Agreement. County shall make the determination to re-solicit bids, request information, or request proposals in accordance with applicable County policies.

25.2 Contractor acknowledges that County, in its discretion, may enter into a contract for the future provision of goods and services, based upon the bids, information, or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids, request for information, or request for proposals by virtue of its present status as Contractor.

26.0 RESTRICTIONS ON LOBBYING

Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County lobbyist ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County lobbyist ordinance shall constitute a material breach of the Agreement upon which County may immediately terminate or suspend the Agreement.

27.0 CONSIDERATION OF GAINPROGRAM PARTICIPANTS FOR EMPLOYMENT

Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give reasonable consideration for any such employment openings to participants in County's Department of Public Social Services' greater avenues for independence (in this Paragraph, "GAIN") or general relief opportunity for work (in this Paragraph, "GROW") programs who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview

qualified candidates. County will refer GAIN participants by job category to Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first opportunity.

28.0 STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Subject to all applicable laws and regulations, Contractor shall use reasonable efforts to ensure that no employee will perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance, which might reasonably, or have been observed to, impair such person's physical or mental performance.

29.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Exhibit or the Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's employees or suppliers. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform any or all of their services remotely. Failure to comply with this requirement shall be considered a material breach of this Agreement by Contractor, for which County may immediately terminate this Agreement.

30.0 CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "L A's Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. CSSD will supply Contractor with the poster to be used.

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

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

31.2 As required by County's Child Support Compliance Program (Los Angeles County Code chapter 2.200) and without limiting Contractor's duty under the

Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the Term maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 U.S.C. Section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served wage and earnings withholding orders or County's CSSD notices of wage and earnings assignment for child or spousal support, pursuant to California Code of Civil Procedure Section 706.031 and California Family Code Section 5246(b).

31.3 Failure of Contractor to maintain compliance with the requirements set forth in this Section 31.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default by Contractor under the Agreement. Without limiting the rights and remedies available to County under any other provision of the Agreement or at law or in equity, failure to cure such default within ninety (90) days of notice by the CSSD shall be grounds upon which County may suspend or terminate the Agreement pursuant to Section 5.0 (Termination for Default) of this Exhibit.

32.0 RECYCLED-CONTENT PAPER

Consistent with the Board's policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible in Contractor's provision of Work pursuant to the Agreement.

33.0 COMPLIANCE WITH JURY SERVICE PROGRAM

33.1 Jury Service Program

This Agreement is subject to the provisions of 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.

33.2 Written Employee Jury Service Policy.

33.2.1 Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the Los Angeles County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the Los Angeles County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employees' regular pay the fees received for jury service.

33.2.2 For purposes of this Section 33.0 (Compliance with Jury Service Program), "Contractor" means a person, partnership, corporation or other entity which has a contract with 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 Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: (a) the lesser number is a recognized industry standard as determined by County, or (b) 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 Contractor uses any subcontractor to perform services for County under the Agreement, the subcontractor shall also be subject to the provisions of this Section 33.0 (Compliance with Jury Service Program). The provisions of this Section 33.0 (Compliance with Jury Service Program) shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

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

33.2.4 Contractor's violation of this Section 33.0 (Compliance with Jury Service Program) of this Exhibit may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

34.0 BACKGROUND AND SECURITY INVESTIGATIONS

Background and security investigations of Contractor's staff may be required at the discretion of the County as a condition of beginning and continuing work under the Agreement. The cost of background checks is the responsibility of the Contractor.

35.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees, and agents will be granted access to County facilities, subject to Contractor's prior notification to the County Project Director, for the purpose of executing Contractor's obligations hereunder. Contractor shall have no tenancy, or any other property or other rights in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by the County Project Director.

36.0 COUNTY FACILITY OFFICE SPACE

In order for Contractor to perform services hereunder and only for the performance of such services, County may elect, subject to County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the County Project Director, at County facilities, on a non-exclusive use basis. County shall also provide Contractor with reasonable telephone service and network connections in such office space for use only for purposes of the Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

37.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS

37.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made promptly after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

37.2 If 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 Contractor by cash payment upon demand, or without limitation of all County's other rights and remedies provided at law or equity, or under the Agreement, County may deduct such costs from any amounts due to Contractor from County under the Agreement.

38.0 PHYSICAL ALTERATIONS

Contractor shall not in any way physically alter or improve any County facility without the prior written approval of the County Project Director, and County's Director of Internal Services Department, in their discretion.

39.0 FEDERAL EARNED INCOME TAX CREDIT

Contractor shall 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 1015.

40.0 ASSIGNMENT BY CONTRACTOR

40.1 Contractor shall not assign its rights or delegate its duties under the Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 40.1, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties, and which may be executed by the Sheriff on behalf of the County with the written concurrence of the County Counsel.

40.2 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, corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with Paragraph 40.1 of this Exhibit.

40.3 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 County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of the Agreement. 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.

41.0 INDEPENDENT CONTRACTOR STATUS

41.1 The Agreement is by and between County and 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 County and

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. Contractor shall function as, and in all respects is, an independent Contractor.

41.2 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 Contractor.

41.3 Contractor understands and agrees that all persons performing Work pursuant to the Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. County shall have no obligation to furnish, or liability for, 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 Contractor pursuant to the Agreement.

41.4 Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Agreement (Exhibit E1) for each of its employees performing Work under the Agreement. Such agreements shall be delivered to the County Project Director.

42.0 RECORDS, AUDITS AND PUBLIC RECORDS ACT

42.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to the Agreement, including any termination hereof, in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of the Agreement. Contractor agrees that County, or its authorized representatives, shall, with reasonable notice and during regular business hours, have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records of Contractor relating to the Agreement; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. Should the examination and audit be performed by a non-County entity or should a non-County entity be requested by County to review information received pursuant to an audit or examination under this Section 42.0 (Records and Audits), Contractor may require the non-County examiner or auditor, as the case may be, to execute a nondisclosure contract prior to any disclosure. The nondisclosure Contract shall limit the non-County entity's use of information received or reviewed in connection with the examination and audit to work performed specifically for the benefit of County. All such material, including all financial records, time cards and other employment records, shall be kept and maintained by Contractor and shall be made available to County during the Term and for a period of five (5) years

thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then at Contractor's option, Contractor shall either (a) provide County with access to such material at a mutually agreed upon location inside Los Angeles County, or (b) pay County for travel, per diem, and other costs and expenses incurred by County to examine, audit, excerpt, copy or transcribe such material at such outside location.

42.2 If an audit is conducted of Contractor specifically regarding the Agreement by any Federal or State auditor, then Contractor shall file a copy of such audit report with County's Auditor Controller and the County Project Director within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable federal or state law or under the Agreement.

42.3 If, at any time during or after the Term, representatives of County conduct an audit of Contractor, as and to the extent permitted hereunder, regarding the Work performed under the Agreement, the results of such audit, including any final determination in respect of an underpayment or overpayment, if any by County under the Agreement, shall be provided in writing to Contractor. Contractor shall have thirty (30) days to review the findings contained in such audit and notify County of any objection to the same. Such notice must include, in reasonable detail, the basis for Contractor's objection and any supporting documentation and analysis for Contractor's objection. If the parties cannot agree, within fifteen (15) days of receipt of Contractor's objection to the findings contained in County's audit, on the amount of underpayment or overpayment, if any, by County to Contractor hereunder, then either party may submit such matter to the Dispute Resolution Procedure, provided such matter shall be submitted initially, directly to the County Project Director and the Contractor Project Director. If Contractor fails to notify County of any objection it has to the findings of County's audit within the thirty (30) day period set forth above, Contractor waives any right to object to the findings of such audit, including any determination of overpayment by County. If such audit, whether initially following a waiver by Contactor of its right of objection or upon final determination pursuant to the Dispute Resolution Procedure, finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall be either repaid by Contractor to County by cash payment upon demand or, at the discretion of the County Project Director, deducted from any amounts due to Contractor from County. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County, but in no event shall County's payments to Contractor exceed the Maximum Contract Sum.

42.4 Public Records Act

42.4.1 Any documents submitted by Contractor, all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records, pursuant to this Paragraph 42.0 (Records and Audits); as well as those documents which were required to be submitted in response to any County solicitation used for this Agreement, 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.

42.4.2 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 bid/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.

43.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

Contractor shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates required by all Federal, State, and local laws, ordinances, rules, and regulations, which are applicable to Contractor's services under the Agreement. Contractor shall further ensure that all of its officers, employees, and agents who perform services hereunder, shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. If and to the extent requested by County, Contractor shall provide copy of each such license, permit, registration, accreditation, and certificate, in duplicate, to Henry Yee, Manager, Sheriff's Department Contracts Administration, 4700 Ramona Boulevard, Monterey Park, CA 91754-2169.

44.0 NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of the Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of the Agreement, except that this Section 44.0 (No Third Party Beneficiaries) shall not be construed to diminish Contractor's indemnification obligations hereunder.

45.0 MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the Term, provide the same goods and substantially similar services under similar quantity, delivery, and other applicable terms and conditions to the State of California or any county, municipality, public agency, or district within California at prices below those set forth in the Agreement, then such lower prices shall be extended immediately to County.

46.0 COUNTY'S QUALITY ASSURANCE PLAN

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

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

Should Contractor require personnel in addition to those employed by Contractor on the Effective Date to perform the services set forth herein, Contractor shall give 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 Agreement. For this purpose, consideration shall mean that Contractor will interview qualified candidates. Prior to consideration being given by Contractor, County will refer such County employees by job category to Contractor. The above obligations do not apply to positions filled by: (a) third parties who have subcontracted with Contractor to perform the services, or (b) Contractor's current employees.

48.0 CONTRACTOR TO NOTIFY COUNTY WHEN IT HAS REACHED 75% OF MAXIMUM CONTRACT SUM (UNDER CONTRACT SUM PROVISION)

Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Maximum Contract Sum. Upon occurrence of this event, Contractor shall send written notification to the County Project Director and the County Project Manager.

49.0 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF CONTRACT

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor under the Agreement, after the expiration or other termination of this Agreement. Should 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 or termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

50.0 SAFELY SURRENDERED BABY LAW

50.1 Notice to Employees

Contractor shall notify and provide to its employees residing in or working in the State of California, and shall require each subcontractor performing Work under this Agreement to notify and provide to its employees residing in or working in the State of California, 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 available on the Internet at www.babysafela.org for printing purposes.

50.2 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law

Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

51.0 TRANSITIONAL JOB OPPORTUNITES PREFERENCE PROGRAM

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

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.

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.

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 subjected 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.

52.0 WAIVER

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

53.0 GOVERNING LAW, JURISDICTION, AND VENUE

The Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to contracts made and to be performed within that state. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California (except with respect to claims that are subject to exclusive Federal subject matter jurisdiction, as to which Contractor agrees and consents to the exclusive jurisdiction of the United States District Court of the Central District of California) for all purposes regarding the Agreement and further

agrees and consents that venue of any action brought hereunder shall be exclusively in the Central District of the Superior Court for the County of Los Angeles, California.

54.0 SEVERABILITY

If any provision of the Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective. In the event that one or more of the provisions of the Agreement is found to be invalid, illegal or unenforceable in any respect, such provision shall be deleted here from and the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the Agreement fails of its essential purpose because of such deletion.

55.0 RIGHTS AND REMEDIES

The rights and remedies of County provided in any given Paragraph, as well as throughout the Agreement, including throughout this Exhibit, are non-exclusive and cumulative with any and all other rights and remedies under this Agreement, at law, or in equity.

56.0 FACSIMILE

Except for the parties initial signatures to the Agreement, which must be provided in "original" form, and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on change notices or in other correspondence, notices, etc. requiring signatures, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed thereto, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

* * * * *

STATEMENT OF WORK

FUJI™ DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE AND REPAIR SERVICES

STATEMENT OF WORK
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EXHIBIT B

Statement of Work

1.0 INTRODUCTION

1.1 Purpose

The County of Los Angeles, Sheriff's Department, desires to contract with an organization that can provide equipment maintenance and repair services for the Department's Fuji Digital X-Ray Capture System equipment. The systems are located in various locations in Los Angeles County.

1.2 Background

The Los Angeles County Sheriff's Department, Medical Services Bureau (MSB) is the largest correctional medical services provider of its kind in the country. It is the only County agency in California that operates a licensed Correctional Treatment Center. MSB has responsibility for the provision of medical treatment and on-going care for inmates remanded to the custody of the Sheriff's Department.

On average, 425 inmates are processed into the jail system (intake) daily, 365 day per year, through the inmate reception center. As part of the MSB communicable disease control program, each inmate, upon intake, is provided a chest screening x-ray in order to detect the presence of tuberculosis, or other threats to the health and safety of the inmate or others.

To avoid delays in moving inmates through the intake process, it is imperative that the Fuji Digital X-Ray Capture systems used in the screening process be maintained regularly, and repaired within a reasonable time frame when problems are detected.

2.0 SCOPE OF SERVICES

Contractor will be required by the Sheriff's Department to maintain and service Fuji digital x-ray capture systems (equipment) and associated accessories originally furnished by Fujifilm Medical Systems USA, Incorporated (Fuji). Contractor will provide a full-service maintenance, and repair program for all Fuji equipment defined in *Exhibit D (Equipment List and Price Schedule)*, and in the manner set forth in this Statement of Work.

In addition to the services cited above, the County anticipates that, during the Term of the Agreement, several items from *Exhibit D* may require a move to another location or facility in the greater Los Angeles County

area. Contractor shall facilitate the teardown, move and reconfiguration (TMR) of said equipment. The equipment, their current locations and the destination location are identified in *Exhibit D* under the heading *Tear Down, Move and Reconfiguration*, and are subject to the conditions outlined in *Paragraph 3.7*.

All work listed in this document pertains only to the equipment and the makes, models and accessories listed in *Exhibit D*, as well as any future instruments of like make and model that the Department may acquire.

3.0 FULL SERVICE EQUIPMENT MAINTENANCE PROGRAM

3.1 Full Service Program

Contractor shall provide a complete, Full-Service maintenance and repair program for each equipment item accordingly identified in *Exhibit D*. The Full-Service program shall minimally include one (1) annual preventive maintenance (PM) service call at twelve (12) month intervals as further described in *Paragraph 3.2*, as well as unlimited, as-needed repairs and software update services, inclusive of labor, parts (including glassware, defined as lasers and TV X-ray tubes) components and/or materials, at no additional charge to County.

3.2 Preventive Maintenance

3.2.1 Each PM service call shall provide for the calibration, testing and/or evaluation of each of the system components listed in *Exhibit D*, inclusive of all installed Fuji system software.

3.2.2 Contractor's PM program may include additional service components not listed above. Preventive maintenance inspections may be performed concurrently during remedial maintenance under this Full-Service program, and in that event may be unscheduled.

3.2.3 Contractor's service technicians shall be responsible, under the Full-Service program and during each PM service call, for replacing or repairing any and all inoperable or faulty parts, components, equipment, and glassware (lasers and TV X-ray tubes), as well as providing for the as-needed maintenance of, or updates to, all System Software, at no additional charge to County.

3.3 On-Site Diagnostics / Repairs

3.3.1 On-site Preventive Maintenance service calls will normally occur Monday through Friday, between the hours of 8:30 a.m. and 5:00 p.m., excluding County and/or Contractor holidays.

Contractor shall perform Full-Service emergency repair services on a twenty-four (24) hours-per-day, seven (7) day-per-week basis, including County holidays. Contractor shall provide contact information for response to requests for repairs after normal business hours.

3.4 Contractor shall also provide telephonic technical support services between the hours of 8:30 a.m. and 5:00 p.m., Mondays through Fridays, excluding County Holidays. Upon request for repairs by County, Contractor shall make every effort to correct the problem using Contractor's technical support section. In the event that such attempt is unsuccessful, or only partially successful, Contractor shall provide on-site service.

3.4.1 Contractor shall respond telephonically to County's request for services within one (1) hour of receipt.

3.4.2 Contractor shall provide a maximum on-site response time of not greater than four (4) business hours from the time a service request is placed.

3.4.3 Contractor service technicians must have all parts, materials and tools available on-site, when servicing and performing on-site repairs.

3.5 Addition/Deletion of County Equipment

County, at its sole discretion reserves the right to add or delete like items, of a similar type and/or complexity to those listed in *Exhibit D*, to the Full-Service program. Pricing for services for such items shall be determined by mutual agreement of the parties and memorialized as provided for in the *Agreement, Subparagraph 6.1.2 (Change Orders and Amendments)*.

3.6 Exclusions

3.6.1 Exclusions Defined

a Accessories, attachments, supplies, machines or other devices not listed in *Exhibit D*.

3.7 Teardown, Move and Reconfiguration (TMR)

3.7.1 Contractor may be required to perform a teardown, move, and reconfiguration (TMR) for the Fuji x-ray capture systems at no additional cost to County.

3.7.2 County may elect, in like manner, to reduce the number of systems scheduled for TMR, or to not implement the TMR, as determined in the best interest of the County.

3.7.3 Systems identified for TMR may be moved within a fifty (50) mile geographic radius of their present location within Los Angeles County.

3.7.4 Contractor shall provide all necessary transportation, equipment and qualified personnel to execute said TMR.

3.7.5 The TMR shall begin at a date and time to be determined by County's Project Director in consultation with Contractor. The TMR may occur over several days during the Term of the Agreement which may or may not be contiguous. Actual locations and instructions for the TMR will be provided to Contractor by the County's Project Manager.

3.7.6 Damages incurred, or repairs needed as a result of said TMR, shall be the sole responsibility of Contractor. All additional labor, parts, components and/or materials required to repair damages resulting from said TMR shall be at the sole expense of Contractor. Contractor shall not receive payment for TMR until all damages are repaired to the satisfaction of County, and subject to the approval of County's Project Director.

3.7.7 In the event that the TMR move does not take place within the Term of this Agreement, Contractor shall not bill County under this Agreement.

3.8 Incomplete/Unresolved Service Calls/Re-Work

3.8.1 If a service call is incomplete because parts must be ordered, the service technician shall provide a full written description of the part(s) to be ordered, the expected delivery date of the parts, as well as an expected return-to-service date for the equipment in question. The service ticket shall be signed by County's Project Manager or on-site designee.

3.8.2 Contractor shall rework improperly repaired systems or software, correct any damage resulting therefrom, and supply all necessary parts and materials at no additional cost to the County. Service personnel shall expedite the replacement and re-installation of any purchased defective parts, and repair any and all damage to the system resulting from said installation at no additional cost to County.

3.8.3 Loaner Components

a. For incomplete/unresolved service calls that are not, or cannot be resolved within 72 hours, Contractor shall, to the extent feasible, provide County with replacement (temporary) equipment or components (loaners) until such repairs have been affected to the original equipment, in accordance with this *Paragraph 3.8* as well as with *Sections 3.0, and 6.0*.

b. Contractor shall provide loaners for any equipment not in service for more than five (5) business days with loaner components subject to the conditions set forth in *Paragraph 6.2*. (Also see, *Section 10.0, Contractor's Guarantee*.)

c. It is intended that any loaners as defined in this *Sub-paragraph 3.8.3*, be used on a temporary basis only. If the original failed system or components cannot be repaired within ten (10) calendar days, the replacement equipment and/or component(s) shall become the property of the County, subject to approval by the Project Director and the conditions outlined in *Paragraph 6.2*.

3.8.4 Removal of County Equipment

a Contractor shall not remove equipment from County premises until a replacement unit or component has been delivered to the site and properly installed, and without prior authorization from the County Project Manager or site designee. Documentation for said removals is subject to the conditions outlined in *Paragraph 4.7*.

b In all instances, Contractor shall immediately notify the County Project Manager of the need for said replacement. Contractor shall arrange for the pick up and delivery of the spare to the affected location.

c. Contractor shall notify County's Project Manager or designee within 24 hours of removal of equipment from County premises, as to when such equipment will be repaired and returned.

Contractor shall immediately fax the service ticket to

Sheriff's Medical Services Bureau
Attention: Andy Nandapala
Fax: (323) 415-2879

4.0 CONTRACTOR'S RESPONSIBILITIES

4.1 Establishment of Preventive Maintenance Schedule

Contractor and County will initially agree upon a tentative preventive maintenance schedule. Contractor shall contact the County Project Manager one (1) calendar week prior to conducting any scheduled P.M. service to confirm the P.M. service date.

4.2 Contractor shall provide to County Project Director both a Quality Control plan and Quality Assurance plan in accordance with *Sections 7.0 and 8.0* of this Statement of Work.

4.3 Contractor's Project Manager shall confer with County's Project Manager on a quarterly basis regarding contractor performance.

4.4 Contractor shall operate and maintain a local repair facility stocked with a complete inventory of replacement parts for the equipment listed in *Exhibit D*. The facility shall be subject to inspection by the County at any time.

4.5 Contractor shall operate and maintain an office located within a 100 mile geographic radius of the Sheriff's Los Angeles Twin Towers Medical facilities with a telephone in the company's name where Contractor conducts business. The Twin Towers Medical facilities are located at:

450 Bauchet Street
Los Angeles, California 90012

4.6 Contractor Response to Inquiries or Complaints

At least one Contractor employee must be available during the hours of 8:30 a.m. to 5:00 p.m., Monday through Friday, to respond to inquiries and complaints, which may be received about the Contractor's performance of the Contract. Contractor shall provide an answering service to receive calls outside of normal business hours. The Contractor shall respond to non-emergency-repair calls received by the answering service after normal business hours, on the next business day.

4.7 Service Calls – Equipment Documentation

4.7.1 Contractor shall maintain a complete service-call tracking system for each equipment item covered under this Agreement which shall minimally include:

a. Dates and times service calls are placed;
b. Dates and times service calls are dispatched and completed;

c. Facility from which service call is placed;
d. Name of the person who placed the service call;
e. Make, model, and serial number of equipment serviced;
f. Description of problem; and
g. Description of work completed or disposition of Work in progress, including a listing of parts replaced or placed on order;
h. Complete, documented service history of each piece of equipment;
i. Service technician's full printed name;
j. Service technician's signature.
k. Contract Number.

4.7.2 Upon completion of each preventive maintenance call, repair service call or TMR (see *Paragraph 3.7)*, as the case may be, Contractor's service technicians shall provide County personnel a completed service ticket for each call before leaving County's premises. Additionally, Contractor service technicians shall simultaneously fax the service ticket to:

Medical Services Bureau
Attention: Andy Nandapala
Fax: (323) 415-2879

Service tickets shall include:

a. The service date;
b. Service location,
c. Make, model, and serial number of equipment serviced;
d. Description of work completed or disposition of Work in progress, including a listing of parts replaced or placed on order (see *Paragraph 3.8*);
e. Service technician's full printed name;
f. Service technician's signature.

4.7.3 Contractor shall, upon request and within one (1) calendar day, provide the County Project Manager with any requested information regarding service calls/history of the equipment.

4.8 Training

Contractor shall ensure that all Contractor employees providing services under this Agreement are trained and qualified in their assigned tasks relative to this Agreement, and have met the established Quality standards of Contractor, as approved by the County, pursuant to this *Statement of Work, Sections 7.0 and 8.0*.

4.8.1 All Contractor service technicians shall be trained and certified directly by the manufacturers of the equipment for which they are providing services, if such training and/or certifications exist. Verification of certification must be provided upon request.

4.8.2 Contractor shall provide training programs for all new employees, and continuing, in-service training for all existing employees associated with this Contract.

4.8.3 Contractor shall train its employees in their assigned tasks and in the safe handling of Contractor's equipment.

5.0 CONTRACTOR'S STAFF

5.1 Completion of Security Pass Application

Contractor and each of Contractor's staff (technicians) assigned to this project shall, upon signing an Agreement with the County, and prior to commencing Work, complete a Security Pass Application, and be approved for entry into the Sheriff's Custody facilities. County will review each application and conduct background checks for each proposed staff member. Staff members who do not receive an approved Security Pass will not be allowed inside the Sheriff's Custody facilities.

5.2 Contractor shall staff one (1) Project Director and one (1) Project Manager to the project. The duties of the Project Director and Project Manager are briefly described in the *Agreement.*

5.3 Contractor shall ensure that both the Project Director and Project Manager are able to receive telephonic communication from the Sheriff's Department, as needed, Mondays through Fridays, during normal business hours. Contractor's Project Manager shall act as a central point of contact with the County.

5.4 Contractor's Project Manager shall demonstrate previous experience in the management of work requirements for Fuji Equipment similar in type and complexity to those listed in *Exhibit D*.

5.5 Contractor shall, prior to execution of this Agreement with County, provide to the County's Project Manager upon request, any and all professional licenses or certificates of proposed repair staff assigned to the Project, as related to the maintenance, repair and operation of County's Fuji systems described herein and throughout this Agreement. Further, Contractor shall annually provide, upon request, all updated documents described above, to County's Project Manager.

5.6 Contractor's employees providing services under this Agreement shall prominently display Contractor-provided identification badges, as well as a Sheriff's Department-approved Security Pass, at all times while conducting business at Sheriff's facilities.

5.7 The conditions outlined in this *Section 5.0* are supplemental to those listed in the *Agreement, Section 4.0*.

6.0 MATERIALS AND EQUIPMENT

6.1 Contractor's Material and Equipment (Tools)

The purchase of all tools and diagnostic equipment (tools) needed to provide the scientific equipment maintenance services under this Agreement is the responsibility of the Contractor.

Contractor shall maintain all of its tools in accordance with OSHA, or other regulatory standards as they may apply, and shall check said tools before use for safety and functionality. Contractor shall ensure that all Contractor employees wear safety and protective gear in accordance with OSHA and/or other regulatory employee safety standards.

6.2 Material Standards (Maintenance, Repairs)

6.2.1 Contractor shall use either original equipment manufacturer ("OEM") parts or alternates that meet or exceed OEM standards. Contractor shall bear financial liability for any damages that may result from the use or installation of said parts, and shall bear the expense of repairing or replacing damaged County equipment or property.

6.2.2 When an article is mentioned by trade name or a manufacturer's name, it is intended to establish a standard of merit. Articles of other manufacturers may be used, provided they are of the same type and of equal quality. The Sheriff's Department shall be the sole judge as to "equal". All materials and equipment shall be new, or an approved type, or certified overhauled, and installed as recommended by the manufacturer. All materials and equipment shall be properly tested, regulated, calibrated, adjusted and placed in proper operating condition before the work can be accepted.

6.2.3 Contractor shall not charge the County freight charges.

7.0 QUALITY CONTROL PLAN

The Contractor shall establish and utilize a comprehensive Quality Control (Q.C.) plan. Contractor shall submit the Q.C. Plan to the County Project Manager within 15 business days after contract award. This *operational* plan shall be used to ensure compliance with all contract administrative requirements. The plan shall include, but may not be limited to the following:

a. Activities to be monitored to ensure compliance with all contract administrative requirements,
b. Contractor's written policies and procedures for licensing, certifying, qualifying and training requirements for technical staff;
c. Samples of forms to be used in monitoring (employee time records, employee sign-in/out sheets, etc.);
d. Frequency of monitoring;
e. The method for reviewing and recording all employee work quality inspections to be conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

8.0 QUALITY ASSURANCE PLAN

The Contractor shall establish and utilize a comprehensive Quality Assurance (Q.A.) plan. Contractor shall submit the Q.A. plan to the County Project Manager within 15 business days after contract award. The QA Plan and methods must provide adequate confidence to the County that the services to be rendered will satisfy the outcomes identified in this *Statement of Work*.

Minimally, the Q.A plan must describe the method(s) for recording all equipment inspections to be conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action. All Q.A. documentation shall be provided to the County upon request.

The Q.A plan must also outline Contractor's training programs respective of the services to be provided herein, as well as training and qualifying standards used to ensure that all technicians are equipped in the safe handling and usage of Contractor's equipment and materials (tools).

9.0 CONTRACTOR'S DAMAGES / CLEANUP

9.1 All damages incurred to Sheriff's Department Fuji Equipment by Contractor shall be repaired or replaced at Contractor's expense.

9.2 All such repairs or replacements shall be completed within the time requirements as determined by Sheriff's Department. If Contractor fails to repair or replace damaged property, Sheriff's Department will deduct the cost of repairs for such damages, as determined by Sheriff's Department, from existing unpaid invoices due Contractor, or from future invoices submitted by Contractor, or bill the Contractor. In such event, the provisions of *Section 37.0* of *Exhibit A (Additional Terms and Conditions)* shall apply.

9.3 Upon completion of work, Contractor shall remove remaining excess materials from the Equipment. Any dirt, stains or residues caused by the work under this Agreement shall be cleaned off and removed.

10.0 CONTRACTOR'S GUARANTEE

10.1 Contractor shall guarantee fully-operational system performance for each system included *Exhibit D* at a minimum rate of not less than ninety-five percent (95%). Contractor shall review system performance quarterly, or as often as necessary to verify the 95% annual performance standard for each year the systems are covered under this Agreement.

10.2 System Downtime (non-operational) Defined

Each system is comprised of a modular configuration of various equipment items and associated software, each listed in *Exhibit D*. For purposes of this *Agreement*, a digital x-ray capture system is considered non-operational when a) the entire system is not functional, or b) a component of the system, including software, is not working properly and adversely impacting the ability of the system to fully function as intended by the original equipment manufacturer of the affected component.

In either instance, downtime shall be considered "System Downtime', and shall be calculated in monthly increments by calendar month in the following manner: 1) total hours per day the system is required by the County to be in service, 2) times the number of required days in service per month, 3) times 95%. (Prior to beginning Work under this Agreement, County will provide Contractor with a listing of 'in-service' requirements (hours) for each system listed in *Exhibit D*.)

10.3 System Downtime Exceptions

Contractor shall not be responsible for System Downtime which results from any of the following:

1. Facility Power failure(s)
2. County data system or network failure
3. Operator error
4. Operator misuse
5. Operator mishandling of equipment
6. Force majeur

For each and every occurrence listed above, County will adjust the total monthly in-service hours required for each respective system, and provide a revised figure to Contractor. Notwithstanding this *Paragraph 10.3*, Contractor shall nonetheless provide all repair services required under this Full-Service Agreement within the time frames, and in the manner set forth in *Section 3.0* of this Statement of Work.

10.4 For each x-ray system which fails to meet the performance standard in any calendar month, Contractor shall issue to County a credit for the following calendar month based upon the monthly service contract price for the x-ray system in question, which shall be determined as follows:

Equipment uptime	Applied Invoice Credit
95% - 100% uptime	0%
90% - 94.9% uptime	10%
85% - 89.9% uptime	15%
80% - 84.9% uptime	20%
Below 80%	25%

10.5 Contractor shall, within 5 business days of the close of each previous month, provide County's Project Manager with a summary system status report for all systems listed in *Exhibit D*. The summary report shall minimally include: system serial numbers, location of equipment, County's required in-service hours, actual hours in service, percent of hours in operation.

10.6 County will review Contractor's service-call tracking system, or other records (see *Paragraph 4.7, Services Calls – Equipment Documentation*), as often as necessary, but not less than annually. Contractor shall apply the appropriate credit to the following month's invoice. Failure by County to request such credit shall not constitute a waiver of such right, which may be exercised at any time.

10.7 Contractor shall be considered by County to be in Default of this Agreement, and County shall have the right to provide Contractor with notice thereof, for any x-ray system which is not in service, as defined in *Paragraph 10.2*, for thirty (30) consecutive calendar days, and for which Contractor has not provided an adequate remedy (loaner equipment or components) as described in *Subparagraph 3.8.3, Loaners*.

11.0 CONTRACTOR'S WARRANTY

11.1 To Provide Professional Skills and Performance

For the Services set forth in this Agreement, Contractor warrants that all Work performed under this Agreement will be performed in a timely and workmanlike manner using only qualified, skilled, or original equipment manufacturer (OEM) trained maintenance technicians specifically qualified to maintain and repair the Equipment listed in *Exhibit D*. Further, Contractor warrants that all tasks, deliverables, services, and other work provided shall conform to the specifications for, and to the standards set by, each respective OEM for the Equipment listed in *Exhibit D*, for the same or similar tasks, deliverables, services, and other work.

11.2 To Maintain Equipment within Specifications

Contractor warrants that it will maintain County's Fuji Digital X-ray Capture systems free from defects in workmanship and materials so that all Equipment shall conform to the performance capabilities, characteristics, specifications, functions, and standards applicable thereto, as published by the original equipment manufacturer (OEM) of each system component thereof.

12.0 ACCEPTABILITY OF WORK

All work by Contractor shall be done in a professional manner, and must be acceptable to technically qualified Sheriff's Department personnel designated by the County. All work shall be completed within time frames specified in *Paragraphs 3.3, 3.4 and 3.7* (and further defined in *Section 3.8*), and of a quality specified in both *Paragraph 6.2* and *Section 8.0 (Quality Assurance Plan)*.

13.0 MEETINGS

At various times throughout the Agreement term, the Contractor may be required to attend meetings called by the Sheriff's Department. The purpose of these meetings will be to discuss and resolve problems, and/or readjust assignments and working schedules to meet new needs. The Contractor will be given written notice seven (7) days prior to the meeting as to the date, time and location.

* * * * *

TECHNICAL EXHIBITS

EXHIBIT C
TECHNICAL EXHIBITS
TABLE OF CONTENTS

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2	PERFORMANCE REQUIREMENTS SUMMARY CHART	2

TECHNICAL EXHIBT C1

CONTRACT DISCREPANCY REPORT

TO:

FROM:

DATES: **Prepared:** _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY PROBLEMS: _____

_____

_____

_____ _____

Signature of County Representative Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

_____

_____

_____ _____

Signature of Contractor Representative Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: _____

_____

_____

_____ _____

Signature of County Representative Date

COUNTY ACTIONS: _____

_____

_____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

TECHNICAL EXHIBT C2

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
SOW: Paragraph 3.4, Technical Support	Contractor shall provide technical support services between the hours of 8:30am and 5pm.	Observation	$50 per occurrence per day.
SOW: Subparagraph 3.4.1, Response Time	Contractor shall respond telephonically to County's request for service within one (1) hour of receipt.	Observation	$50 per occurrence per day.
SOW: Subparagraph 3.4.2, Response Time	Contractor shall provide maximum on-site response time of not greater than 4 business hours.	Observation	$50 per occurrence per day.
SOW: Sub-paragraph 3.8.3, Loaner Components	Contractor shall provide loaner components for equipment not in service for more than five (5) days.	Inspection & Observation	$50 per occurrence per day.
SOW: Paragraph 4.3, Inquiries-Complaints	Contractor's Project Manager must confer with County's Project Manager on a quarterly basis re: Contractor performance.	Observation	$100 per occurrence
SOW: Paragraph 4.6, Inquiries-Complaints	Contractor shall provide at least one employee who will be available telephonically from 8:30am to 5pm to respond to inquiries and/or complaints...and provide an answering service to receive calls outside of normal business hours.	Observation	$50 per occurrence per day

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART (cont'd)

SOW: Paragraph 4.7, Service Calls – Equip Documentation	Contractor shall maintain a service-call tracking system, and provide any requested information to County Project Manager within one calendar day.	Observation	$50 per occurrence per day
SOW: Paragraph 5.5, Certificates	Contractor shall, upon request, provide all certificates and related information to County Project Director.	Inspection & Observation	$50 per occurrence per day
SOW: Paragraph 5.6, Identification	Contractor employees providing services shall wear identification badges at all times while conducting business at Sheriff's facilities.	Observation	$50 per occurrence per day
SOW: Paragraph 6.2, Material Standards	Contractor must provide OEM parts, or alternates which meet or exceed OEM standards, to repair and maintain the equipment.	Inspection & Observation	$100 per occurrence and replacement with required parts.
SOW: Section 7.0, Quality Control Plan	Contractor must submit a comprehensive Quality Control Plan to County's Project manager, which includes written operational policies and procedures to ensure compliance with contract administrative requirements within fifteen (15) days of contract award.		$100 per occurrence per day.
SOW: Section 8.0, Quality Assurance Plan	Contractor shall submit Q.A. plan to the County Project Manager within 15 business days after contract award.		$100 per occurrence per day.

EXHIBIT D

EQUIPMENT LIST AND PRICE SCHEDULE

EXHIBIT D

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE PROJECT No. 3258H
EQUIPMENT LIST / PRICE SHEET

PART 1. EQUIPMENT/SYSTEMS REQUIRING A FULL SERVICE MAINTENANCE PROGRAM

SYS #	MAKE / MODEL	S/N	Warranty Expiry	Year 1 Initial Term ** Price	Year 2 Initial Term Price	Year 3 Initial Term Price	Year 4 Option Term 1 Price	Year 5 Option Term 2 Price	6 mos. Option Term 3 Price
1				$	$	$	$	$	$
	FUJI DryPix 4000	57021637	02/02/07	3,520	3,520	3,520	3,520	3,520	1,746
	FUJI Smart CR	56533440	02/02/07	8,800	8,800	8,800	8,800	8,800	4,364
	DELL GX280 Flash IIP	C983D81	02/02/07	ø	ø	ø	ø	ø	ø
2				$	$	$	$	$	$
	FUJI Smart CR	56533441	02/02/07	8,800	8,800	8,800	8,800	8,800	4,364
	DELL GX280 Flash IIP	DD63D81	02/02/07	ø	ø	ø	ø	ø	ø
3				$	$	$	$	$	$
	FUJI Smart CR	56533438	02/23/07	8,800	8,800	8,800	8,800	8,800	4,364
	DELL GX280 Flash IIP	7KWN081	02/23/07	ø	ø	ø	ø	ø	ø
4				$	$	$	$	$	$
	FUJI Smart CR	56533439	03/08/07	8,800	8,800	8,800	8,800	8,800	4,364
	DELL GX280 Flash IIP	9KWN081	03/08/07	ø	ø	ø	ø	ø	ø
5				$	$	$	$	$	$
	FUJI Velocity U CR-IR 384	56325024	03/23/07	20,800	20,800	20,800	20,800	20,800	10,315
	FUJI DP 5000	47130059	06/25/07	5,120	5,120	5,120	5,120	5,120	2,529
	Siemens IT 80 Generator	2453	03/23/07	ø	ø	ø	ø	ø	ø
	Siemens OTC	1308	03/23/07	ø	ø	ø	ø	ø	ø
	DELL GX280 Flash IIP	5983D81	03/23/07	ø	ø	ø	ø	ø	ø
6				$	$	$	$	$	$
	FUJI Smart CR	57035175	07/11/07	8,800	8,800	8,800	8,800	8,800	4,364
	DELL GX280 Flash IIP	F44Y2B1	07/11/07	ø	ø	ø	ø	ø	ø
7				$	$	$	$	$	$
	FUJI Velocity U CR-IR 384	47020423	10/29/07	20,800	20,800	20,800	20,800	20,800	10,315
	Siemens IT 80 Generator	2451	10/29/07	ø	ø	ø	ø	ø	ø
	Siemens OTC	1304	10/29/07	ø	ø	ø	ø	ø	ø
	DELL GX280 Flash IIP	3LWN081	10/29/07	ø	ø	ø	ø	ø	ø
8				$	$	$	$	$	$
	FUJI Velocity U CR-IR 384	56325027	07/24/08	5,575	20,800	20,800	20,800	20,800	10,315
	Siemens IT 80 Generator	2455	07/24/08	ø	ø	ø	ø	ø	ø
	Siemens OTC	1306	07/24/08	ø	ø	ø	ø	ø	ø
	DELL GX280 Flash IIP	5LWN081	07/24/08	ø	ø	ø	ø	ø	ø
9				$	$	$	$	$	$
	FUJI Velocity U CR-IR 384	56540146	12/31/08	ø	17,267	20,800	20,800	20,800	10,315
	FUJI Velocity T CR-IR 384	47020424	12/31/08	ø	13,282	16,000	16,000	16,000	7,934
	Siemens IT 80 Generator	2452	12/31/08	ø	ø	ø	ø	ø	ø
	Siemens OTC	1305	12/31/08	ø	ø	ø	ø	ø	ø
	DELL GX280 Flash IIP	7VX9QB1	12/31/08	ø	ø	ø	ø	ø	ø
	DELL GX280 Flash IIP	8KWN081	12/31/08	ø	ø	ø	ø	ø	ø
			Column Totals:	49,825.00	148,078.00	154,840.00	154,240.00	154,840.00	76,783.00

Full Service Maintenance Program PART 1. SubTotal: $ 789,207 → Initial KD

**Bidder may choose to price maintenance costs by SYSTEM or by major component - County, however, does not and cannot represent that the major components listed herein are exclusive to the Systems listed herein.

Extracted from:
IFB, Appendix C - Exhibit 12
Equipment List / Bid Sheet

PART 2. TEARDOWN, MOVE AND RECONFIGURATION

The following 3 SYSTEMS may require a Teardown, Move, and Reconfiguration (TMR) from their current locations to a new location as specified below. Reference Paragraph 3.7 (SOW)

SYS #	MAKE / MODEL	S/N		RELOCATION REQUIRED		
	Not yet identified		Future Teardown, Move and Reconfiguration	Ø	Ø	
	Not yet identified		Future Teardown, Move and Reconfiguration	Ø	Ø	
	Not yet identified		Future Teardown, Move and Reconfiguration	Ø	Ø	
	Not yet identified.		Future Teardown, Move and Reconfiguration	Ø	Ø	
	Not yet identified		Future Teardown, Move and Reconfiguration	Ø	Ø	
	Not yet identified		Future Teardown, Move and Reconfiguration	Ø	Ø	

Part 2. 3.7.3 (SOW) For each system scheduled for TMR in excess of three (3) systems, Contractor's flat-rate fee for EACH TMR shall be:

Fixed TMR Price
$ Ø

→ Initial KO

GRAND TOTAL [Parts 1, 2] BID PRICE: $ 789,207

Contractor asserts that the below signed person is authorized to bind CONTRACTOR to the PRICING represented herein.
An inaccurately calculated Bid Sheet may disqualify your Bid from consideration. Please ensure that all calculations are correct.

***CONTRACTORS MUST ATTACH COPY OF THEIR FULL SERVICE MAINTENANCE PROGRAM TO THIS BID.

Keith Dickens
CONTRACTOR REPRESENTATIVE (print)

CONTRACTOR REPRESENTATIVE (signature)

DATE 10/15/07

Extracted from:
IFB, Appendix C - Exhibit 12
Equipment List / Bid Sheet

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

E CONTRACTOR'S EEO CERTIFICATION

F1 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

F2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

EXHIBIT E

CONTRACTOR'S EEO CERTIFICATION

FUJIFILM MEDICAL SYSTEMS USA, INC
Company Name

419 WEST AVENUE STAMFORD, CT 06902
Address

13-2537985
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Bidder 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.

CERTIFICATION	YES	NO
1. Bidder has written policy statement prohibiting discrimination in all phases of employment.	(X)	( )
2. Bidder periodically conducts a self-analysis or utilization analysis of its work force.	(X)	( )
3. Bidder has a system for determining if its employment practices are discriminatory against protected groups.	(X)	( )
4. When problem areas are identified in employment practices, Bidder has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	(X)	( )

Keith Dickens
Signature

9/20/07
Date

KEITH DICKENS Regional Service MANAGER
Name and Title of Signer (please print)

CONTRACT FOR
FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

Craig Henry FUJI MEDICAL
CONTRACTOR NAME

Contract No. _____

Employee Name Fuji Medical

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.

Initials of Signer C H

Contractor Name FUJI MEDICAL Craig Henry Contract No. _____

Employee Name Craig Henry

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Craig Henry DATE: 10/15/07

PRINTED NAME: Craig Henry

POSITION: CSE

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

Fujifilm medical Systems USA, Inc
CONTRACTOR NAME

Contract No. _____

Employee Name Tom BATES

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:

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Initials of Signer TB

Exhibits
FUJI Digital X-ray Capture System Mtc

Contractor Name Fujifilm Medical Systems USA Contract No. _____

Employee Name TOM BATES

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Tom Bates DATE: 10/14/2007

PRINTED NAME: TOM BATES

POSITION: FIELD SERVICE ENGINEER

Exhibits
FUJI Digital X-ray Capture System Mtc

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

Fujifilm Medical Systems USA, Inc.
CONTRACTOR NAME

Contract No. _____

Employee Name Gabriel Bobadilla

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.

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CONFIDENTIALITY AGREEMENT:

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Initials of Signer GB

Contractor Name Fujifilm Medical Systems USA Contract No. _____

Employee Name Gabriel Babadilla

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: 10/15/07

PRINTED NAME: Gabriel Babadilla

POSITION: Customer Solutions Engineer

CONTRACT FOR
FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

FujiFilm Medical Systems USA, Inc.
CONTRACTOR NAME

Contract No. _____

Employee Name GERALD ANDERSON

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.

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Initials of Signer GA.

Contractor Name Fujifilm Medical Systems USA Contract No. _____

Employee Name GERALD ANDERSON

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Gerald Anderson DATE: 10/15/07

PRINTED NAME: GERALD ANDERSON

POSITION: CSE

CONTRACT FOR
FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

FUJI FILM MEDICAL SYSTEMS, USA
CONTRACTOR NAME

Contract No. _____

Employee Name MICHAEL JONES #39147

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:

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Initials of Signer MJ

Exhibits
FUJI Digital X-ray Capture System Mtc

Contractor Name FUJIFILM MEDICAL SYSTEMS USA Contract No. _____

Employee Name MICHAEL JONES #39147

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: 10/8/2007

PRINTED NAME: MICHAEL JONES #39147

POSITION: CUSTOMER SOLUTIONS ENGINEER

Exhibits
FUJI Digital X-ray Capture System Mtc

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

~~STEPHEN HOLTGREFE~~ Fuji Film
CONTRACTOR NAME

Contract No. _____

Employee Name STEPHEN HOLTGREFE

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.

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CONFIDENTIALITY AGREEMENT:

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Initials of Signer AH

Contractor Name Fuji Film Contract No. _____

Employee Name STEPHEN HOLT GREFE

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: 10/2/07

PRINTED NAME: STEPHEN HOLTGREFE

POSITION: CSE

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

Fujifilm Medical Systems
CONTRACTOR NAME

Contract No. _____

Employee Name Richard Merrida

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.

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CONFIDENTIALITY AGREEMENT:

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Initials of Signer RM

Contractor Name Fujifilm Medical Systems Contract No. _____

Employee Name Richard Merrida

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.

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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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Richard Merrida DATE: 10/3/07

PRINTED NAME: Richard Merrida

POSITION: Customer Solutions Engineer

Exhibits
FUJI Digital X-ray Capture System Mtc

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

Fujifilm Medical Systems USA, Inc.
CONTRACTOR NAME

Contract No. _____

Employee Name TIMOTHY C OAKLEY

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:

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CONFIDENTIALITY AGREEMENT:

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Initials of Signer TCO

Contractor Name Fujifilm Medical Systems USA Contract No. _____

Employee Name TIMOTHY C OAKLEY

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Timothy P Oakley DATE: 10/2/07

PRINTED NAME: TIMOTHY C OAKLEY

POSITION: CUSTOMER SOLUTIONS ENGINEER

CONTRACT FOR

FUJI DIGITAL X-RAY CAPTURE SYSTEM EQUIPMENT MAINTENANCE, REPAIR AND UPGRADE SERVICES

CONTRACTOR 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.)

FujiFilm Medical Systems USA
CONTRACTOR NAME

Contract No. _____

Employee Name Jeremy Schmidt

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:

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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.

Initials of Signer JS

Contractor Name Fuji Film Medical Systems Contract No. _____

Employee Name Jeremy Schmidt

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.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: 10/2/07

PRINTED NAME: Jeremy Schmidt

POSITION: CSE - Network Systems

EXHIBIT G

CONTRACTOR'S OBLIGATIONS UNDER THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

EXHIBIT G

CONTRACTOR'S OBLIGATION UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

Under this Agreement, Contractor provides services ("Services") to County and Contractor receives, has access to, or creates Protected Health Information in order to provide those Services. County 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 ("together, the "Privacy and Security Regulations").

The Privacy and Security Regulations require County to enter into a contract with Contractor 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 Contractor if such a contract is not in place.

Therefore, the parties agree as follows:

1.0 DEFINITIONS

1.1 "Disclose" or "Disclosure" means, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Contractor'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.

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; (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. § 160.103, limited to the information created or received by Contractor from or on behalf of County. Protected Health Information includes information, whether oral or recorded in any form or medium, 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 Contractor from or on behalf of County, or is created by Contractor, or is made accessible to Contractor by County. "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 a 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 Contractor to constitute an actual threat to the Information System.

1.8 "Services" has the same meaning as in the body of this Agreement.

1.9 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Contractor's internal operations.

1.10 Terms used, but not otherwise defined in this Paragraph shall have the same meaning as those terms in the HIPAA Regulations.

2.0 OBLIGATIONS OF CONTRACTOR

2.1 Permitted Uses and Disclosures of Protected Health Information.

Contractor:

(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 County 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.

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

2.2 Adequate Safeguards for Protected Health Information.

Contractor:

(a) 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 Paragraph. Contractor agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy 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 and Security Incidents. Contractor shall report to County each Use or Disclosure that is made by Contractor, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement, and effective as of April 20, 2005, shall report to County each Security Incident of which Contractor becomes aware. The initial report shall be made by telephone call to the Department of Mental Health's Privacy Officer, telephone number 1(213) 738-4864 within forty-eight (48) hours from the time the Contractor 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 Contractor becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

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

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

2.5 Availability of Internal Practices, Books and Records to Government Agencies. Contractor 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 County's compliance with the Privacy and Security Regulations. Contractor shall immediately notify County of any requests made by the Secretary and provide County with copies of any documents produced in response to such request.

2.6 Access to Protected Health Information. Contractor shall, to the extent County 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 County available to the Individual(s) identified by County as being entitled to access and copy that Protected Health Information. Contractor shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from County. Contractor shall provide copies of that Protected Health Information within five (5) business days after receipt of request from County.

2.7 Amendment of Protected Health Information. Contractor shall, to the extent County 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 County. Contractor shall make such amendment within ten (10) business days after receipt of request from County in order for County to meet the requirements under 45 C.F.R. § 164.526.

2.8 Accounting of Disclosures. Contractor 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 County upon County's request, in order to allow County to respond to an Individual's request for accounting of disclosures. However, Contractor is not required to provide an 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 Contractor maintains the Protected Health Information.

Any accounting provided by Contractor 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, Contractor 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. Contractor shall provide to County, within ten (10) business days after receipt of request from County, information collected in accordance with this Section 2.8 to permit County 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.

3.0 OBLIGATION OF COUNTY

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

4.0 TERM AND TERMINATION

4.1 Term. The term of this Paragraph shall be the same as the term of this Agreement. Contractor'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 this Agreement, upon County's knowledge of a material breach by Contractor, County shall either:

(a) Provide an opportunity for Contractor to cure the breach or end the violation and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by County;
(b) Immediately terminate this Agreement if Contractor has breached a material term of this Paragraph and cure is not possible; or
(c) If neither termination nor cure is feasible, County 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, upon termination for any reason or expiration of this Agreement, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.
(b) In the event that Contractor determines that returning or destroying the Protected Health Information is infeasible, Contractor shall provide to County notification of the conditions that make it infeasible. If return or destruction is infeasible, Contractor 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 Contractor maintains such Protected Health Information.

5.0 MISCELLANEOUS

5.1 No Third Party Beneficiaries. Nothing in this Paragraph 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. Contractor shall require each of its agents and subcontractors that receive Protected Health Information from Contractor, or create Protected Health Information for Contractor, on behalf of County, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

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

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

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

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

EXHIBIT H

CONTRACTOR'S STAFF