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

LEROY D. BACA, SHERIFF

July 1, 2008

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

Dear Supervisors:

APPROVAL OF MODEL AGREEMENT FOR WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES (ALL DISTRICTS) (3 VOTES)

SUBJECT

The Los Angeles County Sheriff's Department (Department) requires the services of independent contractors to assist the Department's Internal Criminal Investigations Bureau (ICIB) in providing Workers' Compensation fraud investigation services on an as-needed basis.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the enclosed Model Agreement for Workers' Compensation fraud investigation services for a term of three (3) years with an option to extend for two (2) additional one-year periods and six (6) months in any increment, effective upon Board approval.

2. Authorize the Sheriff, or his designee, to enter into any such Agreements with various contractors to meet the needs of the Department.

3. Authorize the Sheriff, or his designee, to execute applicable documents when the original contracting entity has merged, been purchased, or otherwise changed; and to modify the Agreement within the conditions specified in the Agreement, with prior approval of County Counsel, including authority for the Sheriff to exercise the above extension provision, if it is in the best interest of the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to enable the Department to maintain a pool of readily available qualified investigators to conduct confidential investigations and Sub-rosa surveillance of County employees suspected of Workers' Compensation fraud.

Implementation of Strategic Plan Goals

The recommended services support the County's Strategic Plan Goal 1, Service Excellence, and Goal 4, Fiscal Responsibility, by ensuring that the County maintains integrity in its workforce and by reducing costs associated with fraudulent Workers' Compensation claims.

FISCAL IMPACT/FINANCING

The Department has identified funding in the amount of $419,000 in the Fiscal Year 2008-09 operating budget. The Department will continue to allocate funds required to continue these services throughout the duration of this Agreement.

The total amount paid under this Agreement will depend on the services utilized by the Department. Payment for work is based on the fixed hourly rate of $60 an hour. The fixed hourly rate will remain constant throughout the term of this Agreement. When applicable, mileage shall be paid at the rate established by the County Auditor-Controller, which is currently 47 cents per mile. The estimated maximum annual cost will not exceed the fiscal year operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Currently, there is an active Master Agreement that was approved by your Board on July 12, 2002, and will expire on July 11, 2008.

The ICIB continues to require the services of Workers' Compensation fraud investigators to conduct confidential investigations and Sub-rosa surveillance of County employees suspected of Workers' Compensation fraud. These services are required on an as-needed basis. All Workers' Compensation fraud investigators are trained and certified under the laws of the State of California as private investigators and possess private investigator licenses as required by the California Business and Professions Code 7521.

The solicitation document does not have a cost component in the review of responses; therefore, the Local Small Business Preference Program and the Transitional Job Opportunities Preference Program are not applicable.

The Agreement was determined to be a Non-Proposition A agreement because the service is highly specialized in nature and will be used intermittently on an as-needed basis. Therefore, the Living Wage Program (County Code Chapter 2.2001) does not apply to the recommended Agreement.

The contractors will be required to comply with all Board, Chief Executive Office, and County Counsel requirements, including jury service and the Safely Surrendered Baby Law. The Model Agreement has been approved as to form by County Counsel.

CONTRACTING PROCESS

On March 6, 2008, the Department issued a Request for Statement of Qualifications (RFSQ) for Workers' Compensation fraud investigation services. The RFSQ solicitation was posted on the Los Angeles County and the Department's Websites, with an initial closing date of April 30, 2008, but will remain open until the needs of the Department are met. The Department received ten Statement of Qualifications (SOQ) on or before April 30, 2008 and five contractors met the minimum requirements and were determined to be qualified.

The contractors were selected without regards to gender, race, creed, or color for the award of the Agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The approval of this action will allow the Department to continue to perform uninterrupted Workers' Compensation fraud investigation services. The nature and continuity of these investigations would be compromised if the services were not continued.

CONCLUSION

Upon approval and execution of the contract by your Board, please return two adopted copies of this action to the Department's Contracts Unit for further processing.

Sincerely,

Lee Baca

LEROY D. BACA
SHERIFF

MODEL AGREEMENT

FOR

WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AGREEMENT

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EXHIBIT E COMPENSATION RATES
EXHIBIT F HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA)

RECITALS

This Agreement is entered into as of the Effective Date by and between the County of Los Angeles ("County") and [_____], hereinafter referred to as Contractor, to provide Workers' Compensation Fraud Investigation Services for the Los Angeles County Sheriff's Department ("Department").

WHEREAS, the Department desires to contract with private businesses for Workers' Compensation Fraud Investigation Services for Internal Criminal Investigations Bureau; and

WHEREAS, Contractor represents that it possesses the necessary special skills, knowledge and technical competence to provide Workers' Compensation Fraud Investigation Services; and

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

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

1. AGREEMENT AND INTERPRETATION

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

1.2 Interpretation. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, subtask, deliverable, goods, service, or other work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits and any attachments thereto, according to the following priority:

1.2.1. Exhibit A Additional Terms and Conditions

1.2.2. Exhibit B Statement of Work

1.2.3. Exhibit C Contractor's EEO Certification

1.2.4. Exhibit D Acknowledgement and Confidentiality Agreements

D1 Contractor's Employee Acknowledgement and Confidentiality Agreement

D2 Contractor's Non-Employee Acknowledgment and Confidentiality Agreement

1.2.5 Exhibit E Compensation Rates

1.2.6 Exhibit F Health Insurance Portability and Accountability Act of 1996 (HIPAA)

1.3 Additional Terms and Conditions. Without limiting the generality of Subparagraph 1.1 (Agreement), attached hereto as Exhibit A (Additional Terms and Conditions), and incorporated by reference herein, are additional terms and conditions to this Agreement. Contractor acknowledges and agrees that it shall be bound by the additional terms and conditions enumerated in such Exhibit as if such terms and conditions were enumerated in the body of this base document.

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

2. DEFINITIONS

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

2.1 "Agreement" has the meaning set forth in Subparagraph 1.1 (Agreement).

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

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

2.4 "Change Order" has the meaning set forth in Paragraph 6 (Change Orders and Amendments).

2.5 "Contractor Project Manager" has the meaning set forth in Subparagraph 4.1 (Contractor Project Manager).

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

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

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

2.9 "County Project Director" has the meaning set forth in Subparagraph 3.1 (County Project Director).

2.10 "County Project Manager" has the meaning set forth in Subparagraph 3.2 (County Project Manager).

2.11 "Deliverable" means a service, product, or good to be provided by Contractor to County under this Agreement and identified as a numbered Deliverable in the Statement of Work or any approved Change Order or amendment.

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

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

2.14 "Effective Date" means the first date on which this Agreement has been executed by all parties and approved by the Board.

2.15 "Hourly Rate" means, for the Contractor, the fully burdened hourly rates set forth in Paragraph 8, Compensation Rates, Subparagraph 8.2 Rates, which includes direct and indirect costs, overhead, and administrative expenses attributable to each personnel hour worked, except for mileage and parking costs.

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

2.17 "Initial Term" has the meaning set forth in Paragraph 7 (Term).

2.18 "Jury Service Program" has the meaning set forth in Paragraph 33.0 (Compliance with Jury Service Program) of Exhibit A (Additional Terms and Conditions).

2.19 "Option Term" has the meaning set forth in Paragraph 7 (Term).

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

2.21 "Statement of Work" or "SOW" means the Statement of Work, attached as Exhibit B to this Agreement, as the same may be amended by an approved change order or amendment.

2.22 "Sub-rosa surveillance" means surveillance that will be done secretly.

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

2.24 "Term " has the meaning set forth in Paragraph 7 (Term).

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

2.26 "Work Order" means Attachment A – Work Order Sample, of Exhibit B (Statement of Work)

3. ADMINISTRATION OF AGREEMENT – COUNTY

3.1 County Project Director

3.1.1 "County Project Director" for this Agreement shall be the person that holds the following position:

Captain/Unit Commander or designee
Internal Criminal Investigations Bureau
4900 S. Eastern Avenue
Commerce, California 90040
(323) 890-5451

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

3.1.2 Except as set forth in Paragraph 6 (Change Orders and Amendments) of this Agreement, County Project Director is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

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

3.2 County Project Manager

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

Sergeant – Workers' Compensation Fraud Unit
Internal Criminal Investigations Bureau
4900 S. Eastern Avenue
Commerce, California 90040
(323) 890-5442

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

3.2.2 The Department shall notify Contractor of any change in the name or address of the County Project Manager.

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

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

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

3.2.6 The County Project Manager shall issue Work Orders for all work and will assign work on a rotational basis, as needed. The County reserves the right to assign work outside of rotation based on geographic location, a specific language need, or where work is needed on an expedited basis.

3.2.7 County Project Manager shall approve all invoices and forward approved invoices to Sheriff's Accounts Payable Unit, pursuant to Paragraph 10 (Invoices and Payments). The County Project Manager shall attach a copy of the completed Work Order to the invoice prior to forwarding the invoice to Sheriff's Accounts Payable Unit. Invoices without an attached Work Order will not be processed for payment.

3.3 Consolidation of Duties - The Department reserves the right to consolidate the duties of the County Project Director, which duties are enumerated in Subparagraph 3.1 (County Project Director), and the duties of County Project Manager, which duties are enumerated in Subparagraph 3.2 (County Project Manager), into one position, and to assign all such duties to one individual who will act as the Department's liaison in all matters relating to this Agreement. The Department will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this Subparagraph 3.

3.3 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.

4. ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1 Contractor Project Manager

4.1.1 "Contractor Project Manager" shall be the following person:

[_____]

4.1.2 Contractor Project Manager shall be responsible for performance of all Work and compliance with this Agreement.

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

4.1.4 Contractor Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement.

4.1.5 Contractor shall complete Contractor's section of the Work Order, Attachment A of Exhibit B, along with the Invoice, Attachment B of Exhibit B, and the Monthly Report, Attachment C of Exhibit B, prior to submitting it to the County Project Manager for approval. Failure to attach the Work Order and Monthly Report to the Invoice will delay processing of the invoice.

5. WORK; APPROVAL AND ACCEPTANCE

5.1 General

Contractor acknowledges that, subject to this Paragraph 5 (Work; Approval and Acceptance), all Work performed under this Agreement, including pursuant to an executed Change Order or Amendment, is payable on an as-needed basis in accordance with the terms and conditions of this Agreement, including this Paragraph 5 (Work; Approval and Acceptance), Paragraph 8 (Compensation Rates), and Paragraph 10 (Invoices and Payments).

5.2 Work Orders

It is the intent of the County to issue Work Orders on a rotational basis, as needed. The County reserves the right to assign work outside of rotation based on geographic location, a specific language need, or where work is needed on an expedited basis.

6. CHANGE ORDERS AND AMENDMENTS

No representative of either the Department 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 6 (Change Orders and Amendments).

6.1 General

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

6.1.1 For any change which does not materially affect the scope of Work, period of performance, rate of payments, or any other term or condition included under this Agreement, a Change Order shall be executed by both County Project Director and Contractor Project Manager. To the extent that extensions of time for Contractor performance do not impact either the scope of Work or cost of this Agreement, County Project Director, in County Project Director's discretion, may grant Contractor extensions of time in writing for the Work listed in the Statement of Work or otherwise in this Agreement provided that such extensions shall not extend the Term of this Agreement.

6.1.2 For any change that materially affects the scope of Work, period of performance, rate of payments, or any other term or condition in the body of this Agreement or Exhibit A (Additional Terms and Conditions), then a negotiated amendment to this Agreement shall be executed by the Board and Contractor.

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

6.1.4 The Sheriff, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 7.0 - Term of Agreement. The Contractor agrees that such extensions of time shall not change any other term or condition of this Agreement during the period of such extensions. Any extension of the Term shall be exercised as described in Paragraph 7.2.

6.2 Audit of Change Order Work

The Department is entitled to audit, in accordance with Paragraph 42.0 (Records and Audits) of Exhibit A (Additional Terms and Conditions),

Contractor's compliance with Paragraph 6 (Change Orders and Amendments) in respect of Work performed pursuant to a Change Order.

7.0 TERM OF AGREEMENT

7.1 This Agreement is effective upon the date of its execution by the Sheriff and shall continue for a period of three (3) years from date of approval of the model Agreement form by the Los Angeles County Board of Supervisors unless sooner extended or terminated, in whole or in part, as provided herein. If this Agreement becomes effective during any of the extension periods, then this Agreement will have the same term as other Agreements for the services provided herein.

7.2 The Sheriff has the option, at the Sheriff's discretion and upon notice to Contractor prior to the end of the then current period of the Agreement Term, to extend the term of this Agreement for up to two (2) additional one-year (1) periods and six (6) months in any increment, (an "Option Term") for a total Agreement term of five (5) years and six months. As used herein, "Term" shall mean the Initial Term and, if extended, each Option Term, as the case may be. Each such extension shall be exercised individually by written notice by the Sheriff or the Sheriff's designee.

7.3 Contractor shall notify the Department when this Agreement is within six (6) months from the expiration of the Term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the County Project Director at the address herein, provided in Paragraph 3, Administration of Agreement – County.

8. COMPENSATION RATES

8.1 General

The rate of compensation for this Agreement shall be the amount payable by County to Contractor for performing all tasks, deliverables, goods, services and any other work required under this Agreement. The Contractor shall not be entitled to payment or reimbursement for any tasks, deliverables, goods, services and any other work, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified in this Agreement.

8.2 Rates

All rates as listed in Exhibit E, Compensation Rates, except mileage, are fixed and shall remain firm for the Term of the Agreement. Overtime compensation will not be paid under this Agreement. Mileage reimbursement shall be adjusted upon notification from the County Auditor

Controller that the County rate of reimbursement has changed. The Sheriff shall notify Contractor by written notice.

9. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

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

10. INVOICES AND PAYMENTS

10.1 Contractor shall submit invoices as follows:

Original Invoices and the Monthly Report (refer to Subparagraph 10.3 below) to County Project Manager:

Internal Criminal Investigations Bureau
Sergeant – Workers' Compensation Fraud Unit
4900 S. Eastern Avenue
Commerce, California 90040

Copy to :

Los Angeles County Sheriff's Department
Fiscal Administration - Accounts Payable
4700 Ramona Boulevard, Room 346
Monterey Park, California 91754

County Project Manager shall attach a copy of the Work Order, Attachment A, to the invoice prior to forwarding the invoice to Accounts Payable.

10.2 Contractor shall prepare invoices for each case/work order with content and format as provided below (Refer to Attachment B – Invoice Sample):

- Contractor's Agreement Number
- Work Order Number

- Total Hours Worked
- Total Mileage
- Total Parking Amount
- Total Amount Due

10.3 Monthly Reports

Contractor shall submit the Monthly Report, Attachment C, with the original invoice to the County Project Manager with the following minimum information:

- Date the service was performed during the billing period
- Total number of hours
- Total mileage
- Parking expenses (if applicable)
- Work Order Number
- Status

10.4 Submittal, Approval, and Payment of Invoices

Contractor shall submit monthly invoices to the Department by the 15th calendar day of the month following the month of service. The Department will not be responsible for invoices submitted more than 60 days after the date of service rendered. County shall be under no obligation to remit payment for late, lost or mishandled invoices. Contractor is responsible for the accuracy of invoices submitted to the Department. Further, it is the responsibility of Contractor to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by Contractor.

All invoices submitted by Contractor for payment must have the written approval of County Project Manager prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld, and in no instance will such approval take more than two (2) weeks from receipt by the Department of a properly prepared invoice. Incomplete or late invoices may delay processing of billing.

10. 5 No Out-of-Pocket Expenses

Contractor acknowledges that out-of-pocket expenses, including travel, meal, and lodging expenses, are not reimbursable by County except for mileage

and parking as indicated in Exhibit E (Compensation Rates). Accordingly, Contractor's invoices shall not include out-of-pocket expenses.

10.6 Contractor Responsibility

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

10.7 County's Right to Withhold

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

11. NOTICES

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

To Department:

(1) Los Angeles County Sheriff's Department
Contracts Unit
4700 Ramona Boulevard
Monterey Park, CA 91754
Attention: Mona Whittouck, Manager
Facsimile: (323) 415-3745

with a copy to:

(2) Los Angeles County Sheriff's Department
Internal Criminal Investigations Bureau
Sergeant – Workers' Compensation Fraud Unit
4900 S. Eastern Avenue
Commerce, California 90040

To Contractor:

[_____]

Attention: [_____]
Fax: [_____]

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

12. ARM'S LENGTH NEGOTIATIONS

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

13. VALIDITY

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

14. SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 1, 2, 8, 10, 11, 12, 14, and all the terms and conditions set forth in Exhibit A (Additional Terms and Conditions).

AGREEMENT
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES
BETWEEN COUNTY OF LOS ANGELES
AND
[_____]

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed by the Sheriff of the Los Angeles County Sheriff's Department, and approved by County Counsel and Contractor, to be executed on its behalf by its duly authorized officer, effective _____.

COUNTY OF LOS ANGELES

By _____
LEROY D. BACA
SHERIFF

By _____
Contractor

Print Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By _____
Gary Gross
Principal Deputy County Counsel

EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

FOR

WORKERS' COMPENSATION FRAUD

INVESTIGATION SERVICES

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EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

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

1.0 SUBCONTRACTING

County has relied, in entering into the Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of the Agreement, or any portion thereof, shall be subcontracted by Contractor. Any attempt by Contractor to subcontract any performance, obligation, or responsibility under the Agreement, shall be null and void and shall constitute a material breach of the Agreement, upon which County may immediately terminate the Agreement.

2.0 DISPUTE RESOLUTION PROCEDURE

2.1 General

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

2.2 Continued Work

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

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

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

2.3 Dispute Resolution Procedures

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

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

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

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

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

2.4 Documentation of Dispute Resolution Procedures

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

2.5 Not Applicable to County's Right to Terminate

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

3.0 CONFIDENTIALITY

3.1 General

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

3.2 Disclosure of Information.

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

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

3.3 Contractor Information

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

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

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

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

3.4 Use of County Name

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

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

3.4.2 During the Term, Contractor shall not publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of

the County Project Director, which shall not be unreasonably withheld or delayed.

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

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

3.5 Injunctive Relief

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

4.0 TERMINATION FOR INSOLVENCY

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

4.1.1 Contractor has ceased to pay or has admitted in writing its inability to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay debts that Contractor disputes in good faith;

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

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

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

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

4.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects the Agreement, County may elect to retain its rights under the Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 U.S.C. Section 365(n)). Upon written request by County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under the Agreement. The foregoing shall survive the termination or expiration of the Agreement for any reason whatsoever.

5.0 TERMINATION FOR DEFAULT

5.1 Event of Default

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

5.2 Deemed Termination for Convenience

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

5.3 Completion of Work

Without limiting any of County's rights and remedies pursuant to the Agreement, upon the occurrence of any event giving rise to County's rights to terminate the Agreement, in whole or in part, pursuant to this Paragraph 5.0 (Termination for Default), County may, in lieu of such termination, (a) perform, or cause the performance of, any required correction, remedy and deficiency, replace any non-complying Work, or take any other such action as may be reasonably required to promptly remedy such default, and (b) debit Contractor therefore at County's direct actual cost of outside labor and materials and County's burdened (including salary, employee benefits and reimbursement policies) rates for labor. Such debit shall be made against any amounts owed by County to Contractor under the Agreement. In the event County elects to proceed under this Subparagraph 5.3 (Completion of Work), any Work created, modified, or repaired by or at the direction of County shall be deemed Work under the Agreement.

6.0 TERMINATION FOR CONVENIENCE

6.1 Termination for Convenience.

The Agreement may be terminated, in whole or in part from time to time, by County in its sole discretion for any reason. Termination of Work hereunder shall be effected by delivery to Contractor of a notice of termination specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) days after notice.

6.2 No Prejudice; Sole Remedy

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

7.0 TERMINATION FOR IMPROPER CONSIDERATION

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

with respect to Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

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

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

8.0 TERMINATION FOR GRATUITIES

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

9.0 EFFECT OF TERMINATION

9.1 Remedies

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

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

9.1.2 Unless County has terminated the Agreement pursuant to Paragraph 6.0 (Termination for Convenience) of this Exhibit, County shall have the right to procure, upon such terms and in such a manner as County may determine appropriate, goods, services, and other Work, similar and

competitive to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs reasonably incurred by County, as determined by County, to procure and furnish such similar goods, services, and other Work;

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

9.1.4 Contractor shall tender promptly payment to County, and shall continue to tender payment for the duration o f the Agreement, to the extent applicable; and

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

9.2 Transition Services

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

9.3 Remedies Not Exclusive

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

10.0 WARRANTY AGAINST CONTINGENT FEES

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

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

11.0 AUTHORIZATION WARRANTY

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

12.0 FURTHER WARRANTIES

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

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

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

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

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

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

13.0 INDEMNIFICATION AND INSURANCE

13.1 Indemnification

Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, and agents (the "County Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting, attorney and other professional fees) in any way arising from, connected with, or related to Contractor's, Contractor's agents', employees', officers', directors', or shareholders' acts, errors or omissions. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 13.0 (Indemnification and Insurance) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld or delayed. Contractor shall not, however, without County's prior written approval, accept any settlement, or enter a plea of guilty or *nolo contender*, to any charge or claim that results in other than a monetary judgment against County Indemnitees, which monetary judgment shall not exceed Contractor's ability to pay and which shall be paid by Contractor.

13.2 General Insurance Requirements

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

13.2.1 Evidence of Insurance

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

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

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

(i) Specifically identify the Agreement;

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

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

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

(v) Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County Indemnitees, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the state of California.

13.2.2 Insurer Financial Ratings

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

13.2.3 Insurance Programs

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

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

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

(ii) Professional liability insurance covering any liability arising from any error, omission, negligent or wrongful act of the Contractor, its

officers, agents, or employees with limits of not less than $1,000,000 per occurrence and $1,000,000 aggregate.

Such coverage shall be maintained for a period of not less than two (2) years, or the policy shall be endorsed to provide an extended reporting period of not less than two (2) years, following the expiration or termination of the Agreement.

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

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

13.2.4 Notification of Incidents, Claims or Suits

Contractor shall report to County:

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

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

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

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

13.3 Failure to Procure and Maintain Insurance

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

14.0 INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Subparagraph 13.1 (Indemnification) of this Exhibit, from and against any and all liability (alleged or actual), including damages, losses, costs, fees and other expenses (including defense costs and legal, accounting and other expert, consulting, attorney, or other professional fees), for or by reason of any actual or alleged infringement of any patent, copyright, trademark, or other proprietary rights of any third party, or any actual or alleged trade secret disclosure of misappropriation, arising from or related to the operation of the Work under the Agreement (collectively referred to as "Infringement Claims"). .

15.0 BUDGET REDUCTIONS

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

16.0 FORCE MAJEURE

Except with respect to defaults of any subcontractors, Contractor shall not be liable for any such excess costs, if its failure to perform the Agreement arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by Contractor or any of Contractor's subcontractors), freight embargoes,

or other similar acts to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without any fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. Contractor agrees to use commercially reasonable best efforts to obtain such goods or services from other sources, and to mitigate the damages and reduce the delay caused by any of the above mentioned *force majeure* events. As used in this Paragraph 16.0 (Force Majeure), the term "subcontractor" and "subcontractors" mean subcontractors at any tier

17.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

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

17.2 The Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which 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 contracts Contractor may have with the County.

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

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

17.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or 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. Contractor and the Sheriff's Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.

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

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

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

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

modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

17.9 These terms shall also apply to subcontractors of County Contractors.

18.0 COMPLIANCE WITH APPLICABLE LAW

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

19.0 FAIR LABOR STANDARDS

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

20.0 NONDISCRIMINATION, AFFIRMATIVE ACTION, AND ASSURANCES

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

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

20.2 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

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

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

20.4.1 Title VII, Civil Rights Act of 1964;

20.4.2 Section 504, Rehabilitation Act of 1973;

20.4.3 Age Discrimination Act of 1975;

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

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

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

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

20.6 The parties agree that if Contractor violates the anti-discrimination provisions of the Agreement, County shall, at its option, be entitled to the sum of five hundred dollars ($500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating the Agreement.

21.0 NONDISCRIMINATION IN SERVICES

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

22.0 EMPLOYMENT ELIGIBILITY VERIFICATION

22.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under the Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended.

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

23.0 HIRING OF EMPLOYEES

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

24.0 CONFLICT OF INTEREST

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

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

25.0 RESOLICITATION OF BIDS, PROPOSALS, OR INFORMATION

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

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

through any future invitation for bids, request for information, or request for proposals by virtue of its present status as Contractor.

26.0 RESTRICTIONS ON LOBBYING

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

27.0 CONSIDERATION OF GAINPROGRAM PARTICIPANTS FOR EMPLOYMENT

Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give reasonable consideration for any such employment openings to participants in County's Department of Public Social Services' greater avenues for independence (in this Paragraph, "GAIN") or general relief opportunity for work (in this Paragraph, "GROW") programs who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN participants by job category to Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first opportunity.

28.0 STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

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

29.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST

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

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

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

The CSSD will maintain and periodically update the "L.A.'s Most Wanted: Delinquent Parents" list on the Internet. The list may be televised before and after Board meetings.

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

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

31.2 As required by County's Child Support Compliance Program (Los Angeles County Code chapter 2.200) and without limiting Contractor's duty under the Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the Term maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 U.S.C. Section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served wage and earnings withholding orders or County's CSSD notices of wage and earnings assignment for child or spousal support, pursuant to California Code of Civil Procedure Section 706.031 and California Family Code Section 5246(b).

31.3 Failure of Contractor to maintain compliance with the requirements set forth in this Paragraph 31.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within ninety (90) days of written notice shall be grounds upon which County may terminate this Agreement pursuant to Paragraph 5.0 (Termination for Default) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

32.0 RECYCLED-CONTENT PAPER

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

33.0 COMPLIANCE WITH JURY SERVICE PROGRAM

33.1 Jury Service Program

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

33.2 Written Employee Jury Service Policy.

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

33.2.2 For purposes of this Paragraph 33.0 (Compliance with Jury Service Program), "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: (a) the lesser number is a recognized industry standard as determined by County, or (b) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under the Agreement, the subcontractor shall also be subject to the provisions of this Paragraph 33.0 (Compliance with Jury Service Program). The provisions of this Paragraph 33.0 (Compliance with Jury Service

Program) shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

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

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

34.0 BACKGROUND AND SECURITY INVESTIGATIONS

34.1 At any time prior to or during the Term, the County may require that all Contractor staff, subcontractors and agents of Contractor performing Work under this Agreement undergo and pass, to the satisfaction of the County, a background investigation as a condition of beginning and continuing Work under this Agreement. County shall use its discretion in determining the method of background investigation to be used, up to and including a County-performed fingerprint security clearance.

34.2 If any of the Contractor's staff, subcontractors or agents do not pass the background clearance investigation, the County may require that the individual immediately be removed from performing Work at any time during the Term. County will not provide to Contractor or to the individual any information obtained through the County's background investigation.

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

34.4 Disqualification, if any, of Contractor staff, subcontractors or agents pursuant to this Paragraph 34.0 shall not relieve Contractor of its obligations to complete all Work in accordance with the terms and conditions of this Agreement.

35.0 ACCESS TO COUNTY FACILITIES

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

36.0 COUNTY FACILITY OFFICE SPACE

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

37.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS

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

37.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand, or without limitation of all County's other rights and remedies provided at law or equity, or under the Agreement, County may deduct such costs from any amounts due to Contractor from County under the Agreement.

38.0 PHYSICAL ALTERATIONS

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

39.0 FEDERAL EARNED INCOME TAX CREDIT

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

40.0 ASSIGNMENT BY CONTRACTOR

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

40.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person, corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with *Paragraph 40.1* of this *Exhibit*.

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

41.0 INDEPENDENT CONTRACTOR STATUS

41.1 The Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent Contractor.

41.2 County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

41.3 Contractor understands and agrees that all persons performing Work pursuant to the Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. County shall have no obligation to furnish, or liability for, workers' compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to the Agreement.

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

42.0 RECORDS AND AUDITS

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

location inside Los Angeles County, or (b) pay County for travel, per diem, and other costs and expenses incurred by County to examine, audit, excerpt, copy or transcribe such material at such outside location.

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

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

43.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

Contractor shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates required by all Federal, State, and local laws, ordinances, rules, and regulations, which are applicable to Contractor's services under the Agreement. Contractor shall further ensure that all of its officers, employees,

and agents who perform services hereunder, shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. If and to the extent requested by County, Contractor shall provide copy of each such license, permit, registration, accreditation, and certificate, in duplicate, to Mona Whittouck, Manager, Sheriff's Department Contracts Administration, 4700 Ramona Boulevard, Monterey Park, CA 91754-2169.

44.0 NO THIRD PARTY BENEFICIARIES

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

45.0 MOST FAVORED PUBLIC ENTITY

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

46.0 COUNTY'S QUALITY ASSURANCE PLAN

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

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

Should Contractor require personnel in addition to those employed by Contractor on the Effective Date to perform the services set forth herein, Contractor shall give consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Agreement. For this purpose, consideration shall mean that Contractor will interview qualified candidates. Prior to consideration being given by Contractor, County will refer such County employees by job category to

Contractor. The above obligations do not apply to positions filled by: (a) third parties who have subcontracted with Contractor to perform the services, or (b) Contractor's current employees.

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

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

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

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

50.0 SAFELY SURRENDERED BABY LAW

50.1 Notice to Employees

Contractor shall notify and provide to its employees residing in or working in the State of California, and shall require each subcontractor performing Work under this Agreement to notify and provide to its employees residing in or working in the State of California, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

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

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

subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

51.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

The Contractor and the 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. No bar exists against any hiring action initiated through a public announcement.

52.0 PUBLIC RECORDS ACT

52.1 Any documents submitted by Contractor, all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records, pursuant to Paragraph 42.0 (Records and Audits) of this Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records, including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

53.0 WAIVER

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

54.0 GOVERNING LAW, JURISDICTION, AND VENUE

The Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to contracts made

and to be performed within that state. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California (except with respect to claims that are subject to exclusive Federal subject matter jurisdiction, as to which Contractor agrees and consents to the exclusive jurisdiction of the United States District Court of the Central District of California) for all purposes regarding the Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the Central District of the Superior Court for the County of Los Angeles, California.

55.0 SEVERABILITY

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

56.0 RIGHTS AND REMEDIES

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

57.0 FACSIMILE

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

* * * * *

EXHIBIT B

STATEMENT OF WORK

WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

TABLE OF CONTENTS

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ATTACHMENT A – WORK ORDER SAMPLE

ATTACHMENT B – INVOICE SAMPLE

ATTACHMENT C – MILEAGE LOG SAMPLE

EXHIBIT A

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The Sheriff's Department's Internal Criminal Investigations Bureau (ICIB) requires for its Workers' Compensation Unit the services of an independent Contractor to conduct confidential investigations and Sub-rosa surveillance of County employees suspected of workers' compensation fraud as needed.

2.0 RESPONSIBILITIES

The County's responsibilities are as follows:

COUNTY

2.1 Work Order

Upon determination by the County to issue work, the County's Project Manager shall assign work on a rotational basis, as needed. The County reserves the right to assign work outside of rotation based on geographic location, a specific language need, or where work is needed on an expedited basis.

2.1.1 The work orders shall generally conform to Attachment A (Work Order) of this Statement of Work (SOW). Each Work Order shall include a service summary outline, which shall describe the particular project and the work required for the performance thereof.

2.1.2 Work Orders are usually issued for periods not extending past the end of County's current fiscal year (June 30th) with the exception of Work Orders for as needed services on an

hourly basis, which may be issued to correspond with the term of the Agreement.

2.1.3 Contractor selected must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion of County' s Project Director.

2.1.4 In the event Contractor defaults three (3) times under Subparagraph 2.1.3 within a given County fiscal year, then County may terminate this Agreement pursuant to Subparagraph 8.44 (Termination for Default) of the Agreement.

2.1.5 Contractor shall not commence any Work prior to receipt of a written Work Order in the form of Attachment A.

2.2 PERSONNEL

The County will administer the Agreement according to the Agreement, Paragraph 3.0, Administration of Agreement – County. Specific duties will include:

2.2.1 County Project Director

2.2.1.1 Provide direction to the Contractor in areas relating to policy, information and procedural requirements.

2.2.1.2 Approve Change Notices in accordance with the Agreement, Paragraph 6.0, Change Notices and Amendments.

2.2.2 County Project Manager

2.2.2.1 Interface regularly with Contractor and be a resource for addressing the technical standards and requirements.

2.2.3 Contract Program Monitor

2.2.3.1 Monitoring the Contractor's performance in the operation of this Agreement.

2.2.3.2 Review and evaluate the employment history of the Contractor to ensure that he or she continues to meet the standards necessary to successfully execute this Agreement.

2.2.3.3 Conduct periodic audits to ensure that Contractor's work is performed in a professional manner consistent with the Department's standards and in compliance with Section 4.0, Specific Work Requirements, of this Statement of Work.

The Contractor's responsibilities are as follows:

CONTRACTOR

The Contractor will administer the Agreement according to the Agreement, Paragraph 4.0, Administration of Agreement – Contractor, and will provide to County's Project Manager the name of the investigator assigned to work under this Agreement prior to performing services.

2.3 Project Manager

2.3.1 Contractor shall have and maintain in good operating order a business telephone and cellular telephone number where he or she may be reached on a twenty-four (24) hour per day basis. The access numbers shall be maintained and provided to the County Project Manager during the term of this Agreement.

2.3.2 Contractor shall be able to effectively communicate, in English, both orally and in writing.

2.3.3 Contractor shall be available to testify if needed, and will be compensated under the Work Order.

2.4 Identification Badges

2.5.1 Contractor shall wear a visible photo identification badge, identifying employee by name, and physical description. Such badge shall be displayed on the employee's person at all times he/she is on County designated property.

2.5 Materials and Equipment

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

3.0 HOURS/DAYS OF WORK

Contractor's work days and hours will vary, depending on the need of the Department's Workers' Compensation Unit and ICIB.

4.0 SPECIFIC WORK REQUIREMENTS

4.1 Contractor will provide criminal investigations of suspected fraudulent workers' compensation claims.

4.2 Contractor shall conduct thorough workers' compensation fraud investigations as directed by the County Project Director (ICIB Unit Commander), Project Manager (Supervising Program Sergeant) and their Chain of Command.

4.3 Contractor agrees to conduct investigations centered in the areas of Los Angeles, Kern, Orange, Riverside, San Bernardino, Ventura and San Diego Counties and other areas as directed by the County's Project Director and/or Project Manager.

4.4 Contractor shall have the responsibility to gather all available facts, regarding the allegations. In doing so, he/she must be objective and thorough, and his/her opinions, conclusions and personality shall not be interjected into the investigation.

4.5 Contractor shall seek and document all available evidence during the course of their investigation. The Contractor will immediately notify the Project Manager or his designee concerning the evidence so efforts can be taken to lawfully seize the evidence in a timely manner.

4.6 All workers' compensation investigations shall be considered confidential and findings shall only be discussed with the County's Program Director, Program Manager, and/or their assigned designee.

4.7 Contractor agrees to respond to request for service within 24 hours of notification.

4.8 Prior to conducting any interview, Contractor shall review all available reports and documents contained in the investigation case file.

4.9 Contractor is required to conduct face-to-face interviews of employee witness(es), non-employee witness(es), medical providers and others as directed by the County's Project Director, Project Manager and/or their Chain of Command.

4.10 Contractor shall accurately identify all persons interviewed by name, employee number if applicable, date of birth, home address, telephone number, business address and telephone number and California driver's license number.

4.11 The Contractor shall be guided by prudent investigation techniques, current legislation, legal decisions and Department policy and procedures, striving for the highest quality investigation possible.

4.12 All interviews shall be audio recorded (digitally). The interviews shall be administered in a professional manner.

4.13 Contractor shall deliver to the County's Project Manager all original audiotapes and video tapes/recordings, photographs, supporting notes and all documentation regarding the workers' compensation investigation. All information shall be the property of the Los Angeles County Sheriff's Department and shall not be released orally or in writing without explicit written authorization from the Sheriff. Duplicate copies of any of the material are not to be made or retained.

4.14 Contractor shall maintain all the information related to the investigation in a separate file for each investigation. Such file shall be kept in a safe and secure location that will assure confidentiality.

4.15 Contractor must attend necessary training and orientation to facilitate his/her performance in conducting complex workers' compensation applicant and provider fraud investigations. Contractor will be paid at the hourly rate for training for the exact hours the training is conducted.

4.16 The Department's Workers' Compensation Fraud Unit and/or the Sheriff shall have the option to recall any and all unfinished workers' compensation fraud investigations.

4.17 Contractor will brief the Project Director, Project Manager or their Chain of Command on the results of interviews and receive further direction regarding the investigation

4.18 Contractor agrees to conduct Sub-Rosa surveillance as directed by the County's Project Director, Project Manager and their Chain of Command.

4.19 Contractor shall possess the ability to capture surveillance with video tape recording (digital and compact disc video formats) and/or photographic camera (digital or 35mm still camera).

4.20 Contractor shall not be armed with a weapon while in the performance of services for the County.

4.21 Contractor agrees to maintain email address for electronic transfer of reports and other documents.

4.22 Contractor shall prepare all written documents with an acceptable word processing computer program consistent with the Department's standards, which presently utilizes Microsoft Word and WordPerfect.

4.23 Contractor agrees that failure to respond for service or violations of the law or Sheriff's Department policy may result in the termination of Agreement between Contractor and Los Angeles County.

4.24 **CONTRACTOR'S REPORTING REQUIREMENTS**

4.24.1 Contractor shall provide Workers' Compensation Investigation reports of interviews or detailed activity

to the County Project Manager within seven days of completing the interview or detail.

4.24.2 Upon request, the Contractor shall provide an oral status report to an authorized representative of the Workers' Compensation Fraud Unit.

4.24.3 Contractor shall submit all completed reports to the County Project Manager for review and approval. The County Project Manager shall review the reports and note any issues that require further investigation or clarification. The County Project Manager shall return any reports, which require modification to the Contractor for completion.

4.24.4 Contractor shall attend training and case briefings as requested by the County Project Director, Project Manager and/or their Chain of Command.

WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

WORK ORDER
SAMPLE

_____
CONTRACTOR NAME

Work Order No. _____ County Agreement No. _____

☐ Project Director

Issued By _____ ☐ Project Manager Date _____

I GENERAL

Contractor is to conduct confidential investigations and Sub-rosa surveillance of County employees suspected of workers' compensation fraud as needed. Contractor shall satisfactorily perform all the tasks and provide all the deliverables detailed in the Statement of Work in compliance with the terms and conditions of Contractor's Master Agreement.

II EMPLOYEE INFORMATION

Employee Name: Employee No:

Phone No.:

Primary Address:

DOB: ☐ Photo Attached or Physical Description

☐ Male Race: Ht.: Wt.:

☐ Female Hair: Eyes:

Unit of Assignment:

Job Title: Date of Hire:

Work Order No. _____ County Agreement No. _____

III INJURY INFORMATION

Date of Injury:

Location of Occurrence:

Nature and Circumstances of Reported Injury:

Nature of Total Temporary Disability/Work Restrictions:

IV INVESTIGATIVE ACTIVITIES

Interview/Statement	**Obtain**	**Photo(s)**
Mark Applicable	Mark Applicable	
☐ Employee Witness(es)	☐ WCAB Records**	☐ Sub-rosa*
☐ Co-Workers	☐ Medical Records	☐ Stills
☐ Non-Employee Witness(es)	☐ Other _____	
☐ Supervisor	☐ Other _____	
☐ Doctor(s)		
☐ Other _____		
☐ Other _____		
☐ Other _____		

* Requires Prior Approval by Project Director or Project Manager

** Worker's Compensation Appeal Board (WCAB)

Work Order No. _____ County Agreement No._____

Special Instructions:

- Please conduct ___ hours of surveillance over a __ day period. Please vary hours of surveillance (8a.m. to 5 p.m. and noon to 8 p.m.)
- Provide video of claimant's general daily activities.
- Submit written report of results of sub-rosa investigation.
- Please contact Sergeant _____ at _____ for further direction after establishing initial surveillance.
- Please code video with date and time stamp.
- Each hour of surveillance obtain video tape of location.
- Make handwritten notes during surveillance as appropriate. Turn off audio to video recording or do not narrate the video.

V PAYMENT

Contractor shall submit all invoices under this Work Order as set forth in Paragraph 10.0 (Invoices and Payments) of the Agreement.

ALL TERMS OF THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS WORK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

In accordance with Agreement, Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Work Order, and/or that utilizes personnel not specified in this Work Order, and/or that goes beyond the work identified in the Statement of Work.

Work Order No. _____ County Agreement No. _____

Contractor's signature on this Work Order document confirms Contractor's awareness of and agreement with the provisions of Paragraph 8.0 of the Agreement, which establish that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work to County that goes beyond the scope of work identified in the Statement of Work, **REGARDLESS** OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY COUNTY PERSONNEL WHATSOEVER.

CONTRACTOR		COUNTY OF LOS ANGELES	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

CERTIFICATION OF EMPLOYEE STATUS

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

_____
CONTRACTOR NAME

Work Order No. _____ County Agreement No. _____

I CERTIFY THAT: (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) this organization's self employed/employee(s); (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below for the entire time period covered by the attached Work Order.

SELF EMPLOYED/EMPLOYEE(S)

1. _____
2. _____
3. _____

I declare under penalty of perjury that the foregoing is true and correct.

_____
Signature of Authorized Official

_____
Printed Name of Authorized Official

_____
Title of Authorized Official

_____
Date

Attachment B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

INVOICE SAMPLE

INVESTIGATOR: _____ **AGREEMENT#**_____

ADDRESS: _____ **TELEPHONE#** _____

PERIOD OF PERFORMANCE DATES: _____

Work Order Number	Total Hours Worked	Rate per Hour	Total Hourly Amount Due
		$60/hr.	

Work Order Number	Total Mileage	Rate per Mile	Total Mileage Amount Due
		.47/mile	

Work Order Number	Total Parking Amount	Total Parking Expense Due

TOTAL AMOUNT DUE _____

NOTE: MILEAGE WILL BE PAID AT THE RATE ESTABLISHED BY THE COUNTY AUDITOR CONTROLLER. THE RATE IS CURRENTLY $0.47 (47 CENTS), PURSUANT TO LOS ANGELES COUNTY CODE, SECTION 5.40.190-5.40.290. PARKING WILL BE PAID WHEN ACCOMPANIED WITH A PARKING RECEIPT. HOURS WORKED, MILEAGE AND PARKING CLAIMS SHALL BE SUBMITTED ON THE TIME CARD AND MILEAGE LOG AND ATTACHED TO THE INVOICE.

_____ _____
INVESTIGATOR **DATE** **PROJECT MANAGER** **DATE**

ATTACHMENT C

SAMPLE

MONTHLY REPORT

WORKERS' COMPENSATION FRAUD INVESTIGATOR TIMECARD AND MILEAGE LOG

Contract Investigator Name: _____ Agreement Number: _____

Month _____ Year _____

Date	Hours Start/End	Total Hours	Mileage Start/End	Total Mileage	Total Parking	Work Order No.	Status

Exhibit C

CONTRACTOR'S EEO CERTIFICATION

Contractor Name: _____

Address: _____

Internal Revenue Service Employer Identification Number: _____

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the 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, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1.	The Contractor has a written policy statement prohibiting discrimination in all phases of employment.	Yes ☐	No ☐
2.	The Contractor periodically conducts a self analysis or utilization analysis of its work force.	Yes ☐	No ☐
3.	The Contractor has a system for determining if its employment practices are discriminatory against protected groups.	Yes ☐	No ☐
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.	Yes ☐	No ☐

Authorized Official's Printed Name and Title: _____

Authorized Official's Signature: _____ Date: _____

EXHIBIT D

ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENTS

FOR

WORKERS' COMPENSATION FRAUD

INVESTIGATION SERVICES

CONTRACT FOR
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

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

[*place* CONTRACTOR NAME *here*]

Contract No.: _____

Employee Name: _____

GENERAL INFORMATION:

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

Initials of Signer: _____

CONTRACT FOR
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

Contractor Name: _____ Contract No.: _____

Employee Name: _____

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

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

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

COPYRIGHT ASSIGNMENT AGREEMENT

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACT FOR
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

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

[*place* CONTRACTOR NAME *here*]

Contract No.: _____

Employee Name: _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

Initials of Signer: _____

CONTRACT FOR
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

Contractor Name: _____ Contract No.: _____

Non-Employee Name: _____

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

I agree to keep confidential all health and criminal records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor 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, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

COPYRIGHT ASSIGNMENT AGREEMENT

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

EXHIBIT E

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
WORKERS' COMPENSATION FRAUD INVESTIGATION SERVICES

Compensation Rates

CONTRACTOR: _____

HOURLY RATE: $60.00 per hour

NOTE: MILEAGE WILL BE PAID AT THE RATE ESTABLISHED BY THE COUNTY AUDITOR CONTROLLER. AS OF 3/06/08, THE RATE IS $0.47 (47 CENTS), PURSUANT TO LOS ANGELES COUNTY CODE, SECTION 5.40.190-5.40.290. PARKING WILL BE PAID WHEN ACCOMPANIED WITH A PARKING RECEIPT. HOURS WORKED, MILEAGE AND PARKING CLAIMS SHALL BE SUBMITTED ON THE TIME CARD AND MILEAGE LOG AND ATTACHED TO THE INVOICE.

_____

CONTRACTOR'S SIGNATURE **DATE**

_____

CONTRACTOR'S TITLE

AGREEMENT
CONTRACTOR'S OBLIGATIONS UNDER HIPAA

Under this Agreement, Contractor provides services to County and Contractor receives, has access to, and/or creates Protected Health Information, as defined below, in order to provide those services. County is subject to the Administrative Simplification requirements of the Federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated under HIPAA, including the "Standards for Privacy of Individually Identifiable Health Information" which are located in Title 45 of the Code of Federal Regulations, Parts 160 and 164 ("Privacy Regulations"). The Privacy Regulations mandate certain protections for the privacy and security of Protected Health Information. The Privacy Regulations also require County to enter into an agreement with Contractor in order to obtain satisfactory assurance from Contractor that Contractor will appropriately safeguard the Protected Health Information. Disclosure to or use of Protected Health Information by Contractor is prohibited if such an agreement is not in place. Therefore, the parties agree to the terms of this Exhibit F.

1.0 DEFINITIONS

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

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

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

1.4 "Required by Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative

demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

1.5 "Services" has the same meaning as in this Agreement.

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

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

2.0 OBLIGATIONS OF CONTRACTOR

2.1 Permitted Uses and Disclosures of Protected Health Information. Contractor:

(a) Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as Provided in Subsections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3, and 5.2 of this Appendix G;

(b) Shall Disclose Protected Health Information to County upon request;

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

(i) Use Protected Health Information; and

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

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

2.2 Adequate Safeguards for Protected Health Information. Contractor warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Agreement. Contractor agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.

2.3 Reporting Non-Permitted Use or Disclosure. Contractor shall report to County each Use or Disclosure that is made by Contractor, its employees, representatives, agents or subcontractors, but is not specifically permitted by this Agreement. The initial report shall be made by telephone call to the appropriate

Department, within forty-eight (48) hours from the time the Contractor first becomes aware of the non-permitted Use or Disclosure, as follows:

Chief Information Office Privacy Officer
213-974-2166

The initial telephone report shall be followed by a full written report no later than ten (10) business days from the date the Contractor becomes aware of the non-permitted Use or Disclosure, and shall be sent to County's Chief Information Privacy Officer at:

Chief Information Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 493
Los Angeles, California 90012

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

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

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

2.7 Amendment of Protected Health Information. Contractor shall, to the extent County determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by County. Contractor shall make such amendment within ten (10) business days after

receipt of request from County in order for County to meet the requirements under 45 C.F.R. § 164,526.

2.8 Accounting of Disclosures. Upon County's request, Contractor shall provide to County an accounting of each Disclosure of Protected Health Information made by Contractor or its employees, agents, representatives or subcontractors. However, Contractor is not required to provide an accounting of Disclosures that are necessary to perform the Services if such Disclosures are for either payment or health care operations purposes, or both.

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

3.0 OBLIGATION OF COUNTY

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

4.0 TERM AND TERMINATION

4.1 Term. Contractor's obligations under Subsection 2.1 (as modified by Subsection 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon County's knowledge of a material breach by Contractor, County shall either:

(a) Provide an opportunity for Contractor to cure the breach or end the violation, and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by County; or

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

(c) If neither termination or cure are feasible, County shall report the violation to the Secretary of the Federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration

(a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. The provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.

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

5.0 MISCELLANEOUS

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

5.2 Use of Subcontractors and Agents. Contractor shall require each of its agents and subcontractors receiving Protected Health Information from Contractor, or creating Protected Health Information for Contractor, on behalf of County, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Appendix G.

5.3 Relationship to Agreement Provisions. In the event that a provision of this Appendix G is contrary to any other provisions of this Agreement, the provision of this Appendix G shall control.

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

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

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