Information Systems Advisory Body

County of Los Angeles

CHAIRMAN
Michael P. Judge
Public Defender

CHAIR PRO TEM
John Ruegg
Director, ISAB

ISAB

John Ruegg
Director
(562) 403-6501

Felix Basadre
Assistant Director
(562) 403-6505

Ali Farahani
Director, Integration Services
(562) 403-6513

Marcus Leon
Director, Project Development
(562) 403-6527

Noble B. Kennamer, Jr.
Legal Director
(562) 403-6650

12750 Center Court Drive
Suite 500
Cerritos, CA 90703

MEMBERS

Lee Baca
Sheriff
John Clarke
Executive Officer/Clerk
L.A. Superior Court
Steve Cooley
District Attorney
Janice Fukai
Alternate Public Defender
William T. Fujioka
Chief Executive Officer
Michael P. Judge
Public Defender
Robert B. Taylor
Chief Probation Officer
Randy Adams
President, Police Chiefs' Association
Dr. Lakshmanan Sathyavagiswaran
Chief Medical/Coroner
Department of the Coroner
Richard Sanchez
Acting Chief Information Officer
Tom Tindall
Interim Director, Internal Services
Department
William J. Bratton
Chief of Police, City of Los Angeles

June 10, 2008

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

Dear Supervisors:

APPROVAL OF AGREEMENT BETWEEN THE COUNTY OF LOS ANGELES AND CAPITA TECHNOLOGIES, INC. FOR THE UPGRADE OF THE CONSOLIDATED CRIMINAL HISTORY REPORTING SYSTEM
(ALL DISTRICTS) (3-VOTES)

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

SUBJECT:

This agreement (Agreement) is between the County of Los Angeles (County) on behalf of Information Systems Advisory Body (ISAB) and Capita Technologies Inc. (Capita) for the upgrade of the Consolidated Criminal History Reporting System (CCHRS) to a new software and hardware platform.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and authorize the Director of ISAB to finalize and execute a services Agreement with Capita for the upgrade of CCHRS to a new software and hardware platform for a contract term not to exceed two (2) years with a maximum County obligation of $773,500, of which, $573,500 is reserved for the required CCHRS upgrade and up to $200,000 is allocated as pool dollars for optional services to be performed by Capita upon County's request.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

CCHRS provides criminal history records for defendants processed within the County justice community. The application handles approximately 180,000 subject query transactions per month and prints 105,000 Record of Arrest and Prosecution sheet reports per month. CCHRS is a data warehouse with inputs received from multiple criminal justice systems via a message broker application called PIX. The current systems delivering data to CCHRS include Trial Court Information System (TCIS), Juvenile Automated Index (JAI), Automated Jail Information System (AJIS), Prosecutor Information Management System (PIMS) and State of California Adult Criminal History System (ACHS).

The current version of CCHRS is operating in a technical environment that is outdated and no longer supported and is in need of an upgrade, especially in light of the increasing number of transactions processed. The Agreement will enable the upgrade of County-owned CCHRS to IBM hardware, the latest versions of Oracle database, Oracle Application Server, SSA Name(s) port to Identity Systems latest version and Unix operating system for utilization by the County's law enforcement community.

Implementation of Strategic Plan Goals:

The recommended Board action is consistent with the County's Strategic Plan Goal 3, Organizational Effectiveness which is to ensure that service delivery systems are efficient, effective and goal-oriented, and Goal 4, Fiscal Responsibility which is to strengthen the County's fiscal capacity.

FISCAL IMPACT/FINANCING:

The total amount of this Agreement is $773,500. Funding for all services to be provided during the term of the Agreement is included in ISAB's Fiscal Year (FY) 2007-2008 adopted budget and FY 2008-2009 proposed budget. There is no additional net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Agreement contains all the latest Board required and policy driven provisions, such as Consideration of GAIN/GROW Program Participants of Employment, Compliance with Jury Service Program, Safely Surrendered Baby Law, the County's Quality Assurance Plan, Assignment and Delegation, the County's Child Support Compliance Program and Budget Reductions. The Agreement also contains certain information technology provisions to protect the County in the event of Capita's deficient performance and/or breach of warranties, including warranties, intellectual property indemnification and deliverable payment withholds.

The County's Chief Information Officer (CIO) has reviewed this Agreement and its award recommendation as indicated on the attached analysis. In compliance with the CIO's guidelines, ISAB will utilize the Information Technology Tracking System (ITTS) to monitor the project status and contractor's performance. County Counsel has reviewed this Agreement and approved it as to form.

CONTRACTING PROCESS:

In May of 2001, using the CIO's Internet Development Agreement (IDA), Capita was selected to perform all the necessary programming, testing and production implementation to web-enable CCHRS and upgrade it to the current version. At that time, web-enabling CCHRS was a significant body of work requiring expertise in a variety of technical disciplines. In the process of successfully completing this work within schedule and budget, Capita gained first hand knowledge of CCHRS programs and design as well as the underlying business processes. Therefore, given Capita's knowledge of CCHRS, coupled with very favorable pricing (same hourly rate of $125.00 as was charged in 2001), ISAB recommends this sole source Agreement for the proposed CCHRS upgrade.

In addition, County does not have sufficient staff resources to provide the specialized services required by the Agreement without impacting other critical projects. As a result, the most viable option for ISAB is to augment existing resources with contract help. Capita is in the best position to provide the needed expertise required to successfully upgrade CCHRS in the most cost effective manner.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

This Agreement will support the current level of services and allow ISAB to continue to successfully upgrade and maintain CCHRS and ensure its availability to the County's criminal justice enterprise.

CONCLUSION:

Upon approval by your Board, it is requested that the Executive Officer/Clerk of the Board return three (3) adopted stamped Board letters to: Information Systems Advisory Body, Attention: Felix Basadre, Assistant Director, 12750 Center Court Drive Suite 500, Cerritos, CA 90703.

Respectfully submitted,

JOHN RUEGG
Director, ISAB

Reviewed by:

RICHARD SANCHEZ
Interim Chief Information Officer

JR:FB:fb

Attachments

c: Auditor-Controller
Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

CIO ANALYSIS

SOLE SOURCE AGREEMENT BETWEEN COUNTY OF LOS ANGELES AND CAPITA TECHNOLOGIES, INC. FOR THE UPGRADE OF THE CONSOLIDATED CRIMINAL HISTORY REPORTING SYSTEM

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

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

New/Revised Contract Term: Base Term: 1 Yr # of Options 1 year

Contract Components:
☐ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: John Ruegg, Director, ISAB

Budget Information :

Y-T-D Contract Expenditures	$ 0
Requested Contract Amount	$ 773,500
Aggregate Contract Amount	$ 773,500

Project Background:

Yes	No	Question
☐	☒	Is this project legislatively mandated?
☐	☒	Is this project subvented? If yes, what percentage is offset?
☒	☐	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. Yes. CCHRS summarizes and consolidates information from the Trial Court Information System (TCIS), Juvenile Automated Index (JAI), Automated Jail Information System (AJIS) and the State of California Adult Criminal History System (ACHS).

Strategic Alignment:

Yes	No	Question
☒	☐	Is this project in alignment with the County of Los Angeles Strategic Plan? This agreement provides victim notification service in support of the County's Strategic Goal 3 – Organizational Effectiveness and Goal 4 – Fiscal Responsibility.
☒	☐	Is this project consistent with the currently approved Department Business Automation Plan? Yes. CCHRS was identified in ISAB's FY 2007-08 BAP as an application system that ISAB currently maintains.
☒	☐	Does the project's technology solution comply with County of Los Angeles IT Strategic Directions Document? CCHRS utilizes a web-based user interface and a relational database that are consistent with the IT Strategic Directions Document.

Yes	No	Question
☒	☐	Does the project technology solution comply with preferred County of Los Angeles IT Standards? CCHRS will be updated to IBM's Advanced Interactive eXecutive (AIX) operating platform and the Oracle database, both of which are preferred County IT standards.
☒	☐	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

This sole source Agreement is for consulting services to perform an upgrade of the Consolidated Criminal History Reporting System (CCHRS) to a more robust operating system and a supported version of the database.

Background:

CCHRS provides criminal history reports to law enforcement agencies, Probation Department, Court Clerks, judges and prosecutors. It processes approximately 180,000 queries and prints 105,000 arrest records monthly. On May 14, 2008, ISAB filed a notification to the Board regarding its plans to negotiate a sole source contract with Capita, Inc., the original implementers of CCHRS, to perform an upgrade of CCHRS to a modern operating system and to the most current version of the Oracle database.

Project Justification/Benefits:

CCHRS is operating in an environment that is no longer vendor supported. This end of support means critical fixes and patches that may impact system reliability are no longer available from the vendor. Additionally, the volume of CCHRS transactions has steadily increased in recent years to approximately 180,000 queries and the processing of 105,000 arrest records monthly. This Agreement will upgrade CCHRS to a more robust operating system to support increased system usage, as well as upgrade the database to the most current version to ensure uninterrupted support for its services.

Project Metrics:

The Statement of Work for the Amendment clearly identifies the deliverables and deliverable acceptance criteria for the Agreement.

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

If not upgraded, the County will run the risk of operating a critical application that utilizes an operating system and a database that are no longer vendor supported, which may impact system performance and maintainability. This upgrade of CCHRS will migrate this critical application to a supported version of the database (Oracle v10.2) and an operating system (AIX).

Alternatives Considered:

No other alternatives were evaluated for this upgrade project due to Capita's knowledge of CCHRS coupled with its favorable pricing.

Project Risks:

The CCHRS upgrade to a modern system operating environment and supported version of the database will increase the system's overall system reliability and scalability. Capita's knowledge of the application and underlying business processes help mitigate some risks associated with this upgrade project. Also, ISAB has established contractual risk mitigation measures discussed below.

Risk Mitigation Measures:

The following mitigation measures have been established in the Agreement and the Statement of Work:

- Fixed-price, deliverables with a 10% holdback for each deliverable, payable only upon final acceptance;
- Acceptance criteria have been clearly defined for each deliverable; and
- Contractor is required to provide Certificates of Readiness upon successful completion of the upgrade in the Development, Test and Production environments to certify that the upgraded application is performing as intended.

Financial Analysis:

The total amount of this Agreement is $773,500, of which $200,000 is allocated as pool funds for optional services to be performed by Capita upon County's request. ISAB has budgeted the contract amount in its Fiscal Year 2007-2008 Adopted Budget and Fiscal Year 2008-2009 Proposed Budget.

CIO Concerns:

None.

CIO Recommendations:

My Office supports this action and recommends approval by the Board.

CIO APPROVAL

Date Received: 5-22-08

Prepared by: [signature]

Date: 5-28-08

Approved: [signature]

Date: 5-28-08

P:\Drafts\CIO Analysis ISAB - CCHRS Upgrade.docx

AGREEMENT

BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

CAPITA TECHNOLOGIES, INC.

FOR SYSTEM UPGRADE

OF

CONSLIDATED CRIMINAL HISTORY REPORTING SYSTEM

JUNE 2008

TABLE OF CONTENTS

1. APPLICABLE DOCUMENTS AND DEFINITIONS 1
2. ADMINISTRATION OF AGREEMENT – COUNTY 9
3. ADMINISTRATION OF AGREEMENT – CONTRACTOR 10
4. CHANGE NOTICES AND AMENDMENTS 13
5. WORK 14
6. MILESTONES 15
7. TERM 16
8. CONTRACT SUM 16
9. INVOICES 18
10. WARRANTIES 21
11. SYSTEM OWNERSHIP 24
12. ACCEPTANCE OF SYSTEM 25
13. SYSTEM USE 26
14. INDEMNIFICATION AND INSURANCE 27
15. PROPRIETARY CONSIDERATIONS 30
16. INTELLECTUAL PROPERTY INDEMNIFICATION 31
17. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION 32
18. SUBCONTRACTING 33
19. DISCLOSURE OF INFORMATION 36
20. CONFIDENTIALITY 36
21. TERMINATION FOR DEFAULT 37
22. TERMINATION FOR CONVENIENCE 39
23. TERMINATION FOR INSOLVENCY 39
24. TERMINATION FOR IMPROPER CONSIDERATION 40
25. TERMINATION FOR GRATUITIES 41
26. RECORDS AND AUDITS 41
27. INDEPENDENT CONTRACTOR STATUS 42
28. WARRANTY AGAINST CONTINGENT FEES 43
29. MOST FAVORED PUBLIC ENTITY 43
30. CONFLICT OF INTEREST 43
31. COUNTY'S QUALITY ASSURANCE PLAN 44
32. FORCE MAJEURE 44
33. UNLAWFUL SOLICITATION 45
34. RESOLICITATION OF BIDS AND PROPOSALS 45
35. COMPLIANCE WITH APPLICABLE LAWS 45
36. FAIR LABOR STANDARDS 46
37. NONDISCRIMINATION AND COMPLIANCE WITH CIVIL RIGHTS LAWS 46
38. NONDISCRIMINATION IN SERVICES 47
39. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION / TERMINATION OF AGREEMENT 48
40. RESTRICTIONS ON LOBBYING 48
41. EMPLOYMENT ELIGIBILITY VERIFICATION 48
42. HIRING OF EMPLOYEES 49
43. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM 50

44. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM 50
45. CONFIDENTIALITY OF CORI INFORMATION 51
46. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT 51
47. CONTRACTOR RESPONSIBILITY AND DEBARMENT 51
48. COUNTY AUDIT SETTLEMENTS 53
49. FEDERAL ACCESS TO RECORDS 53
50. LICENSES, PERMITS, REGISTRATION, ACCREDITATIONS AND CERTIFICATES 53
51. NEW TECHNOLOGY 54
52. NO THIRD PARTY BENEFICIARIES 54
53. GOVERNING LAW, JURISDICTION AND VENUE 54
54. DISPUTE RESOLUTION PROCEDURE 54
55. WAIVER 56
56. CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER 56
57. DAMAGE TO COUNTY FACILITIES 56
58. AUTHORIZATION WARRANTY 57
59. FORMS AND PROCEDURES 57
60. MINIMUM AGE, LANGUAGE SKILLS AND LEGAL STATUS OF CONTRACTOR PERSONNEL 57
61. VALIDITY AND SEVERABILITY 57
62. NOTICES 58
63. CONTRACT MONITORING AND ENFORCEMENT 58
64. ARM'S LENGTH NEGOTIATIONS 59
65. NON-EXCLUSIVITY 59
66. ACCESS TO COUNTY FACILITIES 59
67. COUNTY FACILITY OFFICE SPACE 59
68. PHYSICAL ALTERATIONS 60
69. CONTRACTOR'S OFFICES 60
70. DELIVERY AND RISK OF LOSS 60
71. STAFF PERFORMANCE WHILE UNDER THE INFLUENCE 60
72. TIME IS OF THE ESSENCE 60
73. CAPTIONS AND PARAGRAPH HEADINGS 60
74. NOTICE OF DELAYS 60
75. COUNTY POLICY REGARDING RECYCLED PAPER 61
76. COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM 61
77. SURVIVAL

EXHIBITS

Exhibit A – Statement of Work

Attachment A.1 – System Upgrade Tasks
Attachment A.2 – Performance Requirements
Attachment A.3 – Acceptance Criteria

Exhibit B – Optional Services

Exhibit C – Schedule of Payments

Exhibit D – Administration of Agreement

Exhibit E – Employee Acknowledgment, Confidentiality and Assignment Agreement

Exhibit F – Contractor's EEO Certification

Exhibit G – Confidentiality of CORI Information

Exhibit H – Safely Surrendered Baby Law

AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND
CAPITA TECHNOLOGIES, INC.
FOR SYSTEM UPGRADE
OF
CONSOLIDATED CRIMINAL HISTORY REPORTING SYSTEM

THIS AGREEMENT is made and entered into this _____ day of June, 2008, by and between the County of Los Angeles (hereinafter "County") and Capita Technologies, Inc., a California corporation (hereinafter "Contractor").

RECITALS

WHEREAS, County's Information Systems Advisory Body (hereinafter "ISAB") has a need for upgrading the existing County-wide Consolidated Criminal History Reporting System (hereinafter "CCHRS") to the latest version of the underlying system software and certain optional services as requested by County; and

WHEREAS, County is authorized to contract with private businesses for such system and services when certain requirements are met pursuant to Los Angeles County Code Chapters 44.7 and 2.121; and

WHEREAS, Contractor is engaged in the business of developing and maintaining applications and providing maintenance and support therefor; and

WHEREAS, Contractor is duly qualified to engage in the business of providing the required as set forth hereunder and warrants that it possesses the competence, expertise and personnel necessary to provide such services; and

WHEREAS, County's Board of Supervisors determined that it is cost effective to contract for the services contemplated by this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, County and Contractor agree as follows:

1. APPLICABLE DOCUMENTS AND DEFINITIONS

1.1 INTERPRETATION

The provisions of this document, along with Exhibits A, B, C, D, E, F, G and H, all attached hereto, described in this Paragraph 1.1 below and incorporated herein by reference, collectively form and throughout and hereinafter are referred to as the "Agreement". 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, between the body of this Agreement and the Exhibits or between the Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the body of the Agreement, and then to the Exhibits according to the following descending priority:

Exhibit A – Statement of Work
- Attachment A.1 – System Upgrade Tasks
- Attachment A.2 – Performance Requirements
- Attachment A.3 – Acceptance Criteria

Exhibit B – Optional Services
Exhibit C – Schedule of Payments
Exhibit D – Administration of Agreement
Exhibit E – Employee Acknowledgment, Confidentiality and Assignment Agreement
Exhibit F – Contractor's EEO Certification
Exhibit G – Confidentiality of CORI Information
Exhibit H – Safely Surrendered Baby Law

1.2 Entire Agreement

The body of this Agreement, together with the Recitals and all Exhibits, Attachments and Schedules, as further defined in Paragraph 1.1 (Interpretation) above, constitutes the complete and exclusive statement of understanding between the parties and supersedes all previous and contemporaneous agreements, whether written or oral, and any and all communications and negotiations between the parties relating to the subject matter of this Agreement.

1.3 Definitions

The terms and phrases in this Paragraph 1.3 in quotes and with initial letter capitalized, where applicable, shall have the meanings set forth below when used in this Agreement, throughout and hereafter.

Acceptance Criteria

As used herein, the term "Acceptance Criteria" shall mean the conditions for County's acceptance of the Deliverables under the Statement of Work, as set forth in Attachment A.3 (Acceptance Criteria).

Acceptance Test

As used herein, the term "Acceptance Test(s)", whether singular or plural, shall mean any or all of the tests conducted under Task 4 (User Testing) of Exhibit A (Statement of Work), including Reliability Test, Functional Test and Stress Test.

Application Software

As used herein, the term “Application Software” shall mean the Existing Software and all Modifications thereto resulting from the System Upgrade and any Optional Services provided by Contractor under this Agreement.

Board of Supervisors

As used herein, the term "Board of Supervisors" shall mean County’s Board of Supervisors, which is the governing body of County.

Business Day(s)

As used herein, the term "Business Day(s)", whether singular or plural, shall mean Monday through Friday, excluding County observed holidays, unless stated otherwise.

Consolidated Criminal History Reporting System; CCHRS

As used herein, the terms "Consolidated Criminal History Reporting System" and "CCHRS" shall have the same meaning as "System" defined in this Paragraph 1.3 below.

Contract Sum

As used herein, the term "Contract Sum" shall mean the maximum total monetary amount payable by County to Contractor hereunder, as set forth in Paragraph 8.1 (Maximum Contract Sum). The Contract Sum shall not be adjusted for any costs or expenses whatsoever of Contractor.

Contractor's Key Personnel

As used herein, the term "Contractor's Key Personnel" shall have the meaning set forth in Paragraph 3.1 (Contractor's Administration of Agreement).

Contractor’s Project Director

As used herein, the term "Contractor’s Project Director" shall have the meaning set forth in Paragraph 3.2.1 (Contractor’s Project Director).

Contractor’s Project Manager

As used herein, the term "Contractor’s Project Manager" shall have the meaning set forth in Paragraph 3.2.2 (Contractor’s Project Manager).

County

As used herein, the term "County" shall have the meaning set forth in the Preamble of the Agreement.

County Materials

As used herein, the term “County Materials” shall have the meaning set forth in Paragraph 15.1 (County Materials).

County's Contract Administrator

As used herein, the term "County's Contract Administrator" shall have the meaning set forth in Paragraph 2.2.3 (County's Contract Administrator).

County’s Key Personnel

As used herein, the term "County's Key Personnel" shall have the meaning set forth in Paragraph 2.1 (County's Administration of Agreement).

County’s Project Director

As used herein, the term "County’s Project Director" shall have the meaning set forth in Paragraph 2.2.1 (County’s Project Director).

County’s Project Manager

As used herein, the term "County’s Project Manager" shall have the meaning set forth in Paragraph 2.2.2 (County’s Project Manager).

Day(s)

As used herein, the term "day(s)", whether singular or plural, shall mean calendar day(s) and not business day(s) unless otherwise expressly specified.

Deficiency; Deficiencies

As used herein, the term "Deficiency(ies)", whether singular or plural, shall mean and include, as applicable, any malfunction, error or defect in the design, development, implementation, materials and/or workmanship; any failure to meet or comply with, or deviation from, the Specifications including Performance Requirements and Acceptance Criteria, mutually agreed upon standards, industry standards or any other representations or warranties by Contractor under this Agreement the System, services relating to System Upgrade or any other work provided by Contractor hereunder (other than a defect, error, non-compliance or deviation caused by actions of County, including County modification of Source Code), which results in the System, in whole or in part, not performing in accordance with its specifications or

documentation. The term Deficiency shall not apply to defects, errors, omissions or deviations in the Third Party Software. Any disputes with respect to Deficiencies shall be resolved in accordance with the Dispute Resolution Procedure.

Deliverable(s); deliverable(s)

As used herein, the terms "Deliverable(s)" and "deliverable(s)", whether singular or plural, shall mean items and/or services provided or to be provided by Contractor under this Agreement, including numbered Deliverable(s) in Exhibit A (Statement of Work).

Department

As used herein, the term "Department" shall mean County's Information Systems Advisory Body (ISAB).

Development Environment

As used herein, the term “Development Environment” shall mean the environment for developing the Application Software as necessary to perform System Upgrade, including programming Modifications to the Existing Software and performing other services relating to System Upgrade, under Task 2 (Perform System Upgrade in Development Environment) under Exhibit A (Statement of Work).

Director

As used herein, the term "Director" shall mean the Director of County’s Information Systems Advisory Body.

Dispute Resolution Procedure

As used herein, the term "Dispute Resolution Procedure" shall mean the provisions of Paragraph 54 (Dispute Resolution Procedure) describing the procedure for resolving the disputes arising under or with respect to this Agreement.

Effective Date

As used herein, the term "Effective Date" shall mean the date of execution of this Agreement by the authorized representative(s) of each of County and Contractor.

Existing Software

As used herein, the term "Existing Software" shall mean the Application Software owned and currently operated by County in the existing System environment, including, but not limited to, source code, object code, and related documentation.

Final Acceptance

As used herein, the term "Final Acceptance" shall mean County's written approval in accordance with the terms of this Agreement of Deliverable 6 (Final Acceptance) of Exhibit A (Statement of Work).

Fixed Hourly Rate

As used herein, the term "Fixed Hourly Rate" shall mean the hourly rate, specified in Section II (Optional Services) of Exhibit C (Schedule of Payments), at which Contractor shall provide Optional Services pursuant to Exhibit B (Optional Services) and Paragraph 5.3 (Optional Services) below.

Go-Live

As used herein, the term "Go-Live" shall mean the first Production Use of the System following County's approval of Deliverable 5 (Certificate of Readiness for Production Environment) of Exhibit A (Statement of Work).

Implementation Cost

As used herein, the term "Implementation Cost" shall mean the total cost for provision by Contractor of System Upgrade under the Statement of Work.

Implementation Plan

As used herein, the term "Implementation Plan" shall mean a detailed plan for performing System Upgrade under this Agreement delivered to County pursuant to Subtask 1.1 (Develop Implementation Plan) of Exhibit A (Statement of Work).

Maximum Fixed Price

As used herein the term "Maximum Fixed Price" shall mean County's maximum obligation for performance by Contractor of Optional Services for any Scope of Work approved by County in accordance with the terms of Exhibit B (Optional Services).

Milestone

As used herein, the term "Milestone" shall have the meaning set forth in Paragraph 6.2 (Milestones).

Modifications

As used herein, the term "Modifications" shall mean the software modifications to the Existing Software and other services relating to System Upgrade, including, but not limited to, source code, object code and related documentation.

Performance Requirements

As used herein, the term "System Performance Requirements" shall mean the parties' requirements for the performance of work under this Agreement, including System Upgrade.

Pool Dollars

As used herein, the term "Pool Dollars" shall mean the maximum amount allocated under this Agreement for the provision by Contractor of Optional Services by a Change Notice or an Amendment without increasing the Contract Sum.

Production Environment

As used herein, the term “Production Environment” shall mean the environment for Production Use of the System subsequent to the System Upgrade under Task 5 (Perform System Upgrade in Production Environment) of Exhibit A (Statement of Work).

Production Use

As used herein, the term "Production Use" shall mean the actual use of the System for performance of County’s normal business operations.

Schedule of Payments

As used herein, the term "Schedule of Payments" shall mean prices for Deliverables, rates and fees identified in Exhibit C (Schedule of Payments).

Specifications

As used herein, the term “Specifications” shall mean any or all of the following, as applicable:

i. The provisions of Exhibit A (Statement of Work), including all Attachments thereto, and Exhibit B (Optional Services);
ii. The specifications for CCHRS following System Upgrade;
iii. Acceptance Criteria for Contractor's performance of the Deliverables under the Statement of Work;
iv. Performance Requirements for Contractor's provision of services under this Agreement;
v. All specifications provided by Contractor under the Agreement, including, but not limited to, Implementation Plan, design documents, documentation, training materials, and any Scope of Work for Optional Services;
vi. Any other representations made by Contractor to County during System Upgrade or the provision of Optional Services under the Agreement.

State

As used herein, the term "State" shall mean the State of California.

Statement of Work

As used herein, the term "Statement of Work" shall mean the work provided by Contractor pursuant to this Agreement identified in terms of Tasks, Subtasks and Deliverables in Exhibit A (Statement of Work) with all Attachments thereto.

System

As used herein, the term "System" shall mean all System Hardware, System Software and services described in this Agreement and as otherwise agreed to by County and Contractor, collectively comprising CCHRS.

System Hardware

As used herein, the term "System Hardware" shall mean the hardware provided by County for System Upgrade, including performance by County of Task 4 (User Testing) and by Contractor of Task 5 (Performance System Upgrade in Production Environment).

System Software

As used herein, the term "System Software" shall mean the software, including but not limited to available source code, object code and related documentation, provided by Contractor under this Agreement or by County in accordance with Contractor's specifications, which shall consist of Application Software and Third Party Software.

System Upgrade

As used herein, the term "System Upgrade" shall mean the services and product of such services, including Application Software, to be provided by Contractor, relating to upgrading the Existing Software to a new platform in accordance with Exhibit A (Statement of Work) and all Attachments thereto, including but not limited to, evaluation of the existing System environment, implementation and configuration of new System Software, data migration and conversion, testing, any necessary Modifications and training.

Task; task; Subtask; subtask

As used herein, the terms "Task", "task", "Subtask" and "subtask" shall mean one of the areas of work to be performed under this Agreement, including those identified as numbered Tasks and Subtasks in Exhibit A (Statement of Work).

Test Environment

As used herein, the term “Test Environment” shall mean the environment set up by County for testing the System Upgrade under Task 4 (User Testing) of Exhibit A (Statement of Work).

Third Party Software

As used herein, the term "Third Party Software" shall mean the software provided by County as part of the System Software for the purpose of System Upgrade and Production Use of the System.

Warranty Period

As used herein, the term "Warranty Period" shall have the meaning set forth in Paragraph 10.1 (Warranty Period).

2. ADMINISTRATION OF AGREEMENT - COUNTY

2.1 COUNTY’S ADMINISTRATION OF AGREEMENT

All persons administering this Agreement on behalf of County and listed in this Paragraph 2 below (hereinafter "County's Key Personnel") are identified in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement). Unless otherwise specified, reference to each of the persons listed in such Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) shall also include his/her designee. County will notify Contractor in writing of any change in the names and/or addresses of the County's Key Personnel.

No member of County's Key Personnel is authorized to make any changes in any of the terms and conditions of this Agreement other than those specifically authorized under Paragraph 4 (Change Notices and Amendments).

2.2.1 County's Project Director

County’s Project Director will be responsible for ensuring that the objectives of this Agreement are met. County’s Project Director will have the right at all times to inspect any and all tasks, subtasks, deliverables, services relating to System Upgrade, Optional Services and any other work provided by or on behalf of Contractor.

2.2.2 County’s Project Manager

County’s Project Manager will be responsible for ensuring that the technical standards and requirements of this Agreement are met. County’s Project Manager will advise County’s Project Director as to Contractor’s performance with respect to requirements and technical standards. County’s Project Manager will interface with Contractor’s Project Manager on a regular basis.

County's Project Manager will have the right at all times to inspect any and all tasks, subtasks, deliverables, services relating to System Upgrade, Optional Services and any other work provided by or on behalf of Contractor.

2.2.2 County's Contract Administrator

County's Contract Administrator will provide direction to Contractor in the areas relating to County policy, information requirements and procedural requirements. County's Contract Administrator interface with Contractor's Project Manager on a regular basis.

County's Contract Administrator will have the right at all times to inspect any and all tasks, subtasks, deliverables, services relating to System Upgrade, Optional Services and any other work provided by or on behalf of Contractor.

2.3 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. Contractor hereby represents that its price, Implementation Plan and performance hereunder are based solely on the work of Contractor's personnel, except as otherwise expressly provided in this Agreement.

2.4 APPROVAL OF WORK

All Tasks, Subtasks, Deliverables, goods, services and other work provided by Contractor under this Agreement must have the written approval of County's Project Director. In no event shall County be liable or responsible for any payment prior to such written approval.

Notwithstanding the foregoing, the timelines for County's approval of Contractor's work and Contractor's curing of the problems shall not revise the dates for completion of Tasks, Subtasks and Deliverables set forth in the Implementation Plan.

3. ADMINISTRATION OF AGREEMENT - CONTRACTOR

3.1 CONTRACTOR'S ADMINISTRATION OF AGREEMENT

All persons administering this Agreement on behalf of Contractor and listed in this Paragraph 3 below (hereinafter "Contractor's Key Personnel") are listed in Section II (Contractor's Key Personnel) of Exhibit D (Administration of Agreement). All staff employed by and/or behalf of Contractor who will have contact with County employees, including the persons identified in such Section II (Contractor's Key Personnel) of Exhibit D (Administration of Agreement), shall be adults who are fully fluent in both spoken and written English. Contractor shall notify County in writing

prior to any change in the names and/or addresses of the Contractor's Key Personnel.

3.2 CONTRACTOR'S KEY PERSONNEL

3.2.1 Contractor's Project Director

Contractor's Project Director shall be responsible for Contractor's performance of all its tasks and subtasks and ensuring Contractor's compliance with this Agreement. Contractor's Project Director shall meet and confer with County's Project Director on a regular basis, at least monthly, to review project progress and discuss project coordination. Such meetings shall be conducted at a time and place convenient to County's Project Director.

3.2.2 Contractor's Project Manager

Contractor's 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 3.4 (Reports by Contractor). Contractor's Project Manager shall interface with County's Project Manager on a regular basis and shall be available during the Business Days between the hours of 8:00 a.m. and 5:00 p.m., Pacific Time, for telephone contact and to meet with the Department personnel regarding the operation of this Agreement.

3.3 APPROVAL OF CONTRACTOR'S STAFF

3.3.1 County has the absolute right to approve or disapprove each member or proposed member of Contractor's staff, including, but not limited to, Contractor's Project Director and Contractor's Project Manager, prior to and during their performance of any work hereunder, as well as so approving or disapproving any proposed deletions from or other changes in such staff. County's Project Director may require replacement of any member of Contractor's staff performing, or offering to perform, work hereunder, including, but not limited to, Contractor's Project Director and Contractor's Project Manager. Contractor shall provide County with a resume of each such proposed initial staff member, including, but not limited to, Contractor's Project Director and Contractor's Project Manager, and proposed substitute and an opportunity to interview such person prior to his/her performance of any work hereunder.

3.3.2 In addition, Contractor represents and warrants that it shall use reasonable commercial efforts to ensure continuity over time of the membership of the group constituting Contractor's staff, including, but not limited to, Contractor's Project Director and Contractor's Project Manager. Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the staff member(s) being replaced.

3.3.3 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize, and permit utilization of, only staff fully trained and experienced, and as appropriate,

licensed or certified in the technology, trades, tasks and subtasks required by this Agreement. Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.

3.3.4 In the event Contractor should ever need to remove any staff 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, and shall work with County on a mutually agreeable transition plan so as to provide an acceptable replacement and ensure project continuity.

3.3.5 Background and Security Investigations

At any time prior to or during the term of this Agreement, County may require that all Contractor staff performing work under this Agreement undergo and pass, to the satisfaction of County, a background investigation, as a condition to beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of Contractor, whether or not Contractor's staff passes or fails the background clearance investigation.

3.3.6 Disqualification, if any, of any of Contractor's staff pursuant to this Paragraph 3.3 shall not relieve Contractor of any of its obligations under this Agreement.

3.4 REPORTS BY CONTRACTOR

In order to control expenditures and to ensure the reporting of all goods, services, and other work provided by Contractor, Contractor shall provide to County's Contract Administrator, with a copy to County's Project Manager, written weekly and/or monthly reports which shall include, at a minimum, the following information:

1. Period covered by the report;
2. Overview of the reporting period;
3. Tasks, subtasks, deliverables, goods, services and other work scheduled for the reporting period which were completed;
4. Tasks, subtasks, deliverables, goods, services and other work scheduled the reporting period which were not completed;
5. Tasks, subtasks, deliverables, goods, services and other work not scheduled for but completed in the reporting period.
6. Tasks, subtasks, deliverables, goods, services and other work scheduled to be completed in the next reporting period;
7. Issues resolved;
8. Issues to be resolved;
9. Summary of project status as of reporting date;
10. Updated milestone chart;
11. Any other information, which County may from time-to-time require.

4. CHANGE NOTICES AND AMENDMENTS

4.1 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 Paragraph 4.

4.2 County reserves the right to change any portion of the work required under this Agreement and to any other provisions of this Agreement. All such changes shall be accomplished only as provided in this Paragraph 4.

4.3 For any change requested by County which does not affect the scope of work, term, payments, or any term or condition included in this Agreement, a Change Notice shall be prepared and executed by County's Project Director and Contractor's Project Director. Such changes include revisions to the Statement of Work using Pool Dollars so long as the Contract Sum is not exceeded.

4.4 Except as otherwise provided in this Agreement, for any change requested by County which affects the scope of work, term, payments, or any term or condition included in this Agreement, a negotiated written Amendment to this Agreement shall be prepared and executed by each of County's Board of Supervisor's and Contractor's authorized representative.

4.5 Notwithstanding any other provision of this Paragraph 4, to the extent that extensions of time for Contractor performance do not impact either the scope of work or cost of this Agreement, County's Project Director, in his sole discretion, may grant Contractor extensions of time in writing for the work listed in the Implementation Plan, provided that such extensions shall not exceed a total of six (6) months beyond the term of this Agreement.

4.6 Notwithstanding any other provision of this Paragraph 4 or Paragraph 22 (Termination for Convenience), Director shall take all appropriate action to carry out any orders of County's Board of Supervisors relating to this Agreement, and, for this purpose, Director is authorized to: (i) issue written notice(s) of partial or total termination of this Agreement pursuant to Paragraph 22 (Termination for Convenience) without further action by County's Board of Supervisors or County's Purchasing Agent and/or (ii) prepare and sign Amendments to this Agreement which reduce the scope of work and the Contract Sum without further action by County's Board of Supervisors or County's Purchasing Agent.

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

4.8 FACSIMILE

Except for the parties' initial signatures to this 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 the Change Notices prepared pursuant to this Paragraph 4 and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices to this Agreement, such that the parties need not follow up facsimile transmissions of such documents by subsequent (non-facsimile) transmissions of "original" versions of such documents.

5. WORK

5.1 SCOPE OF WORK

Contractor shall on a timely basis provide, complete, deliver and implement all tasks, subtasks, deliverables, goods, services and other work set forth in this Agreement, including, but not limited to, all services related to System Upgrade and Optional Services. Contractor shall provide such tasks, subtasks, deliverables, goods, services and other work in accordance with Exhibit A (Statement of Work), with all Attachments thereto, and Exhibit B (Optional Services), as applicable, at the rates and prices specified in Exhibit C (Payment Schedule).

5.2 SYSTEM UPGRADE

Contractor shall provide System Upgrade services, including, but not limited, to Modifications to the Existing Software, Application Software implementation, configuration and testing, training and importing the System into the Production Environment, as provided in and in accordance with Exhibit A (Statement of Work) with all Attachments thereto.

5.3 OPTIONAL SERVICES

Upon County's written request made from time-to-time during the term of the Agreement, Contractor shall provide Optional Services, including, but not limited to, consulting services, professional services, programming, training, maintenance and support, as provided in and in accordance with Exhibit B (Optional Services).

5.4 STANDARD OF SERVICES

Contractor's services and other work required by this Agreement shall conform to high professional standards as they exist in Contractor's profession or field of practice. If Contractor's services or other work provided under this Agreement fail to conform to such high professional standards, upon notice from County specifying the failure of performance, Contractor shall, at Contractor's sole expense, re-perform such services or other work. Contractor shall, at its own expense, correct any data in which (and to the extent that) errors have been caused by Contractor or by any tools

introduced by Contractor into the System for the purpose of performing services or other work under this Agreement.

5.5 UNAPPROVED WORK

If Contractor provides any tasks, subtasks, deliverables, goods, services or other work to County other than those specified in this Agreement, or if Contractor provides such items requiring County's prior written approval without first having obtained such written approval, the same shall be deemed to be a gratuitous effort on the part of Contractor and Contractor shall have no claim whatsoever against County therefor.

5.6 RIGHT TO REJECT

County reserves the right to reject any tasks, subtasks, deliverables, goods, services, and/or other work not approved by County pursuant to Paragraph 2.5 (Approval of Work) or other applicable provisions of this Agreement.

6. PROJECT SCHEDULE

6.1 IMPLEMENTATION PLAN

Contractor shall implement the System in accordance with the Implementation Plan provided by Contractor under Subtask 1.1 (Develop Implementation Plan) of Exhibit A (Statement of Work). The Implementation Plan shall, at a minimum, include the following elements:

1. Deliverable Number;
2. Description;
3. Due Date;
4. Associated Milestone; and
5. Any other elements required by County under this Agreement.

6.2 MILESTONES

6.2.1 The System Upgrade work to be carried out hereunder shall be completed in five (5) Milestones, identified as follows:

1. Milestone 1: Implementation Plan as described in Subtask 1.1 (Develop Implementation Plan) of Exhibit A (Statement of Work).

2. Milestone 2: Completed System Upgrade in the Development Environment as described in Task 2 (Perform System Upgrade in Development Environment) of Exhibit A (Statement of Work).

3. Milestone 3: Completed System Upgrade in the Test Environment as described in Task 3 (Perform System Upgrade in Test Environment) of Exhibit A (Statement of Work).

4. Milestone 4: Completed System Upgrade in the Production Environment as described in Task 5 (Perform System Upgrade in Production Environment) of Exhibit A (Statement of Work).

5. Milestone 5: Final Acceptance of the System as described in Task 6 (Non-Deficient System Production Use) of Exhibit A (Statement of Work).

6.2.2 A Milestone shall be deemed completed for purposes of this Paragraph 6.2 on the earliest date that all of the tasks, subtasks, deliverables, goods, services and other work required for completion of such Milestone are completed and delivered to County, provided that all of such tasks, subtasks, deliverables, goods, services and other work required for completion of such Milestone are thereafter approved in writing by County pursuant to Paragraph 2.4 (Approval of Work). The determination of whether each Milestone has been so completed and so approved, and of the date upon which such Milestone was completed, shall be made by County's Project Director as soon as practicable in accordance with Paragraph 2.4 (Approval of Work) after County is informed by Contractor that such Milestone has been completed and is given all the necessary information, data and documentation to verify such completion.

7. TERM

The term of this Agreement shall commence upon the Effective Date and shall expire one (1) year thereafter, unless sooner terminated or extended, in whole or in part, as provided in this Agreement (hereinafter "Initial Term"). At the end of the Initial Term, this Agreement shall be extended, at County's sole option, for one (1) more year (hereinafter "Extended Term") automatically, without further act, unless County notifies Contractor of a determination not to exercise its option to extend this Agreement at least thirty (30) days prior to the beginning of the Extended Term.

As used throughout this Agreement, the word "term" shall include the Initial Term and the Extended Term, if any, to the extent that County exercises its extension option pursuant to this Paragraph 7.

Contractor shall notify County when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County's Contact Administrator at the address provided in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement).

8. CONTRACT SUM

8.1 MAXIMUM CONTRACT SUM

The Contract Sum under this Agreement shall be the total monetary amount payable

by County to Contractor for supplying all the tasks, subtasks, deliverables, goods, services and other work requested and specified under this Agreement. The Contract Sum, including all applicable taxes, authorized by County hereunder shall not exceed Seven Hundred Seventy Three Thousand Five Hundred Dollars ($773,500), unless the Contract Sum is modified pursuant to a duly approved Amendment to this Agreement by County's Board of Supervisors and Contractor's authorized representative pursuant to Paragraph 4 (Change Notices and Amendments). The Contract Sum shall include (i) $573,500 for System Upgrade and (ii) maximum allocation of $200,000 as Pool Dollars for Optional Services. Contract Sum shall not be adjusted for any costs or expenses of Contractor whatsoever. Notwithstanding any provision of this Paragraph 8.1, Contractor shall fully perform and complete all work required of Contractor by this Agreement in exchange for the amounts to be paid to Contractor as set forth in this Agreement.

Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Contract Sum authorized for this Agreement. Upon occurrence of this event, Contractor shall send written notification to County's Contract Administrator.

8.2 TERMINATION

If any Milestone is not completed within fifteen (15) days after the Due Date assigned to such Milestone in the Implementation Plan, and thereafter approved in writing by County pursuant to Paragraph 2.4 (Approval of Work), other than as a result of delays caused by acts or omissions of County or the causes beyond Contractor's control as determined by County's Project Director in his/her reasonable judgment, and unless County's Project Director and Contractor's Project Director have otherwise agreed, in writing, prior to such date scheduled for completion, then County may terminate this Agreement for default in accordance with Paragraph 21 (Termination for Default) or for convenience in accordance with Paragraph 22 (Termination for Convenience), as determined in the sole discretion of County.

8.3 OPTIONAL SERVICES

Subsequent to Final Acceptance, upon the written request of County's Project Director made at any time and from time to time during the term of this Agreement, Contractor shall provide to County Optional Services pursuant to the terms of Exhibit B (Optional Services) at the rates and fees, including the Fixed Hourly Rate, set forth in Section II (Optional Services) of Exhibit C (Schedule of Payments).

The Fixed Hourly Rate specified in Section II (Optional Services) of Exhibit C (Schedule of Payments) shall not increase during the term of this Agreement and shall not be subject to any cost of living increases.

8.4 NON-APPROPRIATION OF FUNDS

County's obligation may be limited if it is payable only and solely from funds

appropriated for the purpose of this Agreement. Notwithstanding any other provision of this Agreement, 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 County's Board of Supervisors 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 County shall, at its sole discretion, either (i) terminate this Agreement as of June 30 of the last fiscal year for which funds were appropriated or (ii) reduce the work provided hereunder in accordance with the funds appropriated. County will notify Contractor in writing of any such non-appropriation of funds at its election at the earliest possible date.

8.5 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

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

9. INVOICES AND PAYMENTS

9.1 INVOICES

Contractor shall invoice County upon completion of tasks, subtasks, deliverables, goods, services and other work upon Contractor's completion and County's written approval thereof in accordance with this Agreement, including Exhibits A (Statement of Work), B (Optional Services) and C (Schedule of Payments) with all Attachments thereto, and any Change Notices or Amendments, as applicable. Contractor shall not invoice County in advance, not shall Contractor be entitled to advance payment for any tasks, subtasks, deliverables, goods, services, other work, start-up costs, or any other direct or indirect cost incurred by Contractor pursuant to this Agreement.

9.1.1 Submission of Invoices

Contractor's invoices shall include the charges owed to Contractor by County under the terms of this Agreement as provided in Exhibit C (Schedule of Payments). All invoices and supporting documents under this Agreement shall be submitted to County's Project Manager and County's Contract Administrator at the addresses set forth in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement).

9.1.2 Invoice Details

Each invoice submitted by Contractor shall indicate, at a minimum:

1. The tasks, subtasks, deliverables, goods, services or other work as described in Exhibit A (Statement of Work) and Exhibit B (Optional Services), for which payment is claimed.

2. The date of written approval of the tasks, subtasks, deliverables, goods, services, or other work by County's Project Director.

3. Any holdback and/or applicable withhold amounts for payments claimed or reversals thereof.

9.1.3 Approval of Invoices

All invoices submitted by Contractor to County for payment shall have County's written approval as provided in this Paragraph 9.1, which approval shall not be unreasonably withheld. In no event shall County be liable or responsible to any payment prior to such written approval.

9.1.4 Invoice Discrepancies

County's Contract Administrator will review each invoice for any discrepancies and will, within thirty (30) days of receipt thereof, notify Contractor in writing of any discrepancies found upon such review and submit a list of disputed charges. Contractor shall review the disputed charges and send a written explanation detailing the basis for the charges within fifteen (15) days of receipt of County's notice of discrepancies and disputed charges. If County's Contract Administrator does not receive a written explanation for the charges within such fifteen (15) day period, Contractor shall be deemed to have waived its right to justify the original invoice amount, and County, in its sole discretion, shall determine the amount due, if any, to Contractor and pay such amount in satisfaction of the disputed invoice.

9.2 DELIVERY OF SYSTEM SOFTWARE

It is in the intent of the parties that all System Software and documentation provided by Contractor under this Agreement, including Modifications and any software, items and materials provided by Contractor as a result of performing Optional Services, shall be delivered (i) solely in electronic format (e.g., via electronic mail or internet download), or (ii) personally by Contractor staff on tangible media (e.g., CD-ROM or hard drive), who may load such System Software and documentation onto County's hard drive, but will retain possession of all such tangible media that was used to deliver the System Software and documentation to County.

Any System Software and documentation provided or delivered by Contractor to County in a tangible format shall be F.O.B. Destination. The Contract Sum shown in

Paragraph 8.1 (Maximum Contract Sum) includes amounts necessary for County to reimburse Contractor for all transportation and related insurance charges, if any, on System Software Components and documentation procured by County from Contractor pursuant to this Agreement. All transportation and related insurance charges, if any, shall be paid directly by Contractor to the applicable carrier. Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County from, any and all such transportation and related insurance charges.

9.3 SALES/USE TAX

The Contract Sum shown in Paragraph 8.1 (Maximum Contract Sum) shall be deemed to include all amounts necessary for County to reimburse Contractor for all applicable California and other state and local sales/use taxes on all products of System Upgrade and Optional Services procured by County from Contractor pursuant to or otherwise due as a result of this Agreement, including, but not limited to, Modifications and any software, items and materials provided by Contractor as a result of performing Optional Services. All California sales/use taxes shall be paid directly by Contractor to the State or other taxing authority. Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County from, any and all such California and other state and local sales/use taxes. Further, Contractor shall be solely liable and responsible for, and shall indemnify, defend and hold harmless County from all applicable California and other state and local sales/use tax on all other items provided by Contractor pursuant to this Agreement 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.

9.4 PAYMENTS

Provided that Contractor is not in material default under any provision of this Agreement, as determined by County's Project Director in his/her reasonable judgment, County will pay all invoice amounts to Contractor within thirty (30) days of receipt of invoices that have not been disputed in accordance with Paragraph 9.1.4 (Discrepancies) above. Disputes with respect to any and all payments shall not waive County's rights of ownership of Modifications and any other products of System Upgrade and Optional Services provided by Contractor under this Agreement.

9.5 COUNTY'S RIGHT TO WITHHOLD PAYMENT

Notwithstanding any other provision of this Agreement, and in addition to any rights of County given by law or provided in this Agreement, County may upon written notice to Contractor withhold any payment otherwise due to Contractor hereunder while Contractor is in default hereunder, or at any time that Contractor has not provided a County-approved Deliverable which under the approved Implementation Plan pursuant to Subtask 1.1 (Develop Implementation Plan) of Exhibit A (Statement

of Work) is identified as dependent on and is scheduled to be delivered prior to or concurrently with the Deliverable for which payment would otherwise be due and is withheld.

9.6 HOLDBACKS

County will hold back ten percent (10%) of the amount of each invoice submitted by Contractor under this Agreement and approved by County pursuant to Paragraph 9.1 (Invoices). With respect to (i) the work relating to System Upgrade completed and delivered by Contractor prior to Final Acceptance in accordance with the Implementation Plan, the cumulative amount of such holdbacks shall be due and payable to Contractor upon Final Acceptance, and (ii) the work relating to Optional Services completed and delivered by Contractor via Change Notices or Amendments following Final Acceptance, the cumulative amount of the applicable holdbacks shall be due and payable to Contractor upon County's Acceptance of such work, all subject to adjustment for any amounts arising under this Agreement owed to County by Contractor, including, but not limited to, any amounts arising from Paragraphs 9.1.4 (Invoice Discrepancies), 9.5 (County's Right to Withhold Payment) and any partial termination of any Task, Subtask or Deliverable set forth in the Statement of Work as provided herein.

10. WARRANTIES

10.1 WARRANTY PERIOD

Contractor shall support County in maintaining the System in Production Environment for forty-five (45) days following Final Acceptance (hereinafter "Warranty Period").

In the event of a Deficiency during the Warranty Period, Contractor shall provide corrective measures at no cost to County as follows:

(1) In the case of Application Software, Contractor shall correct any and all Deficiencies in the Application Software, including, but not limited to, supplying County with corrective or replacement codes and/or programs and making such additions, modifications or adjustments to the Application Software as may be necessary to keep it operating in conformance with the Specifications.

(2) In the case of System Hardware supplied by County for the purpose of System Upgrade, Contractor shall identify to County the particular System Hardware component(s) causing the Deficiency and shall assist County in repairing and/or de-installing and replacing such System Hardware component(s), or any part thereof, which fail to function according to the Specifications, as determined by County's Project Director.

(3) In the case of Third Party Software supplied by County for the purpose of System Upgrade, Contractor shall identify to County the particular Third Party Software component(s) causing the Deficiency and shall assist County in repairing and/or de-installing and replacing such Third Party Software component(s), or any part thereof, which fail to function according to the Specifications, as determined by County's Project Director.

Contractor shall correct any and all Deficiencies in any services provided hereunder in accordance with Paragraph 5.2 (Standard of Services).

10.2 THIRD PARTY SOFTWARE

Contractor represents and warrants that it has not modified and shall not modify, nor does Contractor have any need to modify, Third Party Software in order for the Application Software to fully perform in accordance with all requirements of this Agreement.

If Contractor proves to County that a Deficiency is caused by a Third Party Software, Contractor shall assist County in resolving such a Third Party Software Deficiency. In event that Contractor needs to resolve such Third Party Software Deficiency by providing trouble shooting or providing modifications to the Application Software, with County's consent, such resolution shall be provided by Contractor in the form of Optional Services, subject to the provisions of Exhibit B (Optional Services) and the payment terms set forth in Section II (Optional Services) of Exhibit C (Schedule of Payments).

10.3 GENERAL WARRANTIES

Contractor represents, warrants, covenants and agrees that throughout the term of this Agreement:

A. Contractor shall strictly comply with the descriptions and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, Specifications, configurations, standards, functions and requirements applicable to professional software design meeting industry standards) set forth in Exhibit A (Statement of Work), with all Attachments thereto, and Exhibit B (Optional Services).

B. All tasks, subtasks, Deliverables, goods, services, and other work shall be performed in a timely and professional manner by qualified personnel.

C. All tasks, subtasks, Deliverables, goods, services, and other work shall be completed in accordance with this Agreement, the Deliverable documentation and Specifications.

D. The System components shall interconnect and/or interface and shall be compatible with each other; and the System components, when taken together,

shall be capable of delivering all of the functionality as set forth in this Agreement (including, without limitation, the Recitals and the Specifications).

E. Contractor shall not cause any unplanned interruption of the operations of, or accessibility to the System or any System component through any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of the System or any System component to County or any user or which could alter, destroy, or inhibit the use of the System, any System component, or the data contained therein (collectively hereinafter for purposes of this Paragraph 10.5.E as "Disabling Device(s)"), which could block access to or prevent the use of the System or any System component by County or users. Contractor represents, warrants and agrees that it has not purposely placed, nor is it aware of, any Disabling Device on any System component provided to County under this Agreement, nor shall Contractor knowingly permit any subsequently delivered System component to contain any Disabling Device, other than lock-offs contained on the delivered media which only prevents use of software contained on such media other than System components.

In addition, Contractor shall prevent viruses from being incorporated or introduced into any of the Application Software or updates or enhancements thereto prior to delivery thereof to County, and shall utilize best efforts, including using the latest commercially available virus protection software, to prevent any viruses being incorporated or introduced in the process of Contractor's loading of System Software, or updates and enhancements thereto, or being introduced in the process of Contractor's performance of on-line support, provided that County has also installed the latest commercially available virus protection software.

10.4 BREACH OF WARRANTY OBLIGATIONS

In the event Contractor fails to timely perform its obligations as set forth in this Paragraph 10, then, in addition to County's other rights and remedies set forth herein, County may, after written notice to Contractor and in the event Contractor, after a reasonable time has still failed to perform such warranty obligations, perform any required correction, replacement or other work and debit Contractor therefor at County's direct actual cost of outside labor and materials and County's burdened rates for labor (including without limitation salary, employee benefits and reimbursement policies). Such debit shall be made against any amounts owed by County to Contractor under this Agreement.

10.5 WARRANTY PASS-THROUGH

Contractor shall assign to County to the fullest extent permitted by law or by this

Agreement, and shall otherwise ensure that the benefits of any applicable warranty or indemnity offered by any licensor or reseller of any Third Party Software provided hereunder, if any, shall fully extend to and be enjoyed by County.

11. SYSTEM OWNERSHIP

11.1 OWNERSHIP

11.1.1 Application Software

Contractor acknowledges and agrees that (i) all Application Software, including Existing Software, is and shall remain the property of County and (ii) all products of System Upgrade or Optional Services, including Modifications, provided or developed by Contractor for the purpose of this Agreement and paid for in accordance with Exhibit C (Schedule of Payments) shall become part of Application Software and shall be owned of County. County shall grant to Contractor a restricted non-exclusive license for the purpose of providing services to County in accordance with and during the term of the Agreement.

11.1.2 System Hardware

Contractor acknowledges that County owns all System Hardware, including hardware utilized by the Test Environment and by the Production Environment, previously owned or acquired by County.

11.1.3 Third Party Software

All Third Party Software provided by County as part of the System Software in accordance with, including operating software and database software, shall remain owned by its third party suppliers and be subject to the license terms under which it was supplied to County.

11.2 SOURCE CODE

11.2.1 Contractor shall provide to County the source code for all Application Software developed or modified for or provided to County under this Agreement and store it on the equipment designated by County. Contractor shall continually update the source code by providing the source code for all products of System Upgrade and Optional Services, including Modifications, and all updates, upgrades, enhancements, modifications, corrections, patches and improvements of the Application Software provided by Contractor under this Agreement, promptly after delivery to County of the corresponding object code. Contractor's duty to update the Source Code shall continue through the term of this Agreement.

11.2.2 Should use of the source code as provided in this Paragraph 11.2 involve the use or practice of any patent, copyright, trade secret, trademark or other proprietary information in which Contractor has an interest, Contractor, its assignees or

successors agree not to assert a claim for patent, copyright, trade secret, trademark or other proprietary information against County or any user.

12. ACCEPTANCE OF SYSTEM

12.1 FINAL ACCEPTANCE

The System shall achieve Final Acceptance by County if and when County's Project Director has approved, in writing, Deliverable 6 (Final Acceptance) of Exhibit A (Statement of Work).

12.2 ACCEPTANCE TESTS

County, with the assistance from Contactor where applicable, will conduct the tests (hereinafter "Acceptance Test(s)") specified in this Paragraph 12.2 and Task 4 (User Testing) of in Exhibit A (Statement of Work). Such Acceptance Tests, consisting of Reliability Test, Functional Test and Stress Test, shall test the System Upgrade performed by Contractor as follows:

A. Reliability Test: As set forth in Subtask 4.1 (Conduct Reliability Test) of Exhibit A (Statement of Work), to confirm the reliability of the System environment;

B. Functional Test: As set forth in Subtask 4.2 (Conduct Functional Test) of Exhibit A (Statement of Work), to confirm that the System functions in accordance with the Specifications; and

C. Stress Test: As set forth in Subtask 4.3 (Conduct Stress Test) of Exhibit A (Statement of Work), to analyze the effect of heavy data traffic on System performance.

12.3 FAILED TESTING

If County's Project Director makes a good faith determination at any time that the System Upgrade as a whole, or any component thereof, has not successfully completed an Acceptance Test (hereinafter the "Designated Test"), County's Project Director shall promptly notify Contractor in writing of such failure, specifying with as much detail as possible the manner in which the System or a component thereof failed to pass the applicable Designated Test. Contractor shall immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the System Upgrade or a component thereof as will permit the System Upgrade or the component thereof to be ready for retesting. Contractor shall notify County's Project Director in writing when such corrections, repairs and modifications have been completed, and the applicable Designated Test shall begin again. If, after the applicable Designated Test has been completed for a second time, County's Project Director makes a good faith determination that the System Upgrade or a component thereof again fails to pass the applicable Designated

Test, County's Project Director shall promptly notify Contractor in writing, specifying with as much detail as possible the manner in which the Application Software or the component thereof failed to pass the applicable Designated Test. Contractor shall immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the System Upgrade or a component thereof as will permit the System Upgrade or the component thereof to be ready for retesting.

Such procedure shall continue, subject to County's rights under Paragraphs 6.2 (Milestones) and 8.3 (Termination) in the event Contractor fails to timely complete any Milestone, until such time as County notifies Contractor in writing either: (i) of the successful completion of such Designated Test or (ii) that County has concluded, subject to the Dispute Resolution Procedure, that satisfactory progress toward such successful completion of such Designated Test is not being made, in which latter event, County shall have the right to make a determination, which shall be binding and conclusive on Contractor, that a non-curable default has occurred and to terminate this Agreement in accordance with Paragraph 21 (Termination for Default) on the basis of such non-curable default.

Such a termination by County may be subject to the Dispute Resolution Procedure, either, as determined by County in its sole judgment: (i) a termination with respect to one or more of the components of the System Upgrade; or (ii) if County believes the failure to pass the applicable Designated Test materially affects the functionality, performance or desirability to County of the System as a whole, termination of the entire Agreement. In the event of a termination under this Paragraph 12.3, County shall have the right to receive from Contractor, within ten (10) days of written notice of termination, reimbursement of all payments made to Contractor by County under this Agreement for the System Upgrade and related Deliverables as to which the termination applies, or, if the entire Agreement is terminated, all amounts paid by County to Contractor under this Agreement. If the termination applies only to one or more System Upgrade component(s), at County's sole option, any reimbursement due to it may be credited against other sums due and payable by County to Contractor. The foregoing is without prejudice to any other rights that may accrue to County or Contractor under the terms of this Agreement or by law.

13. SYSTEM USE

Following installation by Contractor and prior to Final Acceptance by County, County shall have the right to use, in a Production Use mode, any completed portion of the System Upgrade, without any additional cost to County where County determines that it is necessary for County operations. Such Production Use shall not restrict Contractor's performance under this Agreement and shall not be deemed Acceptance or Final Acceptance of the System Upgrade.

14. INDEMNIFICATION AND INSURANCE

14.1 Indemnification

Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, and agents (collectively hereinafter for Purposes of this Paragraph 14 "County") from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, in any way arising from or related to claims and lawsuits for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or related to Contractor, Contractor's agents', employees' or subcontractors' acts or omissions in the performance of services or provision of products hereunder, including, without limitation, any workers' compensation suits, liability, or expense, arising from or connected with services performed by any person on behalf of Contractor, Contractor's agents, employees or subcontractors pursuant to this Agreement.

14.2 Insurance

14.2.1 General Insurance Requirements

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

14.2.2 Insurance Coverage Requirements

14.2.2.1 Insurance Programs

14.2.2.1.1 General Liability Insurance (written on ISO policy from CG 00 01 or its equivalent) with limits of not less than the following:

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

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

14.2.2.1.3 Workers' Compensation and Employers' Liability Insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. In all cases, the above insurance shall also include Employers' Liability coverage with limits of not less than the following:

Each Accident	$1 million
Disease - Policy Limit	$1 million
Disease - Each Employee	$1 million

14.2.2.1.4 Professional Liability

Insurance covering liability arising from any error, omission, negligent or wrongful act of Contractor, its officers or employees with limits of not less than $1 million per occurrence and $3 million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon termination or cancellation of this Agreement.

14.2.2.2 Evidence of Insurance

Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to County's Contract Administrator at the address set forth in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) prior to commencing services under this Agreement. Such certificates or other evidence shall, at a minimum:

1. Specifically identify this Agreement;

2. Clearly evidence all coverages required in this Agreement;

3. Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;

4. Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insured for all activities arising from this Agreement; and

5. 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 or to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

14.2.2.3 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.

14.2.2.4 Notification of Incidents, Claims or Suits

Contractor shall report to County:

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

2. Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.

3. Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a "County Non-employee Injury Report" to County's Contract Administrator.

4. Any loss, disappearance, destruction, misuse or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

14.2.2.5 Insurance Coverage Requirements for Subcontractors

Contractor shall ensure that any and all subcontractors performing services under this Agreement shall meet the insurance requirements of this Agreement by either:

1. Contractor providing evidence of insurance covering the activities of subcontractors, or

2. Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

14.4 Failure to Procure and Maintain Insurance

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

In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

15. PROPRIETARY CONSIDERATIONS

15.1 COUNTY MATERIALS

Contractor and County agree that the System, including all System Hardware and System Software with the exception of Third Party Software, and all derivative works thereof, materials, plans, reports, Acceptance Criteria, test plans, design documents, the Implementation Plan, related documentation, all training materials, departmental procedures and processes, deliverables, data and any other information developed by County or by or behalf of Contractor pursuant to and for delivery to County under this Agreement (collectively hereinafter "County Materials"), and all copyrights, patent rights, trade secret rights and other proprietary rights therein shall be the sole property of County. Contractor hereby assigns and transfers to County all of Contractor's right, title, and interest in and to all County Materials developed under this Agreement, provided that notwithstanding such County ownership, Contractor may retain possession of all working papers prepared by Contractor. During and for a minimum of five (5) years subsequent to the term of this Agreement, Contractor shall retain any and all such working papers. County shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

15.2 TRANSFER TO COUNTY

Upon request of County, Contractor shall execute all documents required or requested by County and shall perform all other acts requested by County to assign and transfer to, and vest in, County all Contractor's right, title and interest in and to the County Materials, including, but not limited to, all copyright, patent and trade secret rights. County shall have the right to register all copyrights and patents in the name of County of Los Angeles. Further, County shall have the right to assign, license or otherwise transfer any and all County's right, title and interest, including, but not limited to, copyrights and patents, in and to the County Materials.

15.3 COPYRIGHT NOTICE

As requested in writing by County's Project Manager, Contractor shall affix the following notice to County Materials developed under this Agreement: "©Copyright 200_ (or such other date of first publication), County of Los Angeles. All rights reserved". Contractor shall affix such notice as directed by County.

15.4 CONTRACTOR'S OBLIGATIONS

Contractor shall protect the security of and keep confidential all County Materials obtained or developed under this Agreement. Further, Contractor shall use whatever security measures are necessary to protect all such County Materials from loss or damage by any cause, including fire and theft.

15.5 PROPRIETARY AND CONFIDENTIAL

Any and all County Materials which are developed or were 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 County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "PROPRIETARY" or "CONFIDENTIAL".

15.6 NO OBLIGATION BY COUNTY

Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

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

ii. Any Contractor's proprietary and/or confidential materials not plainly and prominently marked with restrictive legends.

16. INTELLECTUAL PROPERTY INDEMNIFICATION

16.1 Contractor represents and warrants: (i) that Contractor has the full power and authority to grant the license, ownership and all other rights granted by this Agreement to County; (ii) that no consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect; (iii) that County is entitled to use the System without interruption, subject only to County's obligation to make the required payments under this Agreement; (iv) that this Agreement and any part of the Application Software, including Modifications, acquired herein, are neither subject to any liens, encumbrances, or pledges nor subordinate to any right or claim of any third party, including Contractor's creditors; (v) that during the term of this Agreement, Contractor shall not subordinate this Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the System (or any part thereof) in accordance with this Agreement; and (vi) that neither the performance of this Agreement by Contractor, nor the ownership and use by County and its users of the Application Software in accordance with this Agreement will in any way violate any non-disclosure agreement, nor constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary

information, or other rights of any third party.

16.2 Contractor shall indemnify, hold harmless and defend County, its officers, employees and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees and attorney's fees, as such are incurred, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure or misappropriation, arising from or related to the Application Software, including Modifications, or the operation and utilization of Contractor's work under this Agreement (collectively hereinafter for purposes of this Paragraph 16 "Infringement Claim(s)"). Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 16 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

16.3 County shall notify Contractor, in writing, as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure. Upon such notice by County, Contractor shall, at no cost to County, as remedial measures, either: (i) procure the right, by license or otherwise, for County to continue to use the Application Software or affected component(s) thereof, or part(s) thereof, to the same extent of County's ownership rights under this Agreement; or (ii) to the extent Contractor is unable to procure such right, replace or modify the Application Software or component(s) thereof with another software or component(s) thereof of at least equivalent quality and performance capabilities, in County's determination, until it is determined by County that the Application Software and all components thereof become non-infringing, non-misappropriating and non-disclosing.

16.4 If Contractor fails to complete the remedial measures in Paragraph 16.3 above within forty-five (45) days of the date of the written notice from County, County shall have the right to take such remedial measures it deems reasonable to mitigate any impairment of its use of the Application Software or components thereof, or damages or other costs or expenses associated with the Infringement Claim(s) (collectively hereinafter for purposes of this Paragraph 16 "Remedial Acts"). Contractor shall indemnify County for all amounts paid and all direct and indirect costs associated with such Remedial Acts by County. Failure by Contractor to pay such amounts and costs within ten (10) days of invoice by County shall, in addition to, and cumulative to all other remedies, entitle County to immediately withhold payments due to Contractor under this Agreement up to the total of the amounts and costs paid in connection with such Remedial Acts by County.

17. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION

17.1 Contractor shall not assign its rights and/or delegate its duties under this Agreement

or both, whether in whole or in part, without the prior written consent of County, which consent shall not be unreasonably withheld, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 17, County's consent shall require a written Amendment to this Agreement, which is formally approved and executed in accordance with Paragraph 4 (Change Notices and Amendments). Any payments by County to any approved delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment, or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

17.2 Shareholders, partners, members or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with the applicable provisions of this Agreement.

17.3 Any assumptions, assignment, delegation or takeover of any of Contractor's duties, responsibilities, obligations or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout or other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this 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.

18. SUBCONTRACTING

18.1 County has relied, in entering into this Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written approval of County as provided in this Paragraph 18. Any attempt by Contractor to subcontract any performance under this Agreement without the prior written consent of County shall be null and void and shall be deemed a material breach of this Agreement, upon which County may immediately terminate this Agreement.

18.2 If Contractor desires to subcontract any portion of its performance under this Agreement, Contractor shall provide to County, in writing, a request for written approval to enter into the particular subcontract, which request shall include:

A. The reason(s) for the particular subcontract and a detailed description of the work to be performed by the proposed subcontractor;

B. A draft copy of the proposed subcontract agreement, which shall, at a minimum:

(1) include representations and warranties by subcontractor that subcontractor (i) is qualified to perform the work for which subcontractor has been hired; (ii) maintains the insurance required by Paragraph 14.2 (Insurance) hereunder, and (iii) is solely liable and responsible for any and all of its taxes, payments and compensation, including compensation to its employees;

(2) provide for indemnification by subcontractor of County and Contractor under the same terms and conditions as the indemnification provisions of this Agreement set forth in Paragraphs 14.1 (Indemnification) and 16 (Intellectual Property Indemnification);

(3) include (i) Exhibit E (Employee Acknowledgment, Confidentiality and Assignment Agreement), (ii) Exhibit F (Contractor's EEO Certification), (iii) Exhibit G (Confidentiality of CORI Information), (iv) Exhibit J (Safely Surrendered Baby Law), and (v) any other standard County required provisions;

C. Unless otherwise determined unnecessary by County, copies of Certificates of Insurance from the proposed subcontractor which establish that the subcontractor maintains all required programs of insurance; and

D. Other pertinent information and/or certifications requested by County.

18.3 County will review Contractor's request to subcontract and determine on a case-by-case basis whether or not to consent to such request, which consent shall not be unreasonably withheld.

18.4 Contractor shall indemnify, defend and hold harmless County, and its Special Districts, elected and appointed officers, employees and agents (hereinafter in this Paragraph 18 "County") from and against any and all claims, demands, liabilities, damages, costs and expenses, including, but not limited to, defense costs and legal, accounting or other expert consulting or professional fees in any way arising from or related to Contractor's use of any subcontractor, including, without limitation, any officers, employees or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees and agents, under this Agreement.

18.5 Notwithstanding County's consent to any subcontracting, Contractor shall remain fully responsible for any and all performance required of it under this Agreement, including those which Contractor has determined to subcontract, including, but not limited to, the obligation to properly supervise, coordinate and perform all work required under this Agreement. All subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. Furthermore, County's approval of any subcontract shall not be construed to limit in any way Contractor's

performance, obligations, or responsibilities, to County, nor shall such approval limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County's approval of any subcontract shall not be construed in any way to constitute the determination of the allowableness or appropriateness of any cost or payment under this Agreement.

18.6 County's consent to any subcontracting shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Agreement. Contractor shall notify its subcontractors of this County's right prior to subcontractors commencing performance under this Agreement. Contractor shall assure that any subcontractor personnel not approved in writing by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County. Further, in the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such subcontractor is deemed by County to be in material breach of its subcontract or this Agreement. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any claims, demands, damages, liabilities, losses, costs, or expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, in any way arising from or related to County's exercise of such right.

18.7 Notwithstanding County's consent to any subcontracting, Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors, and their officers, employees, agents, and successors in interest, for any services performed by subcontractors under this Agreement.

18.8 In the event that County consents to any subcontracting, for each subcontract entered into by Contractor, Contractor shall deliver to County's Project Manager, immediately after the effective date of the subcontract but in no event later than the date any work is performed under the subcontract:

1. A fully executed copy of each subcontract entered into by Contractor;

2. An executed Exhibit E (Employee Acknowledgement, Confidentiality and Assignment Agreement) and Exhibit G (Confidentiality of CORI Information) for each subcontractor employee approved to perform work under this Agreement; and

3. Certificates of Insurance, which establish that the subcontractor maintains all the programs of insurance required by Paragraph 14.2 (Insurance) hereunder.

18.9 In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 18 or a blanket consent to any further subcontracting.

19. DISCLOSURE OF INFORMATION

19.1 Contractor shall not disclose any details in connection with this Agreement, including but not limited to any of its terms or conditions or any circumstances which occur during the performance of this Agreement, to any party other than subcontractors approved by County in accordance with Paragraph 18 (Subcontracting) to perform work under this Agreement, except as may be otherwise provided herein or required by law.

19.2 However, in recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publicizing its role under this Agreement under the following conditions:

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

2. During the term of this Agreement, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Project Director, which consent shall not be unreasonably withheld.

3. Contractor may, without the prior written consent of County, indicate in its proposals and sales that it has been awarded this Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 19 shall apply.

19.3 Notwithstanding anything to the contrary, Contractor may disclose the terms of this Agreement, provided that (i) County and Contractor have entered into a marketing agreement for marketing of the Application Software by Contractor to licensees and (ii) the disclosed terms constitute no more than is required of Contractor to disclose to the Application Software licensee in order for Contractor to perform its obligations under such marketing agreement.

20. CONFIDENTIALITY

20.1 Contractor shall maintain the confidentiality of all its records, data and information, including, but not limited to, billing and County records and Application Software, in accordance with all applicable Federal, State and County laws, regulations, ordinances and directives relating to confidentiality.

20.2 Contractor shall inform all of its officers, employees, agents and subcontractors performing work hereunder of the confidentiality provisions of this Agreement. Contractor shall provide to County an executed Employee Acknowledgment, Confidentiality and Assignment Agreement (Exhibit E) and Confidentiality of CORI Information form (Exhibit G) for each of its employees performing work under this Agreement in accordance with Paragraph 27 (Independent Contractor Status).

Contractor shall indemnify, defend and hold harmless County, and its Special Districts, elected and appointed officers, employees, and agents (hereinafter in this Paragraph 20 "County"), from and against any and all loss, damage, liability, and expense, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from any disclosure of such records and information by Contractor, its officers, employees, or agents, except for any disclosure authorized by this Paragraph 20.

20.3 With respect to any identifiable information concerning any person that is obtained by Contractor or any other records and information, Contractor shall: (1) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (2) promptly transmit to County all requests for disclosure of any such records or information; (3) not disclose, except as otherwise specifically permitted by this 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 (4) at the expiration or termination of this 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.

20.4 Contractor acknowledges that a breach by Contractor of this Paragraph 20 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 this Paragraph 20 and at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Paragraph 20.

21. TERMINATION FOR DEFAULT

21.1 County may, by written notice to Contractor, terminate the whole or any part of this Agreement if, in the judgment of County's Project Director, or his/her designee:

1. Contractor fails to timely provide and/or satisfactorily perform any task, subtask, deliverable, goods, service or other work within the times specified in this Agreement, including the Implementation Plan; or

2. Contractor fails to demonstrate a high probability of timely fulfillment of the performance requirements under this Agreement; or

3. Contractor fails to make progress as to endanger performance of this Agreement in accordance with its terms; or

4. Contractor fails to perform or comply with any other provisions of this Agreement or materially breaches this Agreement;

and, unless a shorter cure period is expressly provided in this Agreement, does not cure such failure or fails to correct such material breach within thirty (30) days (or such longer period as County may authorize in writing) of receipt of written notice

from County specifying such failure or breach, except that Contractor shall not be entitled to any cure period, and County may terminate immediately, in the event that Contractor's failure to perform or comply is not reasonably capable of being cured.

21.2 In the event that County terminates this Agreement in whole or in part as provided in this Paragraph 21 or in Paragraph 23 (Termination for Insolvency), then:

1. Contractor shall promptly return to County any and all of County's confidential information and the County Materials that relate to that portion of the Agreement and work terminated by County; and

2. Contractor shall transfer and deliver to County all completed work and work in progress, in a media reasonably requested by County; and

3. County shall have the rights set forth in Paragraph 11 (System Ownership) to access, modify and create derivative works from the source code for the Application Software resulting from System Upgrade as set forth therein; and

4. County shall have the right to procure, upon such terms and in such a manner as County may deem appropriate, goods, services, and other work, similar 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 incurred by County, as determined by County, to procure and furnish such similar goods, services, and other work; and

5. Contractor and County shall continue the performance of this Agreement to the extent not terminated under the provisions of Paragraph 23 (Termination for Insolvency) and/or this Paragraph 21; and

6. Contractor understands and agrees that County has obligations that it cannot satisfy without use of the System or an equivalent system, and that a failure to satisfy such obligations could result in irreparable damage to County and the entities it serves. Therefore, Contractor agrees that in the event of such termination of this Agreement, Contractor shall fully cooperate with County in the transition of County to a new system, toward the end that without the interruption of County's day to day operations due to the unavailability of the System during such transition.

21.3 If, after County has given notice of termination under the provisions of this Paragraph 21, it is determined by County that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 22 (Termination for Convenience).

21.4 The rights and remedies of County provided in this Paragraph 21 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

22. TERMINATION FOR CONVENIENCE

22.1 This Agreement may be terminated, in whole or in part, permanently or from time to time, when such action is deemed by County to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective, which shall be no less than sixty (30) calendar days after the notice is sent. In the event County has purported to terminate this Agreement for default by notice pursuant to Paragraph 21 (Termination for Default) and it has later been determined that Contractor was not in default, no additional notice shall be required upon such determination.

22.2 After receipt of a notice of termination, and except as otherwise directed by County:

1. Contractor shall stop work under this Agreement on the date and to the extent specified in such notice;

2. Contractor shall return to County any and all of County's confidential information and the County Materials that relate to that portion of the Agreement and work terminated by County; and;

3. Contractor shall transfer and deliver to County all completed work and work in progress; and

4. County shall have the rights set forth in Paragraph 11 (System Ownership) to access, modify and create derivative works from the source code for the Application Software resulting from System Upgrade as set forth therein; and

5. Contractor shall complete performance of such part of the work as shall not have been terminated by such notice.

22.3 After receipt of a notice of termination, Contractor shall submit to County, in the form and with any certifications as may be prescribed by County, Contractor's termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than thirty (30) days from the effective date of termination.

23. TERMINATION FOR INSOLVENCY

23.1 County may terminate this Agreement immediately at any time upon the occurrence of any of the following:

1. INSOLVENCY OF CONTRACTOR. Contractor shall be deemed to be insolvent if it 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 its debts which are disputed in good faith and which are not related to this Agreement as determined by County;

2. The filing of a voluntary or involuntary petition to have Contractor declared bankrupt, where the involuntary petition is not dismissed within sixty (60) days;

3. The appointment of a receiver or trustee for Contractor; or

4. The execution by Contractor of an assignment for the benefit of creditors.

23.2 The rights and remedies of County provided in this Paragraph 23 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

23.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects this Agreement, County may elect to retain its rights under this Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 United States Code, Section 365(n)). Upon written request of 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 this Agreement including, without limitation, such Section 365(n) (including, without limitation, the right to continued use of all source and object code versions of the Application Software and related documentation), and shall not interfere with the rights and benefits of County as provided therein. The foregoing shall survive the termination or expiration of this Agreement for any reason whatsoever.

24. TERMINATION FOR IMPROPER CONSIDERATION

24.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this 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 this 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 this 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.

24.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County's Auditor-Controller Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

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

25. TERMINATION FOR GRATUITIES

County may, by written notice to Contractor, terminate the right of Contractor to proceed under this 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 an agreement or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such 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.

26. RECORDS AND AUDITS

26.1 Contractor shall maintain accurate and complete financial records of all its activities and operation relating to this Agreement in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to this Agreement. Contractor agrees that County, or its authorized representatives, the State of California and its authorized representatives, the Federal Government and its authorized representatives, including but not limited to, the U.S. Comptroller General, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, employment records including time cards, sign-in/sign-out sheets and other records and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County electronically or otherwise during the term of this Agreement 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. If before the expiration of that time period, any litigation, claim, financial management review or audit is started, the records shall be retained until all litigation, claims, financial management review or audit findings involving the records have been resolved and final action taken. All such material shall be maintained by Contractor at a location in Los Angeles County. If any such material is located outside Los Angeles County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

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

such audit report(s).

26.3 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 26 shall constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement.

26.4 FINANCIAL STATEMENTS AND PENDING LITIGATION

Beginning one (1) year after the Effective Date and every year thereafter, until the expiration or termination of this Agreement, Contractor shall submit to County a complete set of financial statements for the preceding fiscal year, which shall be no more than eighteen (18) months old at the time of submission to County. Such statements shall be prepared in accordance with generally accepted accounting principles, and at a minimum, include a Balance Sheet (Statement of Financial Position), and Income Statement (Statement of Operations). If audited statements are available, they shall be submitted to meet this requirement. In addition, Contractor shall submit a statement regarding any pending litigation since the Contractor last reported same to County. County reserves the right to request these financial statements on a more frequent basis and will so notify Contractor in writing.

27. INDEPENDENT CONTRACTOR STATUS

27.1 This 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 are not and shall not be, or 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.

27.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement, all compensation and benefits. 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.

27.3 Contractor shall be solely liable and responsible for providing all Workers' Compensation insurance and benefits, liability insurance, employer taxes, compensation, and benefits to, or on behalf of, all persons performing work pursuant to this Agreement. Contractor shall be solely liable for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of County pursuant to this Agreement.

27.4 Notwithstanding the provisions of this Paragraph 27, the employees and agents of Contractor shall, while on the premises of County, comply with all rules and regulations of the premises, including, but not limited to, security requirements.

27.5 Contractor shall provide to County an executed Employee Acknowledgment, Confidentiality and Assignment Agreement (Exhibit E) for each of its employees performing work under this Agreement. Such agreements shall be delivered to County's Contract Administrator at the address set forth in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) on or immediately after the Effective Date, but in no event later than the date any such employee first performs work under this Agreement.

28. WARRANTY AGAINST CONTINGENT FEES

28.1 Contractor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this 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.

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

29. MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the term of this Agreement, provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to County. County shall have the right, at County's expense, to utilize a County auditor or an independent auditor to verify Contractor's compliance with this Paragraph 29 by review of Contractor's books and records.

30. CONFLICT OF INTEREST

30.1 No County employee whose position with County enables such employee to influence the award of this Agreement or any competing agreements, 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 this 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.

30.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which do or could create a conflict of interest. If a party hereafter becomes aware of any facts, which 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, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

30.3 Contractor, its relatives, employees and the relatives of employees shall not bid at either Public Administrator's personal or real property auctions. Further, Contractor, its relatives, employees and the relatives of employees shall not rent property that is under the auspice of the Public Administrator.

31. COUNTY'S QUALITY ASSURANCE PLAN

County, or its agent, will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms, conditions and performance standards of this Agreement. Contractor deficiencies, which County determines are severe or continuing and that may place performance of this Agreement in jeopardy, if not corrected, will be reported to County's Board of Supervisors along with a notice to Contractor. The report will include improvements and/or corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures within thirty (30) days of County's notice of Contractor deficiencies, County may, at its sole option, terminate this Agreement, in whole or in part, pursuant to Paragraph 21 (Termination for Default) or Paragraph 22 (Termination for Convenience), or impose other penalties as specified in this Agreement.

32. FORCE MAJEURE

32.1 Except with respect to defaults of any subcontractor(s), Contractor shall not be liable for reasonable delays in the completion of work under this Agreement, if its failure to perform arises out of, and only, fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes or freight embargoes, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of Contractor.

32.2 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 reasonable delays in the completion of the work, unless the goods and/or to be furnished by the subcontractor was obtainable from other sources in sufficient time to permit Contractor to meet the required schedule. Contractor agrees to use all reasonable commercial efforts to obtain such goods or services from other sources. As used in this Paragraph 32, the term "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

32.3 Notwithstanding anything herein to the contrary, County shall not be liable for any additional costs incurred by Contractor, or any subcontractor hereto arising out of or resulting from *force majeure* event.

33. UNLAWFUL SOLICITATION

Contractor shall inform all of its employees who provide services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of such provisions by its employees. Contractor shall utilize the attorney referral service of all those bar associations within Los Angeles County that have such a service.

34. RESOLICITATION OF BIDS AND PROPOSALS

34.1 Contractor acknowledges that, prior to the expiration or earlier termination of this Agreement, County, in its sole discretion, may exercise its right to invite bids or request proposals for the continued provision of the goods and services delivered or contemplated under this Agreement. The Department shall make the determination to resolicit bids or request proposals in accordance with applicable County and the Department policies.

34.2 Contractor acknowledges that County, in its sole discretion, may enter into an agreement for the future provision of goods and services, based upon the bids 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 or request for proposals by virtue of its present status as Contractor.

35. COMPLIANCE WITH APPLICABLE LAWS

35.1 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 this Agreement are hereby incorporated herein by reference. Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, guidelines and directives following written notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and/or directives.

35.2 Contractor shall indemnify, defend and hold harmless County, and its Special Districts, elected and appointed officers, employees, and agents (hereinafter in this Paragraph 35 "County"), from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, arising from or related to any violation on the part of Contractor, its employees, agents or subcontractors of any such laws, rules, regulations, ordinances, guidelines or directives. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 35.2 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by in writing by County, which approval shall

not be unreasonably withheld. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

36. 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, and its Special Districts, officers, employees and agents (hereinafter in this Paragraph 36 "County"), from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising under, any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by Contractor's employees for which County may be found jointly or solely liable.

37. NONDISCRIMINATION AND COMPLIANCE WITH CIVIL RIGHTS LAWS

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

37.2 Contractor shall, pursuant to Los Angeles County Code Section 4.32, certify to and comply with the provisions of the Contractor's EEO Certification (Exhibit F).

37.3 Contractor shall ensure that applicants and employees are treated equally during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

37.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, except to the extent necessary to comply with applicable Federal and State anti-discrimination laws and regulations.

37.5 Contractor certifies that it, its affiliates, subsidiaries and holding companies are in compliance with all Federal, State, and local laws, including, but not limited to:

1. Title VII, Civil Rights Act of 1964;
2. Section 504, Rehabilitation Act of 1973;

3. Age Discrimination Act of 1975;
4. Title IX, Education Amendments of 1973, as applicable; and
5. Title 43, Part 17, Code of Federal Regulations, Subparts A & B,

and that no person shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap, be subject to discrimination as to any privileges or uses gained under this Agreement or under any project, program or activity supported by this Agreement.

37.6 Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 37 when so requested by County.

37.7 If County finds that any of the provisions of this Paragraph 37 have been violated, such violation shall, at the election of County, constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this 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 shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

37.8 The parties agree that in the event Contractor is found to have violated the anti-discrimination provisions of this Agreement, and that such discrimination was directly associated with the performance of services provided under this Agreement, County may require, pursuant to Los Angeles County Code Section 4.32.010 (E), that Contractor pay the sum of Five Hundred Dollars ($500) for each such violation, in lieu of terminating or suspending this Agreement, as liquidated damages are extremely difficult to ascertain or calculate precisely. In the alternative, County may elect to terminate this Agreement pursuant to Paragraph 21 (Termination for Default).

38. NONDISCRIMINATION IN SERVICES

38.1 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 Paragraph 38, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility, 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; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and 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.

38.2 Contractor shall ensure that recipients of services under this Agreement are provided services without regard to race, color, religion, national origin, ancestry, sex, age, or condition of physical or mental handicap.

39. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/ TERMINATION OF AGREEMENT

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any services provided by Contractor after the expiration of 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.

40. 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 County's 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 this Agreement, upon which County may immediately terminate or suspend this Agreement.

41. EMPLOYMENT ELIGIBILITY VERIFICATION

41.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding employment of aliens and others and that all its employees performing services under this Agreement meet the citizenship or alien status requirements contained in Federal and State statutes and regulations, including but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). In the event Contractor fails to comply with the provisions of this Paragraph 41, County may, in its sole discretion, terminate this Agreement for default.

41.2 Contractor shall obtain from all employees performing under this Agreement, prior to commencing any work hereunder, all verifications and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for the period prescribed by law.

41.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and legal, accounting

and other expert, 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 under this Agreement. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 41 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. Notwithstanding the foregoing, County shall have the right to participate in any such defense, at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

42. HIRING OF EMPLOYEES

42.1 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/ON RE-EMPLOYMENT LIST

Should Contractor require additional or replacement personnel after the Effective Date to perform the work set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff and qualified former County employees who are on a re-employment list during the term of this Agreement.

42.2 CONSIDERATION OF GAIN/GROW PROGRAM PARTICIPANTS FOR EMPLOYMENT

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

Contractor shall contact the nearest GAIN/GROW office to get referrals of potential personnel that meet Contractor's minimum qualifications for the open position. A listing of GAIN/GROW offices with contact information may be accessed at: http://www.ladpss.org/dpss/gainservices/default.cfm. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, the County employees shall be given first priority.

42.3 PROHIBITION AGAINST INDUCEMENT AND PERSUASION

42.3.1 Contractor and County agree that, during the term of this Agreement and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other

party.

42.3.2 Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform work described in this Agreement, in the event that: (i) County has the right to terminate this Agreement pursuant to Paragraph 23 (Termination for Insolvency); (ii) this Agreement is terminated by County due to Contractor's default pursuant to Paragraph 21 (Termination for Default); or (iii) Contractor either announces the withdrawal of support of, or otherwise no longer provides services County deems essential to, the ongoing support of the System.

42.3.3 The prohibition in this Paragraph 42.3 shall not apply to any hiring action initiated through a public announcement.

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

43.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County agreements 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.

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

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

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 43 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by County's Child Support Services Department shall be grounds upon which the Auditor-Controller or County's Board of Supervisors may terminate this Agreement pursuant to Paragraph 21 (Termination for Default) and pursue debarment of Contractor pursuant to Paragraph 47 (Contractor Responsibility and Debarment).

45. CONFIDENTIALITY OF CORI INFORMATION

Contractor shall provide to County an executed Confidentiality of CORI Information agreement (Exhibit G) for each of its employees and employees of any County approved subcontractors performing work under this Agreement. Such agreements shall be delivered to County's Contract Administrator at the address set forth in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) on or immediately after the Effective Date, but in no event later than the date any such employee first performs work under this Agreement.

46. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

47. CONTRACTOR RESPONSIBILITY AND DEBARMENT

47.1 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 contract. It is County's policy to conduct business only with responsible contractors.

47.2 Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles Code, if County acquires information concerning the performance of Contractor on this Agreement or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on, County agreements for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing agreements Contractor may have with County.

47.3 County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (i) violated any term of an agreement with County; (ii) committed any act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform an agreement with County or any other public entity, or engaged in a pattern or practice which negatively reflects on same; (iii) committed an act or offense which indicates a lack of business integrity or business honesty; or (iv) made or submitted a false claim against County or any other public entity.

47.4 If there is evidence that Contractor may be subject to debarment, County's Project Director, or his/her designee, will notify Contractor in writing of the evidence which

is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

47.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or 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 Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, Contractor may be deemed to have waived all rights of appeal.

47.6 A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to County's 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.

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

47.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the requesting Contractor has been debarred for a period longer than five (5) years, (2) the debarment has been in effect for at least five (5) years and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

47.9 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 County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

47.10 The terms and procedures of this Paragraph 47 shall also apply to subcontractors, consultants and partners of Contractor performing work under this Agreement.

48. COUNTY AUDIT SETTLEMENTS

If, at any time during or after the term of this Agreement, representatives of County conduct an audit of Contractor regarding the work performed under this Agreement, and if such audit finds that County's dollar liability for such work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall, at County's sole discretion, either be: (i) repaid by Contractor to County by cash payment upon demand; or (ii) deducted from any amounts due to Contractor from County, whether under this Agreement or otherwise. If such audit finds that County's dollar liability for such work is more than payments made by County to Contractor, then the difference shall be repaid by County to Contractor, but in no event shall County's payments to Contractor exceed the Contract Sum identified in Paragraph 8 (Contract Sum).

49. FEDERAL ACCESS TO RECORDS

If, and to the extent that, Section 1861(v)(1)(i) of the Social Security Act (42 United States Code Section 1395x(v)(1)(i) is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States or to any of their authorized representatives, the agreements, books, documents and records of Contractor which are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve month period with a related organization (as that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

50. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS AND CERTIFICATES

Contractor shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates required by all Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives, which are applicable to Contractor's services under this Agreement. Contractor shall further ensure that all of its officers, employees, agents and subcontractors who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation and certificate required by all applicable Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives shall be provided, in duplicate, to County's Contract Administrator at the address set forth in Section I

(County's Key Personnel) of Exhibit D (Administration of Agreement).

51. NEW TECHNOLOGY

Contractor and County acknowledge the probability that the technology of the software comprising the System will change and improve during the term of this Agreement. County desires the flexibility to incorporate into the System any new technologies as they may become available. Accordingly, Contractor's Project Manager shall, promptly upon discovery and on a continuing basis, apprise County's Contract Administrator and County's Project Manager of all new technologies, methodologies and techniques which Contractor considers to be applicable to the System. Specifically, upon County's request, Contractor shall provide, in writing, a description of such new technologies, methodologies and techniques, indicating the advantages and disadvantages of incorporating same into the System, and provide an estimate of the impact such incorporation will have on the performance, scheduling and price of the System. County, at its sole discretion, may request that this Agreement be amended to incorporate the new technologies, methodologies and techniques into the System pursuant to the provisions of Paragraph 4 (Change Notices and Amendments).

52. NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of this 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 this Agreement, except that this provision shall not be construed to diminish Contractor's indemnification obligations hereunder.

53. GOVERNING LAW, JURISDICTION AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to agreements made and to be performed within the State. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. As with respect to claims that are subject to exclusive Federal subject matter jurisdiction, Contractor agrees and consents to the exclusive jurisdiction of the Federal District Court of the Central District of California.

54. DISPUTE RESOLUTION PROCEDURE

54.1 Contractor and County agree to act immediately to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Paragraph 54 (such provisions shall be collectively referred to as the "Dispute Resolution Procedure"). Time is of the essence in the resolution of disputes.

54.2 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 which County determines should be delayed as a result of such dispute.

If Contractor fails to continue without delay its performance hereunder which County, in its sole 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 County, or County may deduct all such additional costs from any amounts due to Contractor from County.

If County fails to continue without delay to perform its responsibilities under this Agreement which County 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.

54.3 In the event of any dispute between the parties with respect to this Agreement, Contractor and County shall submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.

54.4 In the event that the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten (10) days from the date of submission of the dispute, then the matter shall be immediately submitted to the parties' respective Project Directors (with a copy to County's Contract Administrator) for further consideration and discussion to attempt to resolve the dispute.

54.5 In the event that the Project Directors are unable to achieve a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Agreement and/or its rights and remedies as provided by law.

54.6 All disputes utilizing this 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 this Paragraph 54, 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.

54.7 Notwithstanding any other provision of this Agreement, County's right to terminate this Agreement pursuant to Paragraph 23 (Termination for Insolvency), Paragraph 21 (Termination for Default), Paragraph 24 (Termination for Improper Consideration), Paragraph 22 (Termination for Convenience), or any other termination provision

hereunder, and County's right to seek injunctive relief to enforce the provisions of Paragraphs 15 (Proprietary Considerations) and 20 (Confidentiality), shall not be subject to this 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.

55. WAIVER

No breach by Contractor of any provision of this Agreement can be waived unless done in writing. No waiver by County of any breach of any provision of this 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 this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Agreement shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

56. CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER

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 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 or subcontractors' employees and 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.

57. DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

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

57.2 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 by law or under this Agreement, County may deduct such costs from any amounts due Contractor from County under this Agreement.

58. AUTHORIZATION WARRANTY

Contractor represents and warrants that the person executing this Agreement or any Amendment thereto pursuant to Paragraph 4 (Change Notices and Amendments) for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition and obligation of this Agreement, and that all requirements of Contractor have been fulfilled to provide such actual authority.

59. FORMS AND PROCEDURES

All forms and procedures used by Contractor in implementation of the provisions of this Agreement shall be subject to review and approval by County prior to use by Contractor. Such forms and procedures shall not conflict in any way with this Agreement and shall incorporate the terms and conditions of this Agreement. In the event of any conflict between such forms and procedures and this Agreement, the provisions of this Agreement shall prevail.

60. MINIMUM AGE, LANGUAGE SKILLS AND LEGAL STATUS OF CONTRACTOR PERSONNEL

Contractor cannot assign employees under the age of eighteen (18) to perform work under this Agreement. All of Contractor's employees working at County facilities must be able to communicate in English. Contractor's employees must be United States citizens or legally present and permitted to work in the United States.

61. VALIDITY AND SEVERABILITY

61.1 VALIDITY

The invalidity, unenforceability or illegality of any provision of this Agreement shall not render the other provisions hereof invalid, unenforceable or illegal, unless the essential purposes of this Agreement shall be materially impaired thereby.

61.2 SEVERABILITY

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement, if practicable, and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid in its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. If any provision of this 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.

62. NOTICES

62.1 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 identified in Exhibit D (Administration of Agreement): (i) by hand with signed receipt; (ii) by first-class registered or certified mail, postage prepaid; or (iii) by facsimile or electronic mail transmission followed within twenty-four (24) hours by an original version of the document mailed by first-class registered or certified mail, postage prepaid. Notices shall be 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, or on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing. Addresses may be changed by either party by giving ten (10) days prior written notice thereof to the other party.

62.2 Director shall have the authority to issue all notices or demands which are required or permitted to be issued by County under this Agreement.

62.3 All such notices shall be provided to the applicable parties designated in Exhibit K (Administration of Agreement).

62.4 Each party may change the names of the people designated to receive notices pursuant to this Paragraph 62 by giving written notice of the change to the other party, subject to County's right of approval in accordance with Paragraph 3.3 (Approval of Contractor's Staff).

63. CONTRACT MONITORING AND ENFORCEMENT

63.1 The Department shall be responsible for the enforcement of this Agreement on behalf of County and shall be assisted therein by those officers and employees of County having duties in connection with the administration thereof. The Department hereby reserves the right to:

1. Assign such personnel as are needed to serve as Contract Monitor(s) in order to inspect and review Contractor's performance of, and compliance with, all contractual services, duties, obligations, responsibilities, administrative procedures and staffing as set forth in this Agreement; and,

2. Require Contractor to provide such written documentation and/or regular reports, as the Department deems necessary, to verify and review Contractor's performance under this Agreement.

63.2 Contractor hereby agrees to cooperate with the Department, County, and any appropriate State or Federal representative, in the review and monitoring of Contractor's services, records and procedures at any reasonable time.

63.3 At the request of the Department, Contractor's representatives shall attend meetings and/or training sessions, as determined by the Department, for the purpose(s) of

orientation, information sharing, Agreement revision, and/or description of County policies and procedural standards.

63.4 In the event County commences legal proceedings for the enforcement of this Agreement, Contractor does hereby agree to pay any sum which may be awarded to County by the Court for attorneys' fees and costs incurred in the action brought thereon.

64. ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of arm's length negotiations between Contractor and County. Consequently, each party has had the opportunity to receive advice from independent counsel of its own choosing. This Agreement is to be interpreted fairly as between the parties and not strictly construed as against either party.

65. NON-EXCLUSIVITY

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

66. ACCESS TO COUNTY FACILITIES

Contractor, its employees and agents, will be granted access to County facilities, subject to Contractor's prior notification to County's Project Director, for the purpose of executing Contractor's obligations hereunder. Access to County facilities shall be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, County observed holidays excepted. Access to County facilities outside of normal business hours must be approved in writing in advance by County's Project Director, which approval shall not be unreasonably withheld. 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 County's Project Director.

67. 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's Project Director, at County facilities, on a non-exclusive use basis. County will also provide Contractor with reasonable telephone service in such office space for use only for purposes of this 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.

68. PHYSICAL ALTERATIONS

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

69. CONTRACTOR'S OFFICES

Contractor's business offices are located at the address listed in Section II (Contractor's Key Personnel) of Exhibit D (Administration of Agreement). Contractor shall notify in writing County's Contract Administrator at the address listed in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) of any change in its business address at least ten (10) business days prior to the effective date thereof.

70. DELIVERY AND RISK OF LOSS

Contractor shall bear the full risk of loss due to total or partial destruction of the Application Software loaded on CDs or other computer media until such items are delivered to and accepted in writing by County.

71. STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Contractor shall use reasonable efforts to ensure that no employee of Contractor shall perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic or other substance, which might impair his/her physical or mental performance.

72. TIME IS OF THE ESSENCE

Time is of the essence of this Agreement.

73. CAPTIONS AND PARAGRAPH HEADINGS

Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

74. NOTICE OF DELAYS

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall immediately, but no later than within one (1) business day, give to the other party notice thereof, with all relevant information with respect to such actual or potential delay, by telephoning the appropriate personnel of that party, followed by a written notification within one (1) business day.

75. COUNTY POLICY REGARDING RECYCLED PAPER

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

76. COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

76.1 JURY SERVICE PROGRAM

This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service Program (hereinafter "Jury Service Program" or "Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code (hereinafter "County Code").

76.2 WRITTEN EMPLOYEE JURY SERVICE POLICY

76.2.1 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 County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees (as defined in Paragraph 76.2.2 below) 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 Employee's regular pay the fees received for jury service.

76.2.2 For purposes of this Paragraph 76, "Contractor" means a person, partnership, corporation or other entity which has an agreement with County or a subcontract with 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 agreements or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (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 this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph 76. The provisions of this Paragraph 76 shall be inserted into any such subcontract and a copy of the Jury Service Program shall be attached to the agreement.

76.2.3 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 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 this Agreement 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" and/or that Contractor continues to qualify for an exception to the Program.

76.2.4 Contractor's violation of this Paragraph 76 of this Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate this Agreement with Contractor and/or bar Contractor from the award of future County agreements for a period of time consistent with the seriousness of the breach.

77. SURVIVAL

The provisions in the following Paragraphs shall survive the expiration or termination of this Agreement for any reason:

5.5 Unapproved Work

9.5 County's Right to Withhold Payments

10. Warranties

11. System Ownership

14. Indemnification and Insurance

15. Proprietary Considerations

16. Intellectual Property Indemnification

19. Disclosure of Information

20. Confidentiality

21. Termination for Default

22. Termination for Convenience

23. Termination for Insolvency

24. Termination for Improper Consideration

25. Termination for Gratuities

26. Records and Audits

35. Compliance with Applicable Laws

36. Fair Labor Standards

41. Employment Eligibility Verification

42. Hiring of Employees

48. County Audit Settlements

49. Federal Access to Records

52. No Third Party Beneficiaries

53. Governing Law, Jurisdiction and Venue

61. Validity and Severability

/
/
/

IN WITNESS WHEREOF, County and Contractor by their duly authorized signatures have caused this Agreement to be effective on the day, month and year first above written.

COUNTY OF LOS ANGELES:
INFORMATION SYSTEMS ADVISORY BODY

By _____
JOHN RUEGG
DIRECTOR

CONTRACTOR: CAPITA TECHNOLOGIES, INC.

By _____
Signature

_____
Print Name

Title _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By _____
VICTORIA MANSOURIAN
Deputy County Counsel

EXHIBIT A
STATEMENT OF WORK

I. DESCRIPTION

This Exhibit A (Statement of Work) consists of instructions, tasks, subtasks, deliverables, goods, services and other work and, unless specified otherwise, includes Attachments A.1 through A.3 thereto. Capitalized terms used in this Exhibit A without definition have the meanings given to such terms in the body of the Agreement.

Contractor shall perform, complete and deliver all tasks, subtasks, deliverables, goods, services and other work, however denoted, as set forth in this Exhibit A. Also defined herein are those Tasks and Subtasks that involve participation of both Contractor and County. Unless otherwise specified as an obligation of County, Contractor shall perform all Tasks and Subtasks and provide all Deliverables as defined herein.

The general scope of work to be performed under this Agreement, includes, but is not limited to, providing services to upgrade the Consolidated Criminal History Reporting System (CCHRS) to the latest versions of Oracle database, Oracle Application Server, SSA Name(s) port to Identity Systems latest GUI version and Unix operating system for utilization by County's Information System Advisory Body (ISAB). CCHRS will operate in the System environment provided by County and approved and/or recommended by Contractor. Contractor shall perform all Tasks and Subtasks associated with the services set forth in this Agreement and shall provide all associated Deliverables within the timeframes specified in the Implementation Plan. Starting from Final Acceptance, Contractor may also provide Optional Services, including but not limited consulting services, professional services, programming, training, maintenance and support, upon County's request as provided in Exhibit B (Optional Services).

The services set forth in this Exhibit A will be successfully completed upon delivery of a sufficiently user tested, fully functional System that meets the requirements and legal mandates of County as detailed in this Agreement, while addressing all functions and requirements described or referenced within this Exhibit A, including Attachment A.2 (Performance Requirements).

A. SCOPE

County has identified that for completing the CCHRS upgrade, Contractor shall:

1. Move the CCHRS database and backend applications

   - from the current HP-UX v11.0 to IBM AIX (v5.3 is latest non-beta);
   - from the current Oracle Database v8.1.6 to Oracle Database v10.2 or 11;
   - from the current HP server hardware to the IBM server hardware;
   - from the current SAN in Downey to the new SAN; and
   - from the current DB version to a version that will support an OAS version that uses chained SSL certificates.

2. Upgrade the Oracle Application Servers to a version compatible with the upgraded DB version. CCHRSWeb's current production OAS (v9.0.4.2) will not run with DB v10g or 11g, which require at least OAS 10.x.

3. Migrate Identity Systems' SSA-Name3 package from v1.6.1.04 (circa 1995) to the same version on the AIX server.

B. OPTIONAL UPGRADE

Upon completion of an evaluation by Identity Systems, County may elect for Contractor to perform one of the following options either in place of or following the migration of the Identify Systems' SSA-Name3 package described in Paragraph A.3 above:

i. Upgrade Identity Systems' SSA-Name3 package from v1.6.1.04 (circa 1995) to the latest version on the AIX server, or

ii. Upgrade Identity Systems' SSA-Name3 package from v1.6.1.04 (circa 1995) to the latest version of Identity Systems' Information Search Server (ISS) on the AIX server.

II. OBJECTIVES

The objectives of the work to be provided by Contractor under this Agreement, including this Statement of Work are as follows:

1. To start using the AIX server, which ISAB has already purchased.

2. To move the CCHRS application to a platform that is supported by the vendors.

3. To consolidate the CCHRS Database servers to a more cost effective and fault tolerant platform.

4. To provide a database platform that supports the more advanced versions of Oracle Application Server which in turn support certificate chaining. Production CCHRSWeb is running on a version of OAS (V9.0.4.2) that supports the old v8.1.6 database, but does not support chained certificates, the only type of certificate VeriSign will issue after September 30, 2008.

5. To provide a database platform that supports more advanced versions of Oracle Application Server which will provide advanced features such as Database Connection Pooling. These advanced features will enable the same hardware to support more user sessions, while losing fewer connections.

III. TASKS AND DELIVERABLES

TASK 1 – PROJECT ADMINISTRATION

SUBTASK 1.1 – DEVELOP IMPLEMENTATION PLAN

Contractor shall review the CCHRS project requirements, including the functional specifications and Performance Requirements, with County's Project Director and County's Project Manager. Based upon that review Contractor shall prepare an Implementation Plan and submit it for written approval to County's Project Director. Any subsequent significant modifications to the Implementation Plan shall require the prior written approval of County's Project Director or his/her designee.

DELIVERABLE 1.1 – IMPLEMENTATION PLAN

Contractor shall prepare an Implementation Plan in accordance with Subtask 1.1 (Develop Implementation Plan). The Implementation Plan shall provide the basis for the System Upgrade services provided by Contractor under this Agreement, System Software implementation and configuration, testing, data conversion and migration and any necessary training. Subsequent to County's Project Director's approval, the Project Implementation Plan may be modified only if such modification has been approved, in advance in writing by County's Project Director or County's Project Manager, as applicable.

SUBTASK 1.2 – PREPARE STATUS REPORTS AND CONDUCT CONFERENCES

Contractor's Project Manager shall provide full project management and control of project activities during performance of all tasks set forth in this Exhibit A. This task shall include, but not be limited to:

(A) Planning and direction;

(B) Contractor staffing and personnel matters, including management of Contractor technical staff;

(B) Evaluation of results and status reporting;

(C) Incorporation of County's business and technical requirements;

(D) Incorporation of required software modifications;

(E) Management and tracking of all issues and their resolution.

Contractor's Project Manager and County's Project Manager shall report project status (Status Reports) on a regular basis and shall participate in regular status meetings and/or teleconferences (Conferences). The project and reporting system shall include, but not be limited to, the following components:

(A) Updated Implementation Plan;

(B) Status Reports and Conferences.

The Status Reports prepared by Contractor's Project Manager pursuant to this Subtask 1.2 shall be used as the mechanism for Contractor to report any project risks or problems identified as part of the implementation process.

DELIVERABLE 1.2 – STATUS REPORTS AND CONFERENCES

Contractor's Project Manager shall prepare and present to County's Project Manager a written Status Report documenting project progress, plans and outstanding issues prepared in accordance with Subtask 1.2 (Prepare Status Reports and Conduct Conferences). Contractor's Project Manager shall meet with or conduct a status update phone call with County's Project Manager at least monthly to review these Project Status Reports and any related matters. All variances shall be presented for approval at the Status Meeting. The first report shall be presented to the County's Project Manager one (1) calendar month following the Effective Date, in a format approved by County.

TASK 2 – PERFORM SYSTEM UPDGRADE IN DEVELOPMENT ENVIRONMENT

Contractor shall set up an environment for loading the Existing Software and developing the Modifications to complete the Application Software ("Development Environment") on the AIX server and perform the tasks set forth in Attachment A.1 (System Upgrade Tasks).

DELIVERABLE 2 – CERTIFICATE OF READINESS FOR DEVELOPMENT ENVIRONMENT

Contractor shall complete the System Upgrade in the Development Environment in accordance with Task 2 (Perform System Upgrade in Development Environment). Contractor shall develop an application deployment plan that provides complete documentation for all software components, including technical configuration, required for the System Software to be installed in the Test Environment. Contractor shall issue a Certificate of Readiness verifying successful completion of System Upgrade in the Development Environment and certifying that the System operates in accordance with the Specifications.

TASK 3 – PERFORM SYSTEM UPDGRADE IN TEST ENVIRONMENT

Following successful completion and County's approval of Deliverable 2 (Certificate of Readiness for Development Environment), Contractor shall install System Software using the same configuration in an environment provided by County for conducting Acceptance Tests ("Test Environment") by performing the tasks set forth in Attachment A.1 (System Upgrade Tasks). Contractor shall conduct the first round of System testing, including Acceptance Tests, to ensure that the configured Test Environment meets the Specifications and shall issue a Certificate of Readiness verifying successful completion of System Upgrade in the Test Environment and certifying that County is ready to conduct its own System testing, including Acceptance Tests.

DELIVERABLE 3 – CERTIFICATE OF READINESS FOR TEST ENVIRONMENT

Contractor shall complete the System Upgrade in the Test Environment in accordance with Task 3 (Perform System Upgrade in Test Environment). Contractor shall develop an application deployment plan that provides complete documentation for all software components, including technical configuration, required for the System Software to be installed in the Production Environment. Contractor shall issue a Certificate of Readiness verifying successful completion of System Upgrade in the Test Environment and certifying that the System operates in accordance with the Specifications.

TASK 4 – USER TESTING

County, with assistance and cooperation from Contractor, will perform the user tests ("Acceptance Test(s)") specified in this Task 4 below. County will report any identified Deficiencies to Contractor. Contractor shall correct any Deficiencies identified by County during each Acceptance Test and install corrections in the Test Environment for re-testing by County. County will stop each Acceptance Test when the System has passed the applicable testing criteria for such Acceptance Test and all Deficiencies discovered by County during testing have been corrected by Contractor.

SUBTASK 4.1 – CONDUCT RELIABILITY TEST

Following successful completion and County's approval of Deliverable 3 (Certificate of Readiness for Test Environment), County will conduct the Reliability Test by operating the System in a normal operating environment for a period of thirty (30) consecutive days with a performance reliability level of at least 99.9%. Reliability shall be determined by deducting downtime from the total number of hours that County operates the System. Downtime, for the purpose of this Subtask 4.1, is defined as that period of time when it is not possible to perform scheduled activities due to Application Software malfunction or the System is being released to Contractor for remedial maintenance. Downtime shall be calculated to the nearest one-tenth (1/10) of an hour and calculated as a percentage of a 24 hour day.

SUBTASK 4.2 – CONDUCT FUNCTIONAL TEST

County, with assistance and cooperation from Contractor, will perform the Functional Test to verify that the System functions in accordance with the Specifications and properly interfaces with the other County and State systems.

SUBTASK 4.3 – CONDUCT STRESS TEST

County, with assistance and cooperation from Contractor, will perform the Stress Test to monitor and analyze the effect of heavy data traffic and large data files on performance of the System.

TASK 5 – PERFORM SYSTEM UPGRADE IN PRODUCTION ENVIRONMENT

Following successful outcome of the Acceptance Tests conducted by County in accordance with Task 4 (User Testing) in the Test Environment, Contractor shall install System Software using the same configuration in an environment provided by County for production ("Production Environment") by performing the tasks set forth in Attachment A.1 (System Upgrade Tasks). Contractor shall review the Production Environment to ensure that, as configured, it meets the Specifications and shall issue a Certificate of Readiness verifying successful completion of System Upgrade in the Production Environment and certifying that County is ready for Production Use.

DELIVERABLE 5 – CERTIFICATE OF READINESS FOR PRODUCTION ENVIRONMENT

Contractor shall complete the System Upgrade in the Production Environment in accordance with Task 5 (Perform System Upgrade in Production Environment). Contractor shall develop an application deployment plan that provides complete documentation for all software components, including technical configuration, required for Production Use of the System. Contractor shall issue a Certificate of Readiness verifying successful completion of

System Upgrade in the Production Environment and certifying that the System operates in accordance with the Specifications.

TASK 6 – NON-DEFICIENT SYSTEM PRODUCTION USE

Following successful completion and County's approval of Deliverable 5 (Certificate of Readiness for Production Environment), Contractor shall support the System in Production Use with no Deficiencies, as determined in the sole judgment of County's Project Manager, for thirty (30) days from first Production Use. Upon occurrence of a Deficiency, Contractor shall correct such Deficiency until all Deficiencies identified during such 30-day period have been corrected. The System shall achieve Final Acceptance when all Deficiencies identified during such 30-day period have been corrected.

DELIVERABLE 6.1 – FINAL ACCEPTANCE

Contractor shall certify in writing that (i) the System was maintained in Production Use for thirty (30) days from first Production Use, (ii) all Deficiencies identified during such 30-day period have been corrected, and (iii) the System has achieved Final Acceptance as a result in accordance with Subtask 6.1 (Non-Deficient System Production Use).

ATTACHMENT A.1
SYSTEM UPGRADE TASKS

Contractor shall perform the tasks set forth below for upgrading CCHRS pursuant to Task 2 (Perform System Upgrade in Development Environment), Task 3 (Perform System Upgrade in Test Environment) and Task 5 (Perform System Upgrade in Production Environment) under Exhibit A (Statement of Work). Unless specified otherwise, all tasks shall be performed by Contractor.

NO.	DESCRIPTION	RESPONSIBILITY
1.	Upgrade the CCHRS database to the latest version of Oracle DB (v11 released 7/07, v10.2 latest prior).	Contractor
2.	Move the CCHRS database to the latest version of the AIX operating system (v6 beta released 5/07, v5.3 latest prior released 8/04)	Contractor
3.	Identify training needed for CCHRS technical staff related to supporting the upgraded CCHRS.	Contractor
4.	Train the CCHRS technical staff in all the new technologies and new versions of old technologies.	County
5.	Create a CCHRS backend development environment for the AIX server (IDE, builds).	Contractor
6.	Convert the CCHRS software management facility from RCS to ClearCase.	Contractor and County
7.	Move the backend application code to the AIX server.	Contractor
8.	Migrate the SSA-Name3 package to the AIX server.	Contractor
9.	Upgrade the CCHRS name-search data with the new SSA-Name3 scoring, currently comprising 80,000,000 records.	Contractor, SSA-Name3 Contractor and County
10.	Upgrade the CCHRS applications, both back end and front end, to use the new SSA-Name3.	Contractor
11.	Create a CCHRS backend production environment.	Contractor
12.	Create CCHRS database scheduled backups, and recovery processes	Contractor and County
13.	Convert all scheduling and monitoring to use the AIX server.	Contractor and County
14.	Decommission the PowerBuilder client applications, after ensuring that the LASD-RIB and LAPD “power users” have adequate functionality in the CCHRSWeb Inquiry and Admin applications to do their work.	County

15.	Convert the front-end applications to use the AIX server.	Contractor
16.	If necessary, install a new JInitiator or substitute JRE in all of the 10,000+ CCHRS customer browsers.	Contractor to evaluate if new JInitiator or substitute JRE is needed; County to perform installation
17.	Ensure connectivity and access is unchanged for the 40+ CCHRS customer agencies, after moving to the AIX server.	County
18.	Convert the CCHRS mugshot retrieve-and-display interface with LASD's LACRIS to use the AIX server.	Contractor
19.	Convert the JDIC interface to use the AIX server, including Berkeley sockets or a substitute.	Contractor
20.	Convert the PIX interface to use the AIX server.	County
21.	Convert DOJ ftp's to use the AIX server.	Contractor and County
22.	Convert the DOTS web-services to use the AIX server.	Contractor
23.	Convert the Downey Customer Assistance Center and the LASD's LACRIS Help Desk to handle the AIX server.	Contractor
24.	Upgrade Application Servers to a level compatible with a 10g/11g database and capable of using chained SSL certificates. The current CCHRSWeb version of OAS (9.0.4.2) is NOT compatible with DB 10g/11g, nor capable of using chained SSL certificates.	Contractor

ATTACHMENT A.2
PERFORMANCE REQUIREMENTS

Contractor's services relating to System Upgrade under this Agreement shall be subject to the performance requirements set forth below ("Performance Requirements").

1. County will provide a fully functioning and adequate development, test and production environment for all components of the System Upgrade. Contractor is not expected to incur time and cost in installing and re-installing components in development, test, and or production environment if inadequate hardware or software is provided such as lack of hardware horsepower or storage to support the application.

2. County will provide all software tools needed for the project.

3. County will be responsible for obtaining assistance from its Internal Services Department ("ISD") and other County departments as necessary to complete the Tasks enumerated in the Statement of Work.

4. Contractor is responsible for all development and performance testing on the ISAB provided development and test servers. County will supply Contractor with data that can be used to establish performance standards during the performance of Task 4 (User Testing). County will also provide tools that can help perform tests. Time incurred for diagnosing and resolving performance issues that arise out of use of non-recommended hardware or infrastructure is not in scope for the project.

5. Implementation of components of third party products that are not explicitly specified in this scope of work is not included in the estimate provided.

6. There are no screen/forms or reports development or any CCHRS enhancement included in this project. As identified in the tasks and deliverables, the project is upgrading CCHRS to the versions of database, application server and operating system noted.

7. The scope of work does not include customization of third party product tools (example: ClearCase, SSA-Name3, etc.). We will leverage the tools available with the products.

8. County is responsible for implementing County LDAP Strategy in regards to this project. County is also responsible for network/firewall/ load balancer and other infrastructure configuration. Contractor is responsible for installing/upgrading as described in the Scope of Work section.

9. County is responsible for providing licenses for tools needed for the project, including any testing tools necessary to achieve the goals of the project.

10. Establishment of virtual server environment (or similar infrastructure) or any issues that arise out of such environment is not in scope for this project. County is responsible for diagnosing and maintaining such environment, if utilized for the project.

11. In order to control the project schedule and cost, the information exchange between team members will be accomplished in a timely manner. When a deliverable is delivered to the County, the County representatives will review the deliverable within a reasonable time period, submit a comprehensive list of corrections (deleted "once"), and/or obtain the necessary acceptance signoff signatures. The corrections have to be submitted on a timely manner. Timely is defined as 10

business days for any deliverable submitted, except for user acceptance testing which is covered under Assumption 12 below.

12. County will designate resources to perform user acceptance testing. Contractor's role is to provide support for a maximum of 308 hours when County is conducting its user acceptance test. County will submit a comprehensive list of corrections in as timely manner as possible so that Contractor can fix such items (deleted "once"). Corrections will also be made for any fixes that cause erroneous processing to occur for features that were originally working.

13. Intentionally Omitted.

14. User Help and documentation of third party tools is not in scope for this project. County will obtain documentation of third party tools, including installation documentation from such third party vendors.

15. Implementation to production means a one-time deployment. If issues are encountered because of unavailability of resources (County personnel or access to designated environment or inadequacy of hardware), Contractor will notify County so that necessary arrangements can be made and Contractor can keep the deployment in accordance with the schedule/cost.

16. Intentionally Omitted.

17. Intentionally Omitted.

18. Facilities (cubicle workspace, etc.) for the resources working on the project will be provided by the County.

19. There will be no change to the programming languages (C, PL/SQL, Java).

20. There will be no change (apparent to the customer) to the CCHRS consolidation functionality.

21. There will be no change (apparent to the customer) to the CCHRSWeb or JDIC front-end functionality.

22. Rational ClearCase and ClearQuest will be used for software configuration management and problem tracking, respectively.

23. The old PowerBuilder client/server frontend willl not be supported.

24. The Oracle Application Server(s) (OAS) will be updated to the most current release compatible with the 10g/11g database.

25. The LASD and LAPD management will commit to moving their staff off the old PowerBuilder front-end CCHRS applications, well before moving to the AIX server. This may require changing the replacement, CCHRSWeb Inquiry and Admin, to adequately accommodate their needs.

ATTACHMENT A.3
ACCEPTANCE CRITERIA

Contractor's Deliverables under the Statement of Work shall be subject to the acceptance criteria ("Acceptance Criteria") set forth in this Attachment A.3 below.

DELIVERABLE	ACCEPTANCE CRITERIA
1.1 Implementation Plan	The Implementation Plan provided by Contractor shall be acceptable to County.
2. Certificate of Readiness for Development Environment 3. Certificate of Readiness for Test Environment 5. Certificate of Readiness for Production Environment	i. CCHRS consolidation runs in the AIX Development environment without any differences in outputs from the current production system, or with the differences declared acceptable. The input will include three days' "production" runs, each including input from: every local LA County source system, DOJ requests, and DOJ daily journal files. ii. SSA-Name3 scoring performs at least as well as current production, across a reasonably representative set of CCHRS production data. iii. User accesses/logs-in to the database via the Oracle Forms Application Server 'Front End'. iv. User updates CCHRS tables via the web-based Admin 'Front End'. v. User accesses via the JDIC interface, exercising the Search and Rapsheet creation user functions. vi. User creates a Rapsheet from the web-based 'Front End'. vii. The DOTS creates collection records, using CCHRSWeb services and including mugshots, for five subjects. viii. The Access Audit Log archival process operates once with the same result as current production. ix. Each of the scheduled batch processes operates once with the same result as current production.
6. Final Acceptance	In addition to the Acceptance Criteria identified for Deliverables 2, 3 and 5, County's acceptance of Deliverable 6 shall be subject to the following: x. DB backup process has run twice on a scheduler. xi. DB recovery process has been exercised, and shown to produce an accurate and complete recovered DB, once.

EXHIBIT B
OPTIONAL SERVICES

Contractor shall, upon the written request by County's Project Director, or his/her designee, provide during the term of this Agreement Optional Services, including but not limited to consulting services, professional services, programming, training, maintenance and support. Following County's request for Optional Services, Contractor shall submit to County for approval a not-to-exceed Maximum Fixed Price calculated by multiplying the Fixed Hourly Rate identified in Exhibit C (Schedule of Payments) by the maximum number of hours it would take Contractor to complete the requested work. County and Contractor shall agree on the Scope of Work, which shall at a minimum include the tasks and deliverables to be performed, acceptance tests and criteria and warranty provisions, as applicable, and the Maximum Fixed Price for completing such Optional Services. County and Contractor shall execute a Work Order for performance of the services identified in the Scope of Work via a Change Notice prepared in accordance with Paragraph 4 (Change Notices and Amendments) of the body of the Agreement.

All Optional Services provided by Contractor under this Agreement shall be subject to County's written approval in accordance with the terms of this Agreement. All Optional Services provided hereunder shall comply with the requirements of Contractor's performance under the Agreement, including the Specifications and those set forth in Attachment A.2 (Performance Requirements).

EXHIBIT C
SCHEDULE OF PAYMENTS

I. DELIVERABLES

This Section breaks down a payment schedule for all Deliverables under Exhibit A (Statement of Work) provided prior to and including Final Acceptance by the corresponding percentage of the Implementation Cost. As used herein and throughout the Agreement, the term "Implementation Cost" shall mean the cost of tasks and deliverables provided by Contractor under Exhibit A (Statement of Work) for performing System Upgrade. All Deliverables, other than Deliverable 6 (Final Acceptance), are subject to a 10% holdback, as specified in Paragraph 9.6 (Holdbacks) of the body of the Agreement.

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	IMPLEMENTATION COST PERCENTAGE	DELIVERABLE AMOUNT	EXTENDED AMOUNT (AFTER 10% HOLDBACK)
1.1	Implementation Plan	5%	$28,675	$25,807.50
2	Certificate of Readiness for Development Environment	30%	$172,050	$154,845
3	Certificate of Readiness for Test Environment	20%	$114,700	$103,230
5	Certificate of Readiness for Production Environment	35%	$200,725	$180,652.50
6	Final Acceptance	10%	57,350	$51,615
SUBTOTAL		**100%**	**$573,500**	**$516,150**

II. OPTIONAL SERVICES

All Optional Services under the Agreement shall be provided by Contractor upon mutual agreement by County and Contractor on the Maximum Fixed Price, as further described in Exhibit B (Optional Services) calculated based on the Fixed Hourly Rate of $125. The Fixed Hourly Rate shall not increase during the term of the Agreement. The amount allocated under this Agreement for providing any and all Optional Services without increasing the Contract Sum ("Pool Dollars") is $200,000.

III. CONTRACT SUM

The Contract Sum (as defined in Paragraph 8.1 (Maximum Contract Sum) of the body of the Agreement) for this Agreement is $773,500 and includes the following components:

IMPLEMENTATION COST	$573,500
POOL DOLLARS	$200,000
CONTRACT SUM	**$773,500**

EXHIBIT D

ADMINISTRATION OF AGREEMENT

I. COUNTY'S KEY PERSONNEL

AGREEMENT No. _____

COUNTY'S PROJECT DIRECTOR

Name: John Ruegg
Title: Director, Information Systems Advisory Body
Address: 12750 Center Court Drive, Suite 500
Cerritos, California 90703
Telephone: (562) 403–6501
Facsimile: (562) 809–3049
E-Mail Address: afarahani@isab.lacounty.gov

COUNTY'S PROJECT MANAGER

Name: Ali Farahani
Title: Director, Integration Services
Address: 12750 Center Court Drive, Suite 500
Cerritos, California 90703
Telephone: (562) 403–6513
E-Mail Address: afarahani@isab.lacounty.gov

COUNTY'S CONTRACT ADMINISTRATOR

Name: Felix Basadre
Title: Assistant Director
Address: 12750 Center Court Drive, Suite 500
Cerritos, California 90703
Telephone: (562) 403–6513
E-Mail Address: fbasadre@isab.lacounty.gov

CAPITA TECHNOLOGIES, INC.
CONTRACTOR'S NAME

II. COUNTY'S KEY PERSONNEL

AGREEMENT No. _____

CONTRACTOR'S PROJECT DIRECTOR

Name: Charlie S. Granville
Title: Chief Executive Officer
Address: 17600 Gilette Avenue
Irvine, California 92614
Telephone: (949) 260–3040
Facsimile: (949) 851–9875
E-Mail Address: cgranville@capita.com

CONTRACTOR'S PROJECT MANAGER

Name: Imelda Ford
Title: Vice President of Technology and Operations
Address: 17600 Gilette Avenue
Irvine, California 92614
Telephone: (949) 260–3009
Facsimile: (949) 851–9875
E-Mail Address: jford@capita.com

EXHIBIT E

EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AND ASSIGNMENT AGREEMENT

PROJECT NAME _____

CONTRACTOR/EMPLOYER NAME _____

LOS ANGELES COUNTY AGREEMENT NAME/NUMBER _____

_____

I. GENERAL INFORMATION

The organization identified above ("Contractor") is under contract ("Contract") to provide certain services to the County of Los Angeles ("County"). The County requires each employee of this Contractor performing services under this Contract to understand his/her obligations with respect to the personal and proprietary data with which he/she will be in contact, and to acknowledge such obligations by executing this Employee Acknowledgment, Confidentiality and Assignment Agreement.

II. EMPLOYEE STATUS ACKNOWLEDGMENT

I understand and agree that the above-referenced Contractor 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 for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County 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 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 services 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 Contract and/or any future contracts.

III. CONFIDENTIALITY AGREEMENT

My work may be concerned with services provided by the County, and, therefore, I may have access to confidential data and information pertaining to private individuals and/or entities receiving such services. I may also have access to proprietary information belonging to other organizations doing business with the County. The County has a legal obligation to keep confidential all such data and information in its possession, especially data and information concerning health, criminal and welfare recipient records. I understand that, by virtue of my involvement in County work, I too must protect the confidentiality of such data and information. I understand I must sign this agreement to be eligible to perform work for my employer under the County Contract. I have read this agreement and have taken due time to consider it prior to signing.

I agree not to disclose to nor reproduce, for the benefit of any unauthorized person, any data or information obtained while performing work under the above-referenced Contract between my employer and the County. I agree to forward all requests for disclosure or copying of any such data or information in my possession or care to my immediate supervisor. The parties hereby acknowledge and agree that no obligation of confidentiality applies to residual knowledge learned (such as ideas, concepts know-how or techniques) and experience gained by me as a result of performing the services. In addition, nothing herein shall prevent me or Contractor from providing to others similar services, subject to any obligations of confidentiality.

I agree to protect from loss and to keep confidential all health, criminal and welfare recipient records and all data, information and materials pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, County Materials, Contractor's 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 unauthorized disclosures or copying of confidential or proprietary data or information, whether accidental or intentional, and whether by myself and/or by any other person, of which I become aware. I agree to return all confidential data, information and materials to my immediate supervisor upon completion of the above-referenced Contract, or termination of my employment with my employer, whichever occurs first.

SIGNED _____ **DATE** ____/____/____

PRINTED _____ **POSITION** _____

IV. ASSIGNMENT OF PROPRIETARY RIGHTS

As used in this agreement, "Works" means (i) any inventions, trade secrets, ideas, original works of authorship or Confidential Information (as defined below) that I conceive, develop, discover or make in whole or in part during my employment with Contractor which relates to the Contract, (ii) any inventions, trade secrets, ideas, original works of authorship or Confidential Information (as defined below) that I conceive, develop, discover or make in whole or in part during or after my employment with Contractor which are made through the use of any of Contractor's equipment, facilities, supplies, trade secrets or time, or which result from any work I perform for Contractor, and (iii) any part or aspect of any of the foregoing. "Confidential Information" means all information or material disclosed to or known by me as a consequence of my employment with Contractor, including third party information or information disclosed by County that Contractor treats as confidential, and any information disclosed to or developed by me or embodied in or relating to the Works.

All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for and on its behalf and stead to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

CALIFORNIA LABOR CODE SECTION 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:
   (1) Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or
   (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonyms used in connection with any Works, goods or services I provide under this agreement or the above referenced Contract.

I acknowledge that violation of this agreement may cause irreparable harm to County, which may not be compensated by monetary damages, and may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal and equitable redress, including, without limitation, injunctive relief.

SIGNED _____ **DATE** ____/____/____

PRINTED _____ **POSITION** _____

CONTRACTOR'S EEO CERTIFICATION

_____
Contractor's Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with Subchapter VII of the *Civil Rights Act of 1964, 42 USC Sections 2000e* through *2000e-17*, and the *Americans with Disabilities Act of 1990*, CONTRACTOR, supplier, or vendor 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, color, religion, ancestry, national origin, age, condition of physical or mental disability, marital status, political affiliation or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S CERTIFICATION
(check one)

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

_____
Name and title of signer

_____ _____
Signature Date

EXHIBIT G

CONFIDENTIALITY OF CORI INFORMATION

Criminal Offender Record Information (CORI) is that information which is recorded as the result of an arrest, detention or other initiation of criminal proceedings including any consequent proceedings related thereto. As an employee of _____ during the legitimate course of your duties, you may have access to CORI. The Information Systems Advisory Body (ISAB) has a policy of protecting the confidentiality of Criminal Offender Record Information.

You are required to protect the information contained in case files against disclosure to all individuals who do not have a right-to-know or a need-to-know this information.

The use of any information obtained from case files or other related sources of CORI to make contacts with probationers or their relatives, or to make CORI available to anyone who has no real and proper reason to have access to this information as determined solely by the Probation Department is considered a breach of confidentiality, inappropriate and unauthorized.

Any _____ employee engaging in such activities is in violation of the ISAB's confidentiality policy and will be subject to appropriate disciplinary action and/or criminal action pursuant to Section 11142 of the Penal Code.

I have read and understand ISAB's policy concerning the confidentiality of CORI records.

_____
(Signature)

_____
Name (Print)

_____
Title

_____
Date

The executed agreement shall be forwarded to County's Contract Administrator at the address listed in Section I (County's Key Personnel) of Exhibit D (Administration of Agreement) on or immediately after the Effective Date, but in no event later than the date the undersigned first performs work under the Agreement.

SAFELY SURRENDERED BABY LAW

EXHIBIT H

No shame.
No blame.
No names.

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

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

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

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

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

What is the Safely Surrendered Baby Law?

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

How does it work?

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

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

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

Does the parent have to call before bringing in the baby?

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

Does a parent have to tell anything to the people taking the baby?

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

What happens to the baby?

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

What happens to the parent?

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

Why is California doing this?

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

A baby's story

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

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

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

EXHIBIT H

Sin pena.
Sin culpa.
Sin peligro.

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

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

Estado de California
Gray Davis, Gobernador

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

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

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

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

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

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

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

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

¿Los padres deben llamar antes de llevar al bebé?

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

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

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

¿Qué ocurrirá con el bebé?

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

¿Qué pasará con el padre/madre?

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

¿Por qué California hace esto?

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

Historia de un bebé

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

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

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