Health Services
LOS ANGELES COUNTY

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

21 October 29, 2013

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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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October 29, 2013

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

Dear Supervisors:

APPROVAL OF SOLE SOURCE AGREEMENT WITH SAFETY NET CONNECT, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)

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

SUBJECT

Approval of a Sole Source Agreement with Safety Net Connect, Inc. for the provision of an electronic physician-to-specialist consultation and referral system, otherwise known as "eConsult", at the Department of Health Services and Community Partner clinic sites.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute a Sole Source Agreement (Agreement) with Safety Net Connect, Inc. (SNC), effective upon Board approval for a forty-eight (48) month period, for the provision of eConsult services, with a total maximum agreement sum of $7,000,000 during the four-year term.

2. Delegate authority to the Director, or his designee, to execute future Amendments to: i) add, delete, and/or change non-substantive terms and conditions in the Agreement; ii) add/delete facilities, approve necessary

changes to scope-in-services and/or make any necessary changes required by either State or Federal law; and iii) increase the total maximum agreement sum by no more than ten percent above the initial total maximum agreement sum for a potential increase of $700,000 to provide additional work described in the Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director, or his designee, to execute a Sole Source Agreement, substantially similar to Exhibit I, to establish a Board- approved Agreement with SNC, which will enable the Department of Health Services (Department or DHS) to expand eConsult services at all DHS and Community Partner (CP) clinic sites, including, if the need arises, clinics operated by other County of Los Angeles departments and health care organizations. Currently, SNC has an agreement with L.A. Care that allows a limited number of DHS and CP clinical sites to access eConsult as authorized users. This agreement will soon terminate and given the success of the current system which reduced specialty care wait times and improved patient services, DHS is seeking Board approval to enter into an Agreement with SNC.

Approval of the second recommendation will allow the Director, or his designee, to: i) add, delete, and/or change non-substantive terms and conditions in the Agreement; and ii) add/delete facilities and approve necessary changes to scope-in-services with no change to the Agreement maximum obligation. In addition, approval of this recommendation will also allow the Director to execute Amendments to increase the total maximum agreement sum by no more than ten percent above the initial total maximum agreement sum during the term of the Agreement for additional work that includes customizations, modifications, or development of system improvements that requires no change to any term or condition of this Agreement or which are required to meet any changes required by State or Federal law. Such delegated authority will enable DHS to sustain the objectives initiated through the collaborative, and refine the processes during the Agreement term while expanding eConsult utilization throughout the DHS enterprise.

Background. In September 2012, the Department entered into a pilot collaboration with L.A. Care, Healthcare L.A., I.P.A., Medpoint Management, Inc. and the Community Clinic Association of Los Angeles County, through the Board-approved multi-party Memorandum of Understanding (MOU), for participation in the SNC eConsult System Demonstration Project (DP), at no cost to the County. The DP developed a cloud-based system to improve access to specialty services throughout Los Angeles County. The DP confirmed a secure, web-based platform can effectively facilitate clinical dialogue between Primary Care Providers (PCPs) and Specialist Physicians (Specialists) by providing timely and coordinated specialty care services for patients with specialty care needs. In addition, the DP established a mechanism for collecting information for the evaluation of treatment outcomes, improving delivery of patient care by successfully assisting the Department to decompress the wait times for specialty care services, while also reducing the number of emergency room patient visits. The Department will determine if savings were achieved as a result of consultations resolving without a specialty visit and reduced wait time for appointments in the various specialties covered by the DP.

eConsult has been very responsive to the County's needs and outcomes. Given the substantial and positive impact SNC's platform had on DHS' ability to provide timely and coordinated specialty care services, the Department advised the Board on December 12, 2012 of its intent to enter into Sole Source negotiations with SNC for the continued provision and development of eConsult services initiated by L.A. Care. The previously mentioned MOU, originally slated to expire on June 30, 2013, was extended by L.A. Care for a short time to allow DHS sufficient time to establish a direct Agreement with SNC. Maintaining the current vendor via the recommended Sole Source Agreement

leverages an existing application that has been customized for DHS and the CPs, and is moreover, cost-effective since L.A Care has already paid for the development and implementation costs for a significant number of DHS specialties and user training. Further, the cost in terms of technology redevelopment, reconfiguring work flow, and end-user retraining to switch to a different application designed by a different vendor would be significant.

eConsult Implementation. As reported to the Board in the June 4, 2013 memorandum, significant progress has been made in scaling up the use of eConsult with implementation at all DHS clinics and about 60 CP sites. This has resulted in a significant reduction in specialty referrals and markedly improved "show rates" for patients deemed appropriate and scheduled for a face-to-face visit with a specialist. DHS continues to add more users and specialties to the eConsult specialty network.

Recommended Agreement. DHS, with the assistance of support from the Chief Information Officer (CIO), County Counsel, and outside counsel, negotiated an Agreement with SNC which enables DHS to maintain access to this highly customized Software as a Service (SaaS) application that will continue to be refined to improve patient care delivery and health outcomes, including quality and efficiency of care, as we move toward implementing the Affordable Care Act (ACA). Maintaining the current vendor via the recommended Sole Source Agreement leverages an existing application that has been customized for DHS and the CPs, and is moreover, cost-effective since L.A. Care has already paid for the development and implementation costs for a significant number of DHS specialties and user training and reports. Further, the cost in terms of system-wide design, build, and testing of a new application designed by a different vendor, including the costs for user training, implementation, and post-evaluation studies, is not cost-effective. For the foregoing reasons, it is in the best interest of the County to award a Sole Source Agreement with SNC.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total maximum obligation for the initial four-year term is $7,000,000 based on the number of projected sites served under the Agreement. The total maximum obligation will also be determined by additional customizations or modifications required to improve eConsult.

The rate schedule includes volume-based pricing discounts, and reflects SNC's SaaS subscription license model, whereby SNC is responsible for maintenance, hosting, technical and product support documentation, and a payment schedule that reflects an initial payment after System Acceptance, and quarterly payments in arrears thereafter.

Funding will be requested in DHS' FY 2013-2014 Supplemental Budget Resolution and in future fiscal years, as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

eConsult facilitates dialogue and exchange of clinical information between primary and specialty care physicians within a secure Web application that meets State and federal requirements, reduces the number of unnecessary specialty care appointments and office visits, and enhances the patient care

experience. If a patient needs a face-to-face specialist visit, eConsult can be used to launch the referral request.

The proposed Agreement contains all current legally and Board required provisions, and may be terminated by the County with 30 days advanced written notice.

County Counsel has approved Exhibit I as to form. The CIO concurs with the Department's recommendation and that Office's Analysis is Attachment A.

DHS has determined that this Agreement is for the acquisition of an Information Technology (IT) system, therefore, Proposition A is not implicated.

CONTRACTING PROCESS

SNC was selected as the vendor for this effort as a result of a solicitation process administered by L.A. Care in 2011, with participation from DHS clinicians/managers on the evaluation committee. Initial development and implementation of the eConsult application was funded by L.A. Care under the agreement between L.A. Care and SNC. On September 4, 2012, the Board authorized the Department to enter into a multi-party MOU with L.A. Care and specified CPs to participate in a demonstration project for improving specialty care access and reducing health care costs through a Web-based platform. In its role as a public health organization charged with supporting the safety net, L.A. Care offered eConsult at no cost to DHS and other participating organizations.

Therefore, the Agreement with SNC is recommended to sustain the objectives initiated through the collaborative and expand eConsult utilization throughout DHS. DHS further believes maintaining the current vendor via the recommended Sole Source Agreement is in the County's best interest as doing so leverages an existing electronic system and process that is customized for DHS and their CPs needs, and moreover, based on technology that has proven itself to result in improved clinical outcomes and improved delivery of patient specialty care.

Attachment B is the Sole Source Checklist in compliance with Board Policy 5.100.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure the continued provision and expansion of eConsult services at DHS and CP clinic sites.

Respectfully submitted,

Mitchell H. Katz, M.D.
Director

RICHARD SANCHEZ
Chief Information Officer

MHK:RS:ck

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO

CIO Analysis

NUMBER:	DATE:
CA13-15	8/14/2013

SUBJECT:

APPROVAL OF SOLE SOURCE AGREEMENT WITH SAFETY NET CONNECT, INC.

RECOMMENDATION:

☒ Approve ☐ Approve with Modification ☐ Disapprove

CONTRACT TYPE:

☒ New Agreement ☒ Sole Source
☐ Amendment to Contract #: Enter contract #. ☐ Other: Describe contract type.

CONTRACT COMPONENTS:

☐ Software ☐ Hardware
☐ Telecommunications ☒ Professional Services

SUMMARY:

Department Executive Sponsor: **Mitchell H. Katz, M.D., Director of Health Services**

Description:

1. Execute a Sole Source Agreement with Safety Net Connect, Inc. (SNC), effective upon Board approval for forty eight (48) months, with a total maximum Agreement sum of $7,000,000.
2. Delegate authority to execute future Amendments to: i) add, delete, and/or change non-substantive terms and conditions in the Agreement; ii) add/delete facilities to approve necessary mandated or non-mandated changes to scope-of-service; and iii) increase the total maximum contract sum by no more than ten percent above the initial total maximum Agreement sum for a potential increase of $700,000.

Contract Amount: **$7,000,000**

Funding Source: **DHS FY 2013-14 Supplemental Resolution**

☐Legislative or Regulatory Mandate

☐ Subvened/Grant Funded:

Strategic and Business Analysis	PROJECT GOALS AND OBJECTIVES: This solution aligns with the Department of Health Services' (DHS) goal to improve patient care and reduce costs, as well as improve operational efficiencies by facilitating electronic consultations between Primary Care Providers (PCPs) and Specialist Physicians (Specialists). This approach, is part of DHS' comprehensive efforts to transform itself into an integrated delivery system to improve patient care and service by reducing unnecessary in-person specialist visits, improve patient care cycle time, and reducing costs by eliminating unnecessary specialist visits.

BUSINESS DRIVERS:

The key business drivers for the project are:

1. Provide timely and coordinated patient care. The eConsult process will initiate timely communications between the PCPs and Specialists, resulting in improved care for patients.
2. Reduce overall healthcare costs by cutting down unnecessary patient referrals to Specialists as the treatment needs are evaluated upfront via electronic means.
3. Streamline the operations by having patients visit Specialists only when needed; and thereby reducing the number of no-shows and delays.

PROJECT ORGANIZATION:

Hal Yee, M.D., is the IT Project Executive Sponsor. Paul Giboney is the Business Project Director. Kevin Lynch is the CIO. There will be a team within DHS Information Technology who will be working with the clinical, business, and SNC Project team.

PERFORMANCE METRICS:

DHS clinical team intends to collect data on patient satisfaction, cycle times, and clinical measures. DHS reported the eConsult pilot reduced avoidable specialty care referrals in Neurology, Cardiology, Dermatology, and Obstetrics by 34 percent.

STRATEGIC AND BUSINESS ALIGNMENT:

The project supports Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery of the County's Strategic Plan.

PROJECT APPROACH:

eConsult is a Software as a Service (SaaS) application. The application will continue to be implemented in groups sites. SNC will group sites as determined by DHS and will configure and test those sites. There will be multiple phases of this project.

Under L.A. Care's demonstration project, eConsult has been implemented at 100 active sites. These include 40 DHS-based sites and 60 Community Partner program sites. Between June and October, 2013, eConsult plans to deploy an additional 76 sites. Between October and the end of 2013, DHS anticipates bringing an additional 51 sites to the system for a total of 227 by year end. DHS plans to complete its expansion by July 31, 2014 to cover all DHS and Community Partner sites for a total of 377 sites.

ALTERNATIVES ANALYZED:

This is a Sole Source Agreement based on successful results of a pilot that was fully funded by L.A. Care.

Technical Analysis	ANALYSIS OF PROPOSED IT SOLUTION: Functionality of the system: The eConsult system improves the health of the patient population by providing electronic access to a range of medical Specialists in a cost-effective manner. The messaging system allows the Specialists to respond in a timely manner, and their participation early on works as an effective filter for proper referrals. Since specialty resources are expensive, communication between PCPs and Specialists beforehand helps physicians organize even before the scheduled appointment. The information trail and patient information is stored in a secured database. The medical history is available for future reference. The application produces several reports - eConsult summarizes by month: submitted, responses, messages, manage, referrals. Diverted eConsult summarizes: redirected, resolved, referred, and snapshots the number of pending and closed consultations. Application Architecture: eConsult has been developed by SNC. SNC is a joint venture of two companies – NetChemistry and ELM Technologies. It is a multi-tiered application developed on Apache as the Application server layer and Oracle as the Database. The language used is Module Practical Extration and Reporting Language (MOD PERL), which is a much improved version of PERL. DHS has been utilizing and custom tailoring the system for the last year (as an authorized user via the L.A. Care MOU) and the system has scaled without any significant issues. The product will continue to be implemented in groups of sites. As more clinics are added, the number of sites will increase. The product has already served 25,000 eConsults over ten sites and used by 3,000 users – providers/nurses/staff. The functionality includes a messaging capability that can be viewed securely by the providers engaged in this process. Infrastructure: SNC has a fully managed co-located facility in an AT&T Data Center located in Irvine, CA. The Data Center is at a Tier 4 level with a shared infrastructure that provides excellent service, reliability, and availability. The SNC application has three environments – development, testing, and production. The uptime of the application is 99.99 percent. The application environment runs on virtualized VMware clusters. Data is stored on redundant arrays and nightly backed-up both at Irvine and SNC's Newport Beach Disaster Recovery (DR) centers to Network Application Storage (NAS) servers. Nightly back-ups are performed to Linear Tape-Open (LTO) Jukeboxes in an encrypted manner. The SNC Data Center is Health Insurance Portability and Accountability Act (HIPAA) compliant.

	The DR site is located at Newport Beach. The Recovery Time Objective (RTO) is four hours and Recovery Point Objective (RPO) is one hour. SNC's DR plan is validated by third-party auditors annually.
Financial Analysis	BUDGET: **Agreement costs** One-time costs: None (fully hosted solution with no up front on-time costs) Ongoing annual costs: Services site license fee .....$5,708,242.56 (year 1 – 3) Services site license fee ..... $1,099,387.56 (year 4) Maximum site license fees total..... $6,807,630.00 (rounded) Pool dollars ..... $192,370.00 **Sub-total Agreement Costs: ..... $7,000,000.00** Optional contingency cost (10%) ..... $700,000.00 Note: Years 1-3: $511.50 per site per month x 227 sites = $116,110.50 $116,110.50 x 36 months = $4,179,978.00 Phase I – expansion sites: 84 sites x $301.79=25,350.36 $25,350.36 x 36 months = $912,612.96 Phase II – expansion sites: 30 sites x $301.79=9,053.70 $9,053.70 x 34 months = $307,825.80 Buffer sites: 30 sites x $301.79 = $9,053.70 $9,053.70 x 34 months = $307,825.80 Year 4: $293.69 per site per month x 227 sites = $66,667.63 $66,667.63 x 12 months = $800,011.56 Phase I – expansion sites: 84 sites x $173.25 = $14,553.00 $14,553.00 x 12 months = $174,636.00 Phase II – expansion sites: 30 sites x 173.25 = $5,197.50 $5,197.50 x 12 months = $62,370.00 Buffer sites: 30 sites x $173.25=5,197.50 $5,197.50 x 12 months = $62,370.00 4 year total = $7,000,000 (rounded)

Risk Analysis	RISK MITIGATION: 1. Since SNC is a small company, DHS must be diligent regarding the application support and scalability issues that might arise. A proper governance structure and tight communication are recommended. 2. The Chief Information Security Officer (CISO) reviewed the Agreement and did not identify any IT security or privacy related issues.
CIO Approval	PREPARED BY: Sanmay Mukhopadhyay, Sr. Associate CIO — Date 10/16/13
	APPROVED: for RS Richard Sanchez, County CIO — Date 10/16/13

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at http://ciointranet.lacounty.gov/

SOLE SOURCE CHECKLIST
Safety Net Connect, Inc. (SNC)

Check (√)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS Identify applicable justification and provide documentation for each checked item.
(√)	➢ It is in the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.). The recommended sole source agreement with Safety Net Connect, Inc (SNC) will allow for continued services of an electronic physician-to-specialist consultation and referral system, known as "eConsult", at Department of Health Services (DHS) and Community Partner (CP) sites. eConsult is viewed as a critical component of DHS' Health Care Reform initiative to transform access to, and the quality of, specialty services throughout Los Angeles County. It is in the best interest of the County to award a sole source agreement with SNC for the following reasons: • **Cost-savings**. The initial system-wide design, build, and testing of the eConsult application, including end-user training, implementation, and post-evaluation studies, were funded by L.A. Care Health Plan (L.A. Care) under its agreement with SNC. SNC was selected as a result of a competitive solicitation process administered by L.A. Care with participation by DHS clinicians/managers on the evaluation committee. On September 4, 2012, the Board authorized the Department to enter into a multi-party Memorandum of Understanding with L.A. Care and specified community-based organizations to participate in a demonstration project for improving specialty care access and reducing health care costs through a web-based platform at no cost to the participating parties. Continuing eConsult with SNC is cost-effective by eliminating the significant costs of using a different application developed by a new vendor. At the conclusion of the current agreement with SNC, L.A Care will have already paid for the aforementioned costs of eConsult. **Proven technology**. The Demonstration Project was established to determine whether a secure, web-based platform

could effectively facilitate clinical dialogue between Primary Care Providers (PCPs) and Specialist Physicians (Specialists) for the purpose of providing timely and coordinated specialty care services for PCP patients with specialty care needs, reduce healthcare costs, and to establish a matrix for collecting data and evaluate the outcomes. To date, L.A. Care reports the Demonstration Project has exceeded their expected outcomes with respect to the number of DHS and CP clinics where eConsult was implemented.

e-Consult has significantly improved specialty care access and capacity by expediting a specialty consult by a PCP, reducing avoidable specialty visits and backlog, reducing "no show rates" of specialty appointments, and markedly improving the patient experience, which has led to improved co-management of patient care between primary and specialty care providers.

DHS believes maintaining the current vendor via the recommended sole source agreement is in the County's best interest as doing so leverages an existing electronic system and process that's customized for DHS and their CP's needs, and moreover, is based on technology that has proven itself to result in improved clinical outcomes and improved delivery of patient specialty care.

Manager, CEO

7/31/13
Date

AGREEMENT

FOR

WEB-BASED eCONSULT SYSTEM AND RELATED SERVICES

BETWEEN

COUNTY OF LOS ANGELES

AND

SAFETYNET CONNECT, INC.

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Exhibit F	Invoice Discrepancy Report
Exhibit G	Contractor's EEO Certification
Exhibit H	Acknowledgement, Confidentiality and Assignment Agreement
Exhibit I	Task / Deliverable Summary Review Form
Exhibit J	Safely Surrendered Baby Law
Exhibit K	Jury Service Ordinance
Exhibit L	Source Code Escrow Agreement
Exhibit M	IT Disaster Recovery Plan

RECITALS

THIS AGREEMENT, effective as of _____ ___, 2013 (as further defined below, the "Effective Date"), by and between the County of Los Angeles, a political subdivision of the State of California ("County"), and SafetyNet Connect, Inc., a corporation organized under the laws of the State of California, located at 4600 Campus Drive, Suite 101, Newport Beach, California 92660 ("Contractor"), is for a web-based eConsult system (as further defined below, "eConsult") and Related Services.

WHEREAS, eConsult is a communications technology and care management process that addresses gaps in the way primary care providers ("PCP") and specialty care providers ("SCP") communicate and effectively coordinate care for their patients; and

WHEREAS, Contractor previously entered into an agreement with L.A. Care Health Plan ("L.A. Care") to develop and implement a web-based eConsult system to be utilized by the Community Partner ("CP") clinics who are members of the Health Care Los Angeles ("HCLA") independent physician association ("IPA") serviced by MedPoint Management, Inc. ("MedPOINT"), a management services organization, and by DHS (the "L.A. Care eConsult System") to replace the electronic specialty referral system previously used at DHS and CP clinics; and

WHEREAS, County desires to enter into an agreement with Contractor, among other things, to grant access from Contractor to continue to use eConsult, and to engage Contractor (a) to configure the eConsult system, as needed, (b) to perform certain modifications and customizations to the eConsult system necessary to meet County's functional, technical and/or business requirements, (c) to perform other work as requested by DHS, and (d) to host, maintain and support the eConsult system, in each case, subject to the terms and conditions of this Agreement (as defined below); and

WHEREAS, Contractor represents and warrants that it possesses the necessary special skills, knowledge, technical competence and sufficient staffing to perform all Work (as defined below) described in this Agreement; and

WHEREAS, this Agreement is authorized pursuant to California Government Code Sections 23004, 31000 and otherwise.

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

1.0 AGREEMENT AND INTERPRETATION

1.1 AGREEMENT

This base document along with Exhibits A through L, all Attachments and Appendices hereto or thereto (all Exhibits, Attachments and Appendices being incorporated herein by this reference), and all executed Change Notices and Amendments hereto 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 or schedule, or in the contents or description of any Task, Subtask, Deliverable, good, service, or other Work, or otherwise between this base document and the Exhibits, Attachments or Appendices such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits, Attachments and Appendices according to the following priority:

Exhibit A	Additional Terms and Conditions
Attachment A.1	County's Administration *[Placeholder]*
Attachment A.2	Contractor's Administration *[Placeholder]*
Exhibit B	Statement of Work
Attachment B-1	Service Level Terms
Attachment B-2	Reporting Requirements
Exhibit C	Minimum System Requirements
Exhibit D	Price and Schedule of Payments
Attachment D-1	Sites
Exhibit E	Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)

Exhibit F	Invoice Discrepancy Report
Exhibit G	Contractor's EEO Certification
Exhibit H	Acknowledgement, Confidentiality and Assignment Agreement
Exhibit I	Task / Deliverable Summary Review Form
Exhibit J	Safely Surrendered Baby Law
Exhibit K	Jury Service Ordinance
Exhibit L	Source Code Escrow Agreement
Exhibit M	IT Disaster Recovery Plan

1.3 ADDITIONAL TERMS AND CONDITIONS

Without limiting Paragraph 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 set forth in such Exhibit A as if such terms and conditions were set forth 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 Exhibits, Attachments and Appendices, 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. 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. References in this Agreement to Federal, State, and/or other governmental statutes, codes, rules, regulations, ordinances, guidelines, directives, and/or policies, including those copies of which are attached to this Agreement, shall mean and shall be to such statutes, codes, rules, regulations, ordinances, guidelines, directives, and/or policies as amended from time to time. Unless expressly stated otherwise, all approvals, consents, or determinations by or on behalf of County under this Agreement, will be in writing, and may be given or withheld in the sole

and reasonable discretion or judgment of the person or entity authorized to provide or make such approval, consent, or determination.

2.0 DEFINITIONS

As used in this Agreement, the following terms shall have the following specific meanings:

2.1 "Additional Customizations" means customizations, modifications or enhancements to the Baseline Application, including all components and Documentation, which may be provided by Contractor under this Agreement in the form of Software Modifications upon County's request therefor pursuant to Paragraph 5.1.4 (Additional Work). The Additional Customizations are and shall become components of the System Software.

2.2 "Additional Interfaces" means Interfaces, including all components and Documentation, which may be provided by Contractor in the form of Software Modifications upon County's request therefor pursuant to Paragraph 5.1.4 (Additional Work). The Additional Interfaces are and shall become components of the System Software.

2.3 "Additional Work" means Professional Services, Software Modifications, and/or Additional Products, which may be provided by Contractor in accordance with Paragraph 5.1.4 (Additional Work).

2.4 "Agreement" has the meaning set forth in Paragraph 1.1 (Agreement).

2.5 "Amendment" has the meaning set forth in Paragraph 6.0 (Change Notices and Amendments).

2.6 "Application Software" means the Baseline Application and Software Modifications, including all components and Documentation, provided by Contactor pursuant to this Agreement. The Application Software is and shall become a component of the System Software.

2.7 "Authorized User" means any person or entity authorized by the County, including each of County's employees, representatives, consultants, contractors or agents and any other person expressly authorized by the County to access and use the System and who have been provided with their own unique Authorized User identification and password by the County.

2.8 "Baseline Application" means the Core Application, Baseline Interfaces, Baseline Customizations, and Third Party Software, including all components and Documentation. The Baseline Application is and shall become a component of the System Software.

2.9 “Baseline Customization(s)” means customizations, modifications or enhancements to the Core Application, including all components and Documentation, provided by Contractor under this Agreement as described in the Statement of Work. The Baseline Customizations are and shall become components of the System Software.

2.10 ”Baseline Interfaces” means Interfaces, including all components and Documentation, provided by Contractor under this Agreement as described in the Statement of Work, in order to meet the System Requirements and other Specifications. The Baseline Interfaces are and shall become components of the System Software.

2.11 “Board”; “Board of Supervisors” means the Board of Supervisors of the County of Los Angeles.

2.12 “Business Day” means Monday through Friday, excluding County observed holidays.

2.13 "Change Notice" has the meaning set forth in Paragraph 6.0 (Change Notices and Amendments).

2.14 “CIO” means the County’s Chief Information Officer.

2.15 "CPs" means Community Partner clinic health care providers.

2.16 “Compatible”; “Compatibility” means that (a) the applicable components of the County Environment are capable of supporting, operating and otherwise performing all anticipated functions of such County Environment components, when used in conjunction with the System Software, and (b) the applicable components of the System Software are capable of supporting, operating and otherwise performing all anticipated functions of such System Software components, when used in conjunction with the County Environment, and (c) the components of System Software are capable of supporting, operating and otherwise performing all anticipated functions of such System Software components, when used in conjunction with one another.

2.17 "Confidential Information" has the meaning set forth in Paragraph 3.0 (Confidentiality) of Exhibit A (Additional Terms and Conditions).

2.18 "Contractor" has the meaning set forth in the preamble to this Agreement.

2.19 “Contractor Project Director” has the meaning set forth in Paragraph 4.2 (Contractor Project Director).

2.20 “Contractor Project Manager” has the meaning set forth in Paragraph 4.3 (Contractor Project Manager).

2.21 “Core Application” means Contractor’s proprietary commercial off-the-shelf (COTS) software known as the "eConsult," including all components and Documentation, provided by Contractor under this Agreement as described in the Statement of Work. The Core Application is and shall become a component of the System Software.

2.22 “County” has the meaning set forth in the preamble to this Agreement.

2.23 "County Code" means the Los Angeles County Code, as in effect from time to time.

2.24 “County Counsel” means County’s Office of the County Counsel.

2.25 "County Environment" has the meaning set forth in Paragraph 11.0 (Minimum System Requirements).

2.26 “County Indemnitees” has the meaning set forth in Paragraph 9.0 (Indemnification) of Exhibit A (Additional Terms and Conditions).

2.27 "County Materials" has the meaning set forth in Paragraph 15.0 (Proprietary Considerations) of Exhibit A (Additional Terms and Conditions).

2.28 “County Project Director” has the meaning set forth in Paragraph 3.2 (County Project Director).

2.29 “County Project Manager” has the meaning set forth in Paragraph 3.3 (County Project Manager).

2.30 "Data Security Guidelines" means all applicable County information technology and security (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at http://countypolicy.co.la.ca.us/ and (ii) standards from time to time published by County's Chief Information Security Officer and provided by County (through its Project Director, Project Manager or otherwise) to Contractor.

2.31 “Deficiency” has the meaning set forth in Paragraph 18.0 (Correction of Deficiencies).

2.32 “Deliverable” means a service, product or good to be provided by Contractor to County under this Agreement in the Statement of Work or any executed Change Notice or Amendment.

2.33 "Director" means the Director of DHS or such person's designee.

2.34 “Disabling Device” has the meaning set forth in Paragraph 12.0 (General Warranties and Covenants) of Exhibit A (Additional Terms and Conditions).

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

2.36 "DHS" means County's Department of Health Services.

2.37 “Documentation” means any and all written and electronic materials provided or made available by Contractor, including, but not limited to, User manuals, training materials, testing protocols, methodologies, customer technical information and reference materials, quick-reference guides, FAQs, specifications, system designs and system design reviews and all other instructions and information relating to the capabilities, operation, installation and use of the System Software.

2.38 “Effective Date” means the date first set forth above, which is the date on which this Agreement has been approved by the Board of Supervisors and executed by authorized representatives of County and Contractor.

2.39 “Holdback Amount” has the meaning set forth in Paragraph 10.4 (Holdbacks).

2.40 "Hosting Services" has the meaning set forth in Paragraph 5.1.3 (Hosting Services).

2.41 “Hourly Labor Rate(s)” means, for Contractor’s personnel, the fully burdened hourly rates set forth in Exhibit D (Price and Schedule of Payments), which rates include an allocated average of direct and indirect costs, overhead, and administrative expenses.

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

2.43 “Interfaces” means the software mechanisms, consisting of Baseline Interfaces and Additional Interfaces, which allow the transfer of electronic data or software commands between computer systems, computer programs or computer program modules, including all components and Documentation. The Interfaces are and shall become components of the System Software. "Interface" when used as a verb, shall mean to operate as described above.

2.44 “Invoice Discrepancy Report”; “IDR” has the meaning set forth in Paragraph 10.7 (Invoice Discrepancy Report).

2.45 “License” has the meaning set forth in Paragraph 13.2 (License/Access Grant).

2.46 “Maintenance and Support Services” has the meaning set forth in Paragraph 5.1.2 (Maintenance and Support Services).

2.47 “Maintenance Fees” means the fees to be paid by County in exchange for Contractor's performance of Maintenance and Support Services, in each case, in accordance with this Agreement. The Maintenance Fees are set forth on Exhibit D (Price and Schedule of Payments).

2.48 “Maximum Contract Sum” has the meaning set forth in Paragraph 8.0 (Prices and Fees).

2.49 “New DR Site” has the meaning set forth in Paragraph 15.5.2 (Disaster Recovery and Business Continuity).

2.50 “Notice of Delay” has the meaning set forth in Paragraph 53.0 (Notice of Delay) of Exhibit A (Additional Terms and Conditions).

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

2.52 “Pool Dollars” has the meaning set forth in Paragraph 8.6 (Pool Dollars).

2.53 "Pool Hours” has the meaning set forth in Paragraph 8.7 (Pool Hours).

2.54 “Priority Level(s)” means identified Priority Levels 1, 2, 3 and 4 for correction of Deficiencies, as defined in Attachment B-1 (Service Level Terms) to the Statement of Work.

2.55 “Professional Services” means software design, development and implementation, any associated training, consulting and other professional services, which may be provided by Contractor under this Agreement or upon County's request therefor pursuant to Paragraph 5.1.4 (Additional Work).

2.56 "Release Conditions" has the meaning set forth in Paragraph 15.2 (Release Conditions).

2.57 "Site(s)" means those facilities, locations, practices and groups as set forth on Attachment D-1 (Sites) to Exhibit D (Price and Schedule of Payments) to this Agreement.

2.58 “Software Modifications” means Additional Customizations and Additional Interfaces, including all components and Documentation, which may be provided by Contractor under this Agreement upon County's request therefor pursuant to Paragraph 5.1.4 (Additional Work). The Software Modifications are and shall become components of the System Software.

2.59 “Source Code” means the sequence of instructions, written in a human readable computer programming language, and all documentation thereof, that is used by programmers to create a computer-executable form, including the tools and developer kits that created and enable creation of such code, initialization files, configuration files, code libraries (both static and dynamic link), class path definitions, the logical and physical layout of all software components, and all files, processes, and procedures necessary to build, deploy, and execute the applicable software.

2.60 ”Specifications” means all functional, technical, performance and other capability specifications for the System Software as set forth in this Agreement, including the Statement of Work, and any executed Change Notice or Amendment, the System Requirements, and/or the Documentation. In the event of a contradiction, conflict or inconsistency between prior specifications and a later COUNTY-approved Deliverable, the contradiction, conflict, or inconsistency shall be resolved in favor of the latest County-approved Deliverable, unless otherwise determined by COUNTY.

2.61 “Statement of Work”; "SOW" means the statement of goods, services and other work to be provided by Contractor under this Agreement, as specified in Exhibit B (Statement of Work) to this Agreement, including all Attachments thereto, as the same may be amended by any executed Amendment.

2.62 “System” means the System Software, System Environment, Maintenance and Support Services, Hosting Services and Professional Services, including all components and Documentation, collectively comprising the eConsult System.

2.63 "System Acceptance" has the meaning specified in Paragraph 5.5.1.

2.64 “System Environment” means System Hardware, System Network and System Software to be provided by Contractor as a part of its obligation to perform Hosting Services. The System Environment includes the Production Environment and all other environments described in this Agreement, including the Statement of Work.

2.65 “System Hardware” means computer hardware and all other equipment to be provided by Contractor under this Agreement as a part of its obligation to perform Hosting Services.

2.66 “System Network” means network and all other data communications components to be provided by Contractor under this Agreement as a part of its obligation to perform Hosting Services.

2.67 “System Operating Software” means the operating software provided by Contractor under this Agreement as a part of its obligation to perform Hosting Services.

2.68 “System Requirements” means any and all computer hardware, operating systems, and other peripherals required for Users to use the System Software.

2.69 “System Software” means Application Software, Updates, and Version Releases, including all components and Documentation, provided by Contractor for the purpose of this Agreement.

2.70 “System/License Access Fees” means the fees to be paid by County for each participating site in exchange for Contractor's performance in accordance with this Agreement. The System/License Access Fees are set forth on Exhibit D (Price and Schedule of Payments).

2.71 “Tax”; “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.

2.72 “Term” has the meaning set forth in Paragraph 7.0 (Term).

2.73 “Test(s) or Testing" means any one or all of the tests conducted by County or by Contractor in accordance with Paragraph 5.4 (Tests) and the applicable Statement of Work.

2.74 "Third Party Software" has the meaning set forth in Paragraph 12.0 (Third Party Software).

2.75 “Updates” means any upgrades, enhancements, updates, revisions, improvements, bug fixes, patches, and/or modifications to the System Software required to be provided by Contractor as a part of Maintenance and Support Services, including in order for the System Software to remain in compliance with applicable Federal, State and local laws, rules and regulations. Updates are and shall become components of the System Software.

2.76 "User Data" means any information or data input into the System by or on behalf of an Authorized User and all results, data and other information generated by the System from processing such data, including compilations and derivative works thereof.

2.77 "Version Releases" means any Update, accumulation of Updates and/or other major upgrade, enhancement, modification or revision to the System Software with respect to which Contractor determines are significant enough as to necessitate assigning a new version name or number to the System Software, required to be provided by Contractor as a part of Maintenance and Support Services. Version Releases are and shall become components of the System Software.

2.78 "Viruses" means any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, any disabling code or malware, which has the potential or capability of compromising the security of County's Confidential Information or of causing any unplanned interruption of the operations of, or accessibility of County's systems to County or any User or which could alter, destroy, or inhibit the use of County's systems, or the data contained therein, or introduce a vulnerability to County's systems or networks.

2.79 "Warranty Period" has the meaning set forth in (a) with respect to Paragraph 16.1.1.

2.80 "Work" means any and all items in the Statement of Work, Additional Work, goods, services and other work performed or provided by or on behalf of Contractor in order to meet the requirements of this Agreement, including the Statement of Work, all other Exhibits and Attachments, and all executed Change Notices and Amendments.

3.0 ADMINISTRATION OF AGREEMENT – COUNTY

3.1 COUNTY'S ADMINISTRATION

A listing of all County personnel responsible for the administration of this Agreement on behalf of County (in this Paragraph 3.1, "County's Administration"), as referenced below in this Paragraph 3.0, is set forth in Attachment A.1 (County's Administration) of Exhibit A (Additional Terms and Conditions). No member of County's Administration is authorized to make any changes in any of the terms and conditions of this Agreement unless specifically authorized in Paragraph 6.0 (Change Notices and Amendments). County shall notify Contractor in writing of any change in the names or addresses shown.

3.2 COUNTY PROJECT DIRECTOR

3.21 County Project Director will be responsible for confirming that the objectives of this Agreement are met. County Project Director shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor.

3.22 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 Director, such notice, report, or other delivery shall be made to County Project Director in accordance with the notice information set forth above or in

accordance with such other notice information as County may notify Contractor from time to time pursuant to this Paragraph 3.2.

3.3 COUNTY PROJECT MANAGER

3.31 County Project Manager shall be responsible for County's day to day activities as related to this Agreement, 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 given to such person by County.

3.32 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.

3.33 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 County may notify Contractor from time to time pursuant to this Paragraph 3.3.

3.4 CONSOLIDATION OF DUTIES

County reserves the right to consolidate the duties of County Project Director, enumerated in Paragraph 3.2 (County Project Director), and the duties of County Project Manager, enumerated in Paragraph 3.3 (County Project Manager), into one County position, and to assign all such duties to one individual who will act as County's liaison in all matters relating to this Agreement. County will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this Paragraph 3.4.

3.5 COUNTY PERSONNEL

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

4.0 ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1 CONTRACTOR'S ADMINISTRATION

A listing of all Contractor personnel responsible for the administration of this Agreement on behalf of Contractor (in this Paragraph 4.1, "Contractor's

Administration"), as referenced below in this Paragraph 4.0, is set forth in Attachment A.2 (Contractor's Administration) of Exhibit A (Additional Terms and Conditions). No member of Contractor's Administration is authorized to make any changes in any of the terms and conditions of this Agreement unless specifically authorized under Paragraph 6.0 (Change Notices and Amendments). Contractor shall notify County in writing of any change in the names or addresses shown.

4.2 CONTRACTOR PROJECT DIRECTOR

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

4.2.2 During the Term, Contractor Project Director shall be available to meet and confer with County Project Director, as determined by County Project Director or County Project Manager, in person or by phone to review project progress and discuss project coordination.

4.3 CONTRACTOR PROJECT MANAGER

4.3.1 Contractor Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement. Contractor Project Manager shall ensure that all reports are submitted as specified in the Statement of Work and/or otherwise in this Agreement.

4.3.2 During the Term, Contractor Project Manager shall be available to meet and confer with County as necessary, but no less frequently than weekly, unless otherwise specified by County Project Director or County Project Manager.

4.4 APPROVAL OF CONTRACTOR'S STAFF

4.4.1 Contractor Project Director and Contractor Project Manager and other Contractor personnel that play a lead role in integrating, developing, and testing tasks for the System ("Contractor Key Personnel") may be subject to County approval. County Project Director has the right to approve or disapprove any proposed replacement for these positions. If Contractor desires to replace, or if County, at its discretion, requires removal of any individuals in these positions, Contractor shall provide County with a resume of each such proposed replacement, and an opportunity to interview such person prior to such person performing any Work hereunder.

County shall not unreasonably delay its approval of a replacement for these positions.

4.4.2 Contractor shall use best efforts to assure continuity during the Term of Contractor personnel performing key functions under this Agreement, including Contractor Key Personnel. Notwithstanding the foregoing, County Project Director may require removal of any Contractor Key Personnel or any other member of Contractor's staff, including subcontractor staff, performing, or offering to perform, Work hereunder.

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

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

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

4.5 PROJECT STATUS REPORTS BY CONTRACTOR

In order to control expenditures and to ensure the reporting of all Work provided by Contractor, Contractor Project Manager shall be in direct communication with the County Project Director or County Project Manager on a minimum weekly basis. Written project status reports shall be provided to the County Project Director or County Project Manager quarterly, and more frequently as mutually agreed between Contractor Project Manager and County Project Director or County Project Manager.

5.0 WORK AND SYSTEM ACCEPTANCE

5.1 STATEMENT OF WORK

Pursuant to the terms of this Agreement, Contractor shall provide, complete and deliver all Work set forth in this Agreement, including in the Statement of Work and/or in any executed Change Notice or Amendment, in each case, in accordance with this Agreement, the System Requirements and other Specifications, as may be provided. Additionally, Contractor shall provide, complete and deliver such Work in accordance with the timeframes required by this Agreement, including the Statement of Work and/or any executed Change Notice or Amendment.

5.1.1 System

Contractor shall provide access to the System as specified in Exhibit B (Statement of Work), Attachment B-1 (Service Level Terms), Attachment B-2 (Reporting Requirements), and as otherwise provided in this Agreement and other Specifications.

5.1.2 Maintenance and Support Services

(a) Subject to the remainder of this Paragraph 5.1.2, in exchange for County's payment of the applicable Maintenance Fees in accordance with this Agreement, Contractor shall provide maintenance and support services for the System, and otherwise in this Agreement, including the provision of Updates and Version Releases (collectively, "Maintenance and Support Services") as set forth herein and as provided for in Attachment B-1 (Service Level Terms). There shall be no additional charge to County for any on-site Maintenance and Support Services to remedy a breach of warranty, to correct a failure of the System to conform to the Specifications or Documentation, or to fulfill Contractor’s obligations under this Agreement.

(b) In the event that (i) the System Software fails to meet the System Requirements or other Specifications relating to System performance or the System Software components are not all Compatible among each other and (ii) County, upon recommendation by Contractor, upgrades, repairs or replaces any of the County Environment components without remedying the resulting Deficiency, Contractor shall reimburse County for any and all amounts expended by County based on Contractor recommended upgrade to the County Environment to remedy such Deficiency.

(c) Maintenance and Support Services shall commence upon the Effective Date and continue throughout the Term. County's obligation to pay Maintenance Fees in exchange for Contractor's

provision of Maintenance and Support Services is described in Paragraph 8.4 (Maintenance Fees).

(d) In addition to the support set forth in this Paragraph, Contractor shall provide County and Authorized Users with the following support:

Authorized User Support. Any authorized User may contact Contractor for support.

Contractor shall provide the County Contract Director and Manager with unlimited telephone support twenty-four (24) hours a day, seven (7) days a week throughout the Term.

Support Care Hours. Contractor shall provide unlimited telephone support twenty-four (24) hours a day, seven (7) days a week throughout the Term for Priority Level 1 and 2 issues. Contractor shall provide unlimited telephone support from 8:00 a.m. to 5:00 p.m., from Monday through Sunday throughout the Term for Priority Level 3 and 4 issues.

Online Help. Contractor shall provide online access to technical support bulletins and other user and self-help support information and forums.

5.1.3 Hosting Services

(a) Subject to the remainder of this Paragraph 5.1.3, Contractor shall provide to County hosting services for the System Software, as described in, and in accordance with, Attachment B-1 (Service Level Terms) to the Statement of Work, and otherwise in this Agreement, including provision of the System Environment (collectively, "Hosting Services").

(b) As a part of Hosting Services, Contractor shall provide any and all goods, services and other Work, including the System Environment, necessary for Contractor to host the System Software such that the System Software performs accordingly as set forth in Exhibit B (Statement or Work) and Attachment B-1 (Service Level Terms).

(c) Hosting Services shall commence from the effective date and continue throughout the Term. County's obligation to pay Hosting Fees in exchange for Contractor's provision of Hosting Services is described in Paragraph 8.5 (Hosting Fees).

5.1.4 Data Security

(a) In General. Contractor will maintain and enforce administrative safeguards pursuant to 45 C.F.R. § 164.306, technical safeguards pursuant to 45 C.F.R. § 164.308, physical safeguards pursuant to 45 C.F.R. § 164.310, and policies and procedures pursuant to 45 C.F.R. § 164.316 that reasonably protects the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Covered Entity, as required by the Security Rule. Further, Contractor (a) will maintain and enforce security procedures that are (1) at least equal to industry standards for such types of data and locations, (2) in accordance with reasonable Customer security requirements, and (3) which provide reasonably appropriate physical, technical, and administrative safeguards against accidental or unlawful destruction, loss, alteration, or unauthorized access, acquisition, use, or disclosure of Customer Information and all other data owned by Customer and accessible by Contractor under this Agreement. Contractor shall comply with all requirements of the HITECH Act related to privacy and security that apply to covered entities, as that term is defined in HIPAA.

(b) Storage of Customer Information and Security Controls. All Customer Information must be stored in a physically and logically secure environment that protects it from unauthorized access, modification, theft, misuse, and destruction. In addition to the general standards set forth above, Contractor will maintain an adequate level of physical security controls over its facility. Further, Contractor will maintain an adequate level of administrative, technical, and physical data security controls.

(c) Security Audits. During the Term, Customer or its third-party designee may, but is not obligated to, perform audits of the Contractor environment, including unannounced penetration and security tests, as it relates to the receipt, maintenance, use or retention of Customer Information. Any Customer's regulators shall have the same right upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

(d) Unauthorized Access. In the course of furnishing the Hosting Services, Contractor shall not access, and shall not permit its

personnel or entities within its control to access, County's computers, networks, applications and other systems without County's express written authorization. Such written authorization may subsequently be revoked by County at any time in its sole discretion. Further, any access shall be consistent with, and in no case exceed the scope of, any such authorization given by County. All County authorized connectivity or attempted connectivity to County's systems shall be only through County's security gateways and/or firewalls, and in conformity with applicable County security policies

(e) Contractor Systems. Contractor shall be solely responsible for all hardware, equipment and any other systems Contractor uses to access or exchange information with County's systems. Contractor shall ensure that its systems include up-to-date anti-viral software to prevent viruses from reaching County's systems. Contractor shall prevent unauthorized access to County's systems through the Contractor systems. Further, Contractor shall ensure Contractor personnel do not use any virtual private network or other device ("VPN") to simultaneously connect machines on any County system to any machines on any Contractor or third party systems, without (i) using only a remote access method approved in writing and in advance by County; (ii) providing County with the full name of each individual who uses any such VPN and the phone number at which the individual may be reached while using the VPN; and (iii) ensuring that any computer used by Contractor personnel to remotely access any County system will not simultaneously access the Internet or any other third party network while logged on to County systems.

(f) Access to the System will be by Authorized User identifications ("IDs") and passwords issued by County to Authorized Users. Authorized Users shall only access and use the System through such IDs. Contractor may rely on any authorized IDs, instruction or information that meets the System's automated criteria or which is believed by Contractor to be genuine. Contractor may assume that a person entering an ID and password is, in fact, that Authorized User, and the System will be made available and respond accordingly. If Contractor has reason to question the validity of any Authorized User or ID, Contractor shall notify County promptly.

5.1.5 <u>Additional Work</u>

(a) Upon written request of County Project Director and execution of a Change Notice or Amendment pursuant to Paragraph 6.0 (Change Notices and Amendments), Contractor shall provide the applicable of the following to County as Additional Work:

(i) Software Modifications creating new functionality or Interfaces outside of the scope of the System Requirements, as they then exist, and not then required to be provided by Contractor under this Agreement, including under Attachment B-1 (Service Level Terms) or otherwise in the Statement of Work;

(ii) Software, tools and other products relating to System Software, outside of the scope of the System Requirements, as they then exist, and not then-required to be provided by Contractor under this Agreement, including under Attachment B-1 (Service Level Terms) or otherwise in the Statement of Work ("Additional Products");

(iii) Professional Services outside of the scope of services then-required to be provided by Contractor under this Agreement, including under Attachment B-1 (Service Level Terms) or otherwise in the Statement of Work;

(b) The cost of Additional Work and related System enhancements shall utilize and be capped by the available Pool Dollars and Pool Hours, provided, however, that any available Pool Hours be consumed prior to invoicing against Pool Dollars. In no event shall County be obligated to pay in excess of the then-available Pool Dollars and Pool Hours for Additional Work, nor shall Contractor be required to perform any Additional Work for which there are no additional Pool Hours, Pool Dollars or other funding available to pay Contractor.

(c) Additional Work shall be treated by the parties as a change requiring the execution of a Change Notice or Amendment pursuant to Paragraph 6.0 (Change Notices and Amendments).

(d) Upon County's request for Additional Work, Contractor shall provide to County, receipt of such request within five (5) calendar days of its receipt and within thirty (30) calendar days of receipt of such request, a written quotation of a "not to exceed" amount for completion and delivery of the requested Work, identifying Contractor staff and estimated personnel hours recommended for completion of such Work, using the Hourly Labor Rate and

setting forth Out of Pocket Expenses, if any. The County may grant to Contractor additional time in excess of fourteen (14) calendar days, as needed, to allow for a sufficient written quotation to be prepared. With respect to any request, the portion of the "not to exceed" amount allocated to (i) any Out-of-Pocket Expenses associated with such Professional Services, and (ii) any other Professional Services, shall not exceed the limits set forth in the then current Chapter 5.40 (Travel and Other Expenses) of the County Code, which may be adjusted by the County Auditor-Controller as provided in this County Code section.

(e) If County finds the "not to exceed" amount acceptable, Contractor and County shall mutually and cooperatively draft the applicable Change Notice or Amendment under Paragraph 6.0 (Change Notices and Amendments), which includes all applicable of the following:

(i) A functional description of the Work to be performed under the Change Notice or Amendment and a statement, signed by Contractor Project Director, which explains and certifies that the Additional Work is outside the scope of Work then-required of Contractor under this Agreement;

(ii) For Software Modifications and/or Additional Products, additional System Requirements and other Specifications;

(iii) A description of all Tasks and Deliverables;

(iv) A completion schedule for all Tasks and Deliverables identifying a final delivery date for completed Work and any post-delivery acceptance period;

(v) A payment schedule for all Tasks and Deliverables;

(vi) A description of, and Contractor's cost of, any (i) applicable hardware, (ii) third party software, or (iii) other materials required to complete the requested Work; and

(vii) If applicable, a revised Task and Deliverable completion schedule under the Statement of Work for the remaining

Work (other than the Work requested under the Change Notice or Amendment).

(f) Contractor's quotations under each proposed Change Notice and Amendment for Additional Work shall be valid for at least sixty (60) days from the date of submission to County, unless another period is agreed to by County and Contractor.

(g) Upon completion and delivery by Contractor, and acceptance by County, of any Software Modifications and/or Additional Products, such Software Modifications or Additional Products, as the case may be, shall become part of and be included in the System Software.

5.2 APPROVAL OF WORK

5.2.1 Upon completion of particular tasks, deliverables, goods, services, and other Work to be provided by Contractor pursuant to this Agreement (other than Maintenance and Support Services and Hosting Services), Contractor shall submit to County Project Director a Task/Deliverable Summary Review in the form attached as Exhibit I (Task/Deliverable Summary Review Form) or such other form as approved by County Project Director (each a "Task/Deliverable Summary Review Form"), together with any supporting documentation reasonably requested by County, for County Project Director's written approval. All such Work must have the written approval of County Project Director, as evidenced by County Project Director's countersignature to the applicable Task/Deliverable Summary Review Form.

5.2.2 County Project Director shall endeavor reasonably to approve or disapprove particular Tasks, Deliverables and other Work provided by Contractor pursuant to this Agreement within the time frames agreed to with County, or if none, within thirty (30) days from the date of Contractor's submission of the applicable Task/Deliverable Summary Review Form. In no event shall County be liable or responsible for payment respecting a particular Task or Deliverable prior to execution of the Task/Deliverable Summary Review Form or the County approved final Task/Deliverable Summary Review applicable for such Work.

5.3 UNAUTHORIZED WORK

If Contractor provides any work, other than as specified in this Agreement, including under any executed Change Notice or Amendment, the same shall

be deemed a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County.

5.4 TESTS

5.4.1 County and/or Contractor, as applicable, shall conduct all tests ("Test(s)") specified in this Paragraph 5.4 and as may be further described in the Statement of Work in accordance with this Agreement. Such Tests shall include, without limitation, the following:

(a) System Integration Test, conducted by Contractor, consists of integrated testing of all components of System.

(b) User Acceptance Test, conducted by County with Contractor's support, consists of testing the System functionalities and capabilities.

(c) System Performance Test, conducted by Contractor, consists of testing to ensure that System performance requirements are met.

(d) System Security Test, conducted by Contractor, consists of testing to confirm that the System security requirements will be met by the System.

5.4.2 If at any time during Testing, County Project Director makes a good faith determination that one or more components of the System have not successfully completed the Tests, County shall promptly notify Contractor in writing of such failure, specifying in reasonable detail the reasons for such failure. Contractor shall immediately commence such necessary corrections and repairs to the component(s) System to permit such Application Software to be ready for retesting. Contractor shall notify County when such corrections and repairs have been completed and County, at its election, shall engage in further Testing.

5.4.3 If, following the retesting, County Project Director makes a good faith determination that one or more components of the System continues to fail to successfully complete one or more Tests, County shall promptly notify Contractor in writing of County's election to either (a) permit Contractor to repeat the correction and repair process described in Paragraph 5.4.2 above or (b) partially terminate this Agreement with respect to the component(s) of the System which have not successfully completed the Tests.

5.5 SYSTEM ACCEPTANCE

Contractor shall achieve "System Acceptance" within one week following the Effective Date of this Agreement**.** Without limiting Paragraph 5.2 (Approval of Work), Contractor shall achieve System Acceptance upon successful completion of all of the following: (a) the successful implementation of all functions and features of the System and County Project Director has verified the same; (b) the completion and delivery of all Work associated with System Acceptance and County Project Director has verified the same; (c) the successful completion of all testing protocols and County Project Director has verified the same; (d) all System functions and features have been provided, installed and operated without Deficiencies; and (e) County Project Director has provided Contractor with written approval, as evidenced by County Project Director's countersignature on the Task/Deliverable Summary Review Form. County and Contractor shall following the Testing procedures set forth in Paragraph 5.4 (Tests) for System Testing in accordance with this Paragraph.

6.0 CHANGE NOTICES AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of this Agreement, except through the procedures set forth in this Paragraph 6.0 or as expressly provided elsewhere in this Agreement.

6.1 GENERAL

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

6.2 CHANGE NOTICES

For any change which is clerical or administrative in nature (for example: changes to Contractor or County contact information, or to correct or clarify any published statement, other clerical corrections, etc.) and/or does not affect the Statement of Work, period of performance, amount of payments, or any other term or condition of this Agreement, a Change Notice shall be executed by both the County Project Director and Contractor Project Director. Such changes include changes which do any of the following, subject to the availability of funding:

6.2.1 Acquire Additional Work that include customizations, modifications, or development of system improvements that requires no change to any term or condition of this Agreement, provided that (a) such

acquisitions use the Pool Dollars and/or Pool Hours, if available, provided by Contractor at no cost to the County, as set forth in Exhibit D, (b) the Change Notice includes all applicable items described under Paragraph 5.1.5 (Additional Work), and (c) the Change Notice has the written concurrence of DHS' Chief Information Officer or such person's designee.

6.2.2 Provide extensions of time for Contractor's performance of Work, other than extending the date by which Contractor is required to achieve System Acceptance under Paragraph 5.5 (System Acceptance).

6.3 AMENDMENTS

For any change which affects the Statement of Work, period of performance, amount of payments, or any other term or condition of this Agreement, an Amendment shall be authorized by the Board of Supervisors and executed by authorized representatives of County and Contractor. Notwithstanding the foregoing, the Director may execute Amendments on behalf of County under this Paragraph 6.3 which do any of the following, subject to the availability of funding:

6.3.1 Engage Contractor to provide Additional Work under Paragraph 5.1.5 (Additional Work) that requires a change to any term or condition of this Agreement, provided that any such Amendment (a) includes all applicable items described under Paragraph 5.1.5 (Additional Work), (b) has written concurrence of DHS's Chief Information Officer or such person's designee, (c) if for Software Modifications and/or Additional Products, has written concurrence of CIO, and (d) has approval as to form by County Counsel.

6.3.2 Extend the date by which Contractor is required to achieve System Acceptance under Paragraph 5.5 (System Acceptance), provided that any such Amendment has written concurrence of DHS' Chief Information Officer or such person's designee and has approval as to form by County Counsel.

6.3.3 Consent to an assignment or delegation under Paragraph 38.0 (Assignment by Contractor) of Exhibit A (Additional Terms and Conditions), provided that such Amendment has approval as to form by County Counsel.

The Board of Supervisors or County's Chief Executive Officer, or designee, may require the addition and/or change of certain terms and conditions in the Agreement during the Term. County reserves the right to add and/or change

such provisions as may be required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Agreement shall be prepared and executed by the Director and an authorized representative of Contractor.

6.4 TERMINATIONS AND REDUCTIONS

Notwithstanding any other provision of this Paragraph 6.0 or Paragraph 6.0 (Termination for Convenience) of Exhibit A (Additional Terms and Conditions), the Director shall take all appropriate action to carry out any orders of the Board of Supervisors relating to this Agreement, and, for this purpose, the Director is authorized to: (1) issue written notice(s) of partial or total termination of this Agreement pursuant to Paragraph 6.0 (Termination for Convenience) of Exhibit A (Additional Terms and Conditions) without further action by the Board of Supervisors and/or (2) prepare and sign Amendments to this Agreement which reduce the scope of work and the Maximum Contract Sum without further action by the Board of Supervisors.

6.4.1 Such notices of partial or total termination shall be authorized under the following conditions:

(a) Notices shall be in compliance with all applicable Federal, State, and County laws, rules, regulations, ordinances, guidelines, and directives.

(b) Notices shall have the written concurrence of County Counsel.

(c) The Director shall file a copy of all notices with the Executive Office of the Board of Supervisors and County's Chief Executive Office within fifteen (15) days after execution of each notice.

6.4.2 Such Amendments shall be authorized under the following conditions:

(a) Amendments shall be in compliance with all applicable Federal, State, and County laws, rules, regulations, ordinances, guidelines, and directives.

(b) The Board of Supervisors has appropriated sufficient funds for purposes of such Amendments and this Agreement.

(c) Amendments shall have the written concurrence of County Counsel.

(d) The Director shall file a copy of all Amendments with the Executive Office of the Board of Supervisors and County's Chief

Executive Office within fifteen (15) days after execution of each Amendment.

6.5 DIRECTED WORK

In the event the parties fail to agree on the amount to be paid by County for the Work requested pursuant to a Change Notice or Amendment, County may, upon notice to Contractor, elect to direct Contractor to commence performing such Work (and Contractor agrees to commence performing such Work) and resolve the dispute over amounts owed to Contractor in accordance with the Dispute Resolution Procedures. To give effect to the preceding sentence, however, County agrees to pay the undisputed portion of such fees in accordance with the procedures set forth in Paragraphs 8.0 (Prices and Fees) and 10.0 (Invoices and Payments).

6.6 AUDIT OF AMENDMENT WORK

County is entitled to audit, in accordance with Paragraph 40.0 (Records, Audits and Public Records Act) of Exhibit A (Additional Terms and Conditions), Contractor's compliance with this Paragraph 6.0 in respect of Work performed pursuant to any executed Change Notice or Amendment.

7.0 TERM

7.1 DEFINITION OF TERM

The term of this Agreement shall commence upon the Effective Date and shall continue for forty-eight (48) months thereafter, unless terminated earlier in whole or in part, as provided in this Agreement ("Term").

7.2 NOTICE OF EXPIRATION

Contractor shall notify County when this Agreement is within six (6) months from the expiration of the Term as provided herein above. Upon occurrence of this event, Contractor shall send written notification to County Project Director at the address set forth in Attachment A.1 (County's Administration) of Exhibit A (Additional Terms and Conditions).

8.0 PRICES AND FEES

8.1 GENERAL

Attached to this Agreement as Exhibit D (Price and Schedule of Payments) is a schedule of all fees and rates that may be applicable to this Agreement as of the Effective Date.

8.2 MAXIMUM CONTRACT SUM

8.2.1 The "Maximum Contract Sum" under this Agreement, including Pool Dollars and Pool Hours and all applicable Taxes, is seven million dollars ($7,000,000) and is allocated as set forth on Exhibit D (Price and Schedule of Payments). The Maximum Contract Sum shall be the total monetary amount that can be paid by County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, services and other Work provided by Contractor under this Agreement as set forth on Exhibit D (Price and Schedule of Payments), but is not a commitment or offer on the part of County to spend such sums allocated under the Maximum Contract Sum for Additional Work. Contractor shall perform and complete all Work required of Contractor by this Agreement during the Initial Term or any Option Term in exchange for the amounts to be paid to Contractor as set forth in this Agreement, but in any event, not in excess of the Maximum Contract Sum.

8.2.2 Contractor acknowledges and agrees that the Maximum Contract Sum is an all-inclusive, not-to-exceed price that cannot be adjusted for any costs or expenses whatsoever of Contractor. Exhibit D (Price and Schedule of Payments)d includes the full amount of compensation and reimbursement that County will be asked to provide Contractor in order for Contractor to fully perform all of its obligations under this Agreement, as presently understood by the parties, and Contractor shall be able to fully perform all of its obligations under this Agreement with such amount of compensation and reimbursement, subject to any Change Notices or Amendments, if applicable, subject to the Maximum Contract Sum. Contractor understands that County is entering into this Agreement in reliance upon the premise that Contractor shall fully perform all of its obligations under this Agreement without seeking any additional compensation or reimbursement beyond that already provided for in this Agreement, subject to any Change Notices or Amendments, if applicable, subject to the Maximum Contract Sum. Contractor also acknowledges that the Specifications set forth in the Statement of Work and the System Requirements, are functional Specifications, and that it is Contractor's risk and responsibility to design, achieve, and timely deliver the System.

8.3 LICENSE/ACCESS GRANT FEES FOR SOFTWARE

Exhibit D (Price and schedule of Payments) includes the aggregate License /Access Grant Fees payable by County for each year during the Term, as provided in Paragraph 13.3 (License/Access Grant), License/Access Grant Fees are payable on a quarterly basis in arrears commencing with the first quarter. The License/Access Grant Fees shall remain firm and fixed, and shall not increase, during the Term of the Agreement.

8.4 MAINTENANCE FEES

Exhibit D (Price and Schedule of Payments) includes the aggregate Maintenance Fees payable by County for each year during the Term, as provided in Paragraph 5.1.2 (Maintenance and Support Services). Maintenance Fees are payable on a quarterly basis in arrears commencing with the first quarter. The Maintenance Fees shall remain firm and fixed, and shall not increase, during the Term of the Agreement. Contractor's rates for Maintenance and Support Services shall remain firm and fixed, and shall not increase, during the Term of the Agreement.

8.5 HOSTING FEES

Exhibit D (Price and Schedule of Payments) includes the aggregate Hosting Fees payable by County during the Term, as provided under Paragraph 5.1.3 (Hosting Services). Hosting Fees are payable on a quarterly basis in arrears commencing with the first quarter. Contractor's rates for Hosting Services shall remain firm and fixed, and shall not increase, during the Term of the Agreement.

8.6 POOL DOLLARS

Exhibit D (Price and Schedule of Payments) includes the pool of dollars ("Pool Dollars") available under this Agreement for Additional Work using a Change Notice or Amendment under Paragraph 6.0 (Change Notices and Amendments). The total amount of available Pool Dollars shall be decreased by each Change Notice or Amendment under Paragraph 6.0 (Change Notices and Amendments) and may only be increased by executing an Amendment in accordance with Paragraph 6.0 (Change Notices and Amendments). Contractor shall deduct Additional Work from Pool Hours, prior to invoicing against Pool Dollars.

8.7 POOL HOURS

Exhibit D (Price and Schedule of Payments) includes the pool of hours ("Pool Hours") available under this Agreement for Additional Work using a Change Notice or Amendment under Paragraph 6.0 (Change Notices and Amendments). The total amount of available Pool Hours shall be decreased

by each Change Notice or Amendment under Paragraph 6.0 (Change Notices and Amendments) and may only be increased by executing an Amendment in accordance with Paragraph 6.0 (Change Notices and Amendments). Contractor shall deduct Additional Work from Pool Hours, prior to invoicing against Pool Dollars.

8.8 TAXES

The amounts set forth on Exhibit D (Price and Schedule of Payments) include all amounts necessary for County to reimburse Contractor for all applicable California and other State and local Taxes on the System including all Application Software and other Work procured by County from Contractor. In addition, County shall be liable for Taxes for Updates and Version Releases that are not transmitted to County electronically, but only to the extent such Taxes are required by law. County shall not be liable or responsible for reimbursement of any Taxes associated with such procurement except as set forth on Exhibit D (Price and Schedule of Payments). Contractor shall be solely liable and responsible for, and shall pay such Tax directly to, the State or other taxing authority. In addition, Contractor shall be solely responsible for all Taxes based on Contractor's income or gross revenue, or personal property Taxes levied or assessed on Contractor's personal property to which County does not hold title, and, accordingly, shall not invoice County for any such Taxes.

8.9 OUT-OF-POCKET EXPENSES

Contractor shall not be entitled for reimbursement of any Out-of-Pocket Expenses except to the extent expressly agreed in an executed Change Notice or Amendment.

8.10 FEES FOR NON DHS OR CP SITES

In the event a non-DHS / CP County program or private entity desires to subscribe to and implement eConsult in connection with County's eConsult program, Contractor agrees that such non-DHS / CP County program or private entity may contract with Contractor at the rate of $457.06 per site per month. Contractor further acknowledges and agrees that the rate of $457.06 may be reduced for a particular non-DHS / CP County program or private entity based upon the scope and complexity of the particular engagement.

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9.0 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS; BUDGET REDUCTIONS

9.1 OBLIGATIONS CONTINGENT UPON FUNDING

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 endeavor to notify Contractor in writing of any such non-appropriation of funds at the earliest possible date.

9.2 REDUCTION IN FUNDING

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, County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year during the term of the Agreement (including any extensions), and the Work to be provided by Contractor under the Agreement shall also be reduced correspondingly, which reduction shall be accomplished in accordance with Paragraph 6.0 (Change Notices and Amendments). County's notice to Contractor regarding said reduction in payment obligation shall be provided within ten (10) calendar days of the Board's approval of such actions. Contractor shall continue to provide all of the Work set forth in the Agreement as reduced in accordance with Paragraph 6.0 (Changes Notices and Amendments).

10.0 INVOICES AND PAYMENTS

10.1 APPROVAL OF INVOICES

All invoices submitted by Contractor for payment must have the written approval of County Project Director prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval.

10.2 SUBMISSION OF INVOICES

(a) Upon County's written approval thereof in accordance with the applicable provisions of Paragraph 5.0 (Work and System

Acceptance), Contractor shall invoice County for Work specified in the Statement of Work and Exhibit D (Price and Schedule of Payments), or in any executed Change Notice or Amendment. Contractor shall invoice County for License/Access Grant Fees, Maintenance Fees and Hosting Fees quarterly, in arrears, listing each as separate line items, if applicable.

(b) Contractor shall submit two (2) copies of each invoice hereunder to the County Project Director at the address indicated on Attachment A.1 (County's Administration).

10.3 INVOICE DETAIL

Each invoice submitted by Contractor shall include:

10.3.1 An identification of the specific Work for which payment is claimed, including a copy of the fully executed Task/Deliverable Summary Review evidencing County Project Director's approval of such Work, and the amount of payment therefor;

10.3.2 For License/Access Grant Fees, Maintenance Fees and Hosting Fees, the amount of payment therefor;

10.3.3 For Additional Work, the date of the executed Change Notice or Amendment, a copy of the fully executed Task/Deliverable Summary Review evidencing County Project Director's approval of such Work, and any additional supporting documentation reasonably requested by County. If applicable, the invoice further shall include the cumulative amount of Pool Dollars and/or Pool Hours and charged to County to date and the remaining Pool Dollars and/or Pool Hours available for use in connection with this Agreement generally;

10.3.4 For permitted Out-of-Pocket Expenses expressly agreed to pursuant in an executed Change Notice or Amendment, the date of the executed Change Notice or Amendment and supporting documentation for the Out-of-Pocket Expenses;

10.3.5 Indication of the applicable Holdback Amount and the cumulative Holdback Amount accrued under this Agreement, including under any executed Change Notice or Amendment;

10.3.6 Indication of any credits or withholds accrued under this Agreement; and

10.3.7 Any other supporting documentation reasonably requested by County Project Director.

10.4 HOLDBACKS

Except for invoices for License/Access Grant Fees, Maintenance Fees and Hosting Fees, County will hold back twenty percent (20%) of the dollar amount of each invoice ("Holdback Amount"), approved by County, including invoices for Change Notices and Amendments. As to each Change Notice and Amendment that are to be completed after System Acceptance, the aggregate Holdback Amount for such Change Notice or Amendment will be due and payable to Contractor upon County's written approval of all Work provided under such Change Notice or Amendment under the applicable provisions of Paragraph 5.0 (Work and System Acceptance). All Holdback Amounts are subject to adjustment for any amounts owed to County by Contractor, including any amounts arising from Paragraphs 10.7 (Invoice Discrepancy Report) and 10.8 (County's Right to Withhold) and any partial termination of any Work as set forth in the Statement of Work as provided hereunder

10.5 LATE DELIVERY CREDITS

For each and every occasion upon which a Deliverable has not been completed by Contractor within ten (10) Business Days after the date for completion agreed to, other than as a result of delays caused by acts or omissions of County as determined by County Project Director in such person's sole judgment and for which a notice of delay has been delivered in accordance with Paragraph 53.0 (Notice of Delay) of Exhibit A (Additional Terms and Conditions), and unless otherwise approved by County Project Director, County shall receive a credit against any or all amounts due to Contractor, under this Agreement, in the total amount of one hundred dollars ($100) for each day of the first thirty (30) days after the Due Date that the Deliverable is not completed, and in the total amount of five hundred dollars ($500) per day for each day in excess of thirty (30) days after the Due Date that the Deliverable is not completed, provided that the total aggregate credits pursuant to this Paragraph 10.5 shall not exceed five hundred thousand dollars ($500,000). All of the foregoing credits shall apply separately, and cumulatively, to each Deliverable. The parties shall resolve any dispute concerning responsibility for a delay, or whether the credit herein should be imposed, by use of the Dispute Resolution Procedures described in Paragraph 2.0 (Dispute Resolution Procedures) of Exhibit A (Additional Terms and Conditions).

10.6 NO PARTIAL OR PROGRESS PAYMENTS

Contractor shall be entitled to payment in respect of any item set forth in Exhibit B (Statement of Work), only upon successful completion by Contractor and approval by County of such Work. Except with regard to License/Access Grant, Maintenance and Support Services and Hosting Services, no partial or progress payments towards anticipated or substantial completion of Work, will be made under this Agreement.

10.7 INVOICE DISCREPANCY REPORT

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

10.8 COUNTY'S RIGHT TO WITHHOLD

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

11.0 MINIMUM SYSTEM REQUIREMENTS

Under Statement of Work, Contractor is required to provide a Technology Assessment Report in accordance with this Agreement, which shall include minimum requirements for end user hardware and software configurations and network configurations that shall be Compatible with the System, and are required for County to enjoy and exercise fully its rights in respect of the System (referred to as "County Environment"). The Technology Assessment Report shall include version Compatibility and provide Specifications for implementing the County Environment in order to achieve Compatibility with the System for such Phase, along with recommended hardware make and model numbers. Upon County's approval of the Technology Assessment Report, it shall automatically constitute Exhibit C (Minimum System Requirements).

12.0 THIRD PARTY SOFTWARE

Contractor's use of Third Party Software as part of the System in order to satisfy the requirements of this Agreement with respect to the System is subject to the provisions of this Paragraph 12.0 as specified below.

12.1 THIRD PARTY SOFTWARE OWNERSHIP

Contractor represents and warrants that none of the System, other than any software specifically identified as being owned by third parties in the Statement of Work (collectively, "Third Party Software"), is owned by third parties. Contractor further represents and warrants that Contractor has all necessary rights to grant all rights purported to grant under this Agreement with respect to the Third Party Software, including the License. All Third Party Software license fees shall be at no additional cost to County. County's use of the Third Party Software shall only be subject to the limitations identified in this Agreement. Contractor represents and warrants that County shall receive licenses for such Third Party Software as required for use of the System in accordance with all of the terms of this Agreement.

Contractor hereby assigns and agrees to deliver to County all representations and warranties received by Contractor from third party suppliers, to the extent such warranties are assignable.

12.2 THIRD PARTY SOFTWARE LICENSE

To the extent that any third party license agreement with respect to the Third Party Software conflicts with the License or otherwise with this Agreement, or in any way restricts County's full use and enjoyment of the System as contemplated herein, Contractor shall take all necessary action and pay all sums required for County fully to enjoy all the rights and benefits in respect of the System granted under this Agreement. Without limiting the foregoing, Contractor shall promptly and at no cost to County, either: (a) obtain a license from the appropriate third party which shall enable Contractor to modify such Third Party Software, and Contractor shall provide all necessary modifications, or (b) to the extent that Contractor is unable to obtain such a license, provide an Update, Version Release, Software Modification or alternative solution, which is functionally equivalent, in the sole determination of County Project Director or designee, in lieu of modifying such Third Party Software.

13.0 OWNERSHIP AND LICENSE

13.1 SYSTEM OWNERSHIP

13.1.1 County acknowledges that all proprietary and intellectual property rights, title and interest, including copyright, in and to the original and

copies of the Application Modifications, Application Software, Replacement Products, Source Code, System Operating Software, and System Software elements that are provided originally by Contractor and not County, and the Documentation provided to County pursuant to this Agreement other than Third Party Software (which shall remain the property of the applicable third party, subject to County's License), and any changes or modifications thereto are and shall remain the exclusive property of Contractor (hereinafter "Contractor Materials"), with all such Application Modifications, Application Software, Replacement Products, System Operating Software, and System Software being subject to the License granted to County pursuant to this Paragraph 13.0 (Ownership and License).

13.1.2 County releases all proprietary and intellectual property rights, title and interest, including copyright, in and to all Interfaces, Baseline Customizations and Additional Customizations ("Application Modifications") to Contractor, subject to Contractor's incorporation of said Application Modifications into the Application Software in perpetuity and subject to Contractor's provision of Maintenance and Support Services for the Application Software, as required by this Agreement, including Paragraph 5.1 (Scope of Work), inclusive of such Application Modifications and any Updates and Version Releases to Application Software, to County in exchange for County's full consideration therefor.

13.2 OWNERSHIP OF USER DATA

County (including its Authorized Users) will be the sole and exclusive owner of all User Data and other information entered into the System, including and any and all updates or modifications User Data shall be deemed the County's Confidential Information, as that term is defined in Paragraph 3.0 (Confidentiality) of Exhibit A (Additional Terms & Conditions) to this Agreement. Upon any expiration or termination of this Agreement, and continuously throughout the Term , Contractor will make available to and otherwise provide County with a complete copy of the most recent back up of the User Data in a mutually agreed upon, commercially standard format that is compatible with County's then existing systems, and will make commercially reasonable efforts to assist County in the transition of such User Data as reasonably requested by County. Upon request, Contractor, within ten (10) days of termination, certify in writing its compliance with this Paragraph to the County. During the term of the Agreement, County or its Users may make suggestions or provide input regarding the functions or features of the System. This Agreement shall not be construed as granting any ownership rights in Contractor to any User Data or any other County Confidential Information. The User Data shall not be used by Contractor for

any purpose other than as required under this Agreement, nor shall the User Data or any part of the User Data be disclosed, sold, assigned, leased or otherwise disposed of to third parties by Contractor or commercially exploited or otherwise used by or on behalf of Contractor, its officers, directors, employees, subcontractors or agents.

Contractor will not retain any User Data for any period longer than necessary for Contractor to fulfill its obligations under this Agreement. As soon as Contractor no longer needs to retain such User Data in order to perform its duties under this Agreement, Contractor will promptly return to County and destroy or erase all originals and copies of such User Data.

13.3 LICENSE/ACCESS GRANT

Subject to the provisions of Paragraph 13.1 (System Ownership), Contractor hereby grants to County a worldwide, non-exclusive license to access and use the System and Work, including any related Documentation (hereinafter "License"), by all Authorized Users in accordance with the scope set forth in this paragraph and subject to the restrictions set forth in Paragraph 13.5 (License Restrictions) for the County's business purposes during the term specified in Paragraph 7.0 (Term). Notwithstanding the foregoing, upon mutual agreement of the parties, County may obtain its own license for any Third Party Software, the term and scope of which shall be subject to the terms of County's agreement with the provider of such Third Party Software.

13.4 SCOPE OF LICENSE

The License/Access granted by Contractor under this Agreement provides County with the following rights:

13.4.1 To use, access, install, integrate with other software, operate and execute the System Software and System for County's business purposes for use and access by Authorized Users at, on behalf of or for the benefit of the Sites;

13.4.2 To configure the configurable aspects of the System Software and System; and

13.4.3 To use, modify, copy and display the Documentation, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License, provided County uses commercially reasonable efforts to not exclude or redact any existing copyright notices on said Documentation.

13.5 LICENSE RESTRICTIONS

County acknowledges and agrees (i) that the Application Software provided by Contractor to County under the Agreement, including related Documentation, is the confidential and copyrighted property of Contractor, or its licensors, and all rights therein not expressly granted to County are reserved to Contractor, or its licensors, as applicable; and (ii) that Contractor, or its licensors, retain all Proprietary Rights in and to the foregoing. Subsequently, County's License/Access Granted to the Application Software provided by Contractor hereunder is limited by the restrictions set forth in this Paragraph 13.5. Accordingly, County will not:

13.5.1 Reverse engineer, disassemble or decompile the Application Software provided by Contractor;

13.5.2 Copy or reproduce the Application Software provided by Contractor in any way except as reasonably necessary for backup, archival or business continuity purposes;

13.5.3 Use the Application Software provided by Contractor on a timesharing, service bureau, subscription service or rental basis for any third party; or

13.5.4 Remove, modify or obscure any copyright, trademark or other proprietary rights notices that appear on, or during the use of, the Application Software provided by Contractor.

14.0 PRODUCTION USE OF THE SYSTEM

County shall have the right to use, in Production Use mode, any completed portion of the System Software, without any additional cost to County if County determines that it is necessary for County operations. Such Production Use shall not restrict Contractor's performance under this Agreement and shall not be deemed System Acceptance of the System.

15.0 SOURCE CODE

15.1 SOURCE CODE ESCROW

15.1.1 Contractor has named at its own expense, County as a beneficiary under the source code escrow agreement attached hereto as Exhibit L (Source Code Escrow Agreement) (in this Paragraph 15.0, "Escrow Agreement"), between Contractor and the _____ (in this Paragraph 15.0, "Escrow Agent"). The Director has authority to execute on behalf of County any forms required by the Escrow

Agent in order for County to appear as a beneficiary under such Escrow Agreement. In the event that the Escrow Agreement expires or terminates, or Contractor otherwise desires to change the escrow agent, Contractor, or its trustee in bankruptcy, shall obtain at its own expense, a replacement source code escrow agreement with another source code escrow company, on substantially the same terms with respect to County as the Escrow Agreement. Such replacement source code escrow agreement and source code escrow company shall thereafter constitute the "Escrow Agreement" and "Escrow Agent," respectively, for all purposes under this Paragraph 15.0. Subject to this Paragraph 15.1, Contractor shall maintain the Escrow Agreement in full force and effect throughout the Term.

15.1.2 Contractor warrants that as soon as available and continuously during the Term. Contractor shall deposit with the Escrow Agent the Source Code for all System Software. In addition, Contractor shall also deposit with the Escrow Agent the Source Code for any and all Additional Products and Software Modifications to the System Software, promptly after delivery to County, for any reason whatsoever, of the corresponding object code. Contractor's duty to deposit the Source Code under this Agreement shall continue throughout the Term. Contractor shall keep all deposited Source Code current and equivalent to the version of the applicable System Software then being used by County. If at any time the Escrow Agent or County determine that, in their sole and absolute discretion, that the Source Code does not correspond to the applicable System Software or that the Source Code is defective in any way, Contractor shall immediately deposit with the Escrow Agent an accurate and complete copy of the Source Code.

15.1.3 The parties acknowledge that as a result of the passage of time alone, the deposited Source Code may be susceptible to loss of quality. Therefore, for the purpose of reducing the risk, Contractor shall deposit with the Escrow Agent a new copy of all deposited Source Code at least once every three (3) years during the Term. In the event the Source Code or any part of it is destroyed or corrupted, upon County's request, Contractor shall provide a replacement copy of the Source Code. Contractor shall deliver the replacement copy of the Source Code within thirty (30) days of receipt of County's written request.

15.2 RELEASE CONDITIONS

Upon the occurrence of any of the events identified below (collectively "Release Conditions"), County is granted all rights necessary in order to

access, use, install, integrate with other software, operate and execute the System Software and Source Code and has all rights necessary to exercise its License rights with respect to the Source Code, at no additional cost to County.

15.2.1 The occurrence of any of the following events: (i) a receiver is appointed for Contractor's property; (ii) Contractor makes a general assignment for the benefit of its creditors; (iii) Contractor commences, or has commenced against it, proceedings under any bankruptcy, insolvency or debtor's relief law; (iv) Contractor is liquidating, dissolving, or ceasing to do business in the ordinary course; or (v) any event that would give rise to County's ability to terminate pursuant to Paragraph 4.0 (Termination for Insolvency) of Exhibit A (Additional Terms and Conditions); or

15.2.2 In the event Contractor ceases to maintain and support the System provided hereunder for reasons other than County's failure to pay for, or election not to receive, Contractor's Maintenance and Support Services, and no other qualified entity has assumed the obligation to maintain and support the System or the occurrence of an event that would give rise to County's ability to terminate this Agreement as a whole or with respect to Maintenance and Support Services pursuant to Paragraph 5.0 (Termination for Default) of Exhibit A (Additional Terms and Conditions); or

15.2.3 Contractor ceases to do business without a permitted successor, or if there is such a successor, before such successor commences to continue Contractor's business; or

15.2.4 In the event of a claim to the Source Code under this Paragraph 15.2, County shall provide Contractor with notice outlining the facts upon which County bases its claim that a Release Condition has occurred, following which Contractor shall have twenty (20) days to dispute the release of the Source Code. If Contractor does not notify County within twenty (20) days of County's notice that Contractor disputes the basis for County's claim that a Release Condition has occurred, then County is entitled to use any or all of the Source Code in accordance with the License and Paragraph 15.3 (Use and Possession of Source Code). Contractor may contest County's right to use the Source Code pursuant to the Dispute Resolution Procedures, other than judicial proceedings as provided in Paragraph 2.0 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions), which process, if invoked, shall stay County's right to utilize the Source Code unless and until there has been a resolution of such dispute in accordance with the Dispute Resolution Procedures

and the remainder of this Paragraph 15.0. If the Dispute Resolution Procedures set forth in Subparagraphs 2.3.1, 2.3.2, and 2.3.3 of Paragraph 2.3 (Dispute Resolution Process) of Exhibit A (Additional Terms and Conditions), do not resolve the dispute as to whether a basis exists for any claim by County to the Source Code, the County may access and use any or all of the Source Code in accordance with the License and Paragraph 15.3 (Use and Possession of Source Code). In the event it is later established by mutual agreement of the parties, or by a determination of a court of competent jurisdiction, that a Release Condition did not in fact occur, County shall immediately destroy all copies of the Source Code Escrow Package in its possession, custody or control (and in the possession, custody or control of its employees, subcontractors and consultants), and certify to Contractor, in writing, that all such copies have been destroyed.

15.3 USE AND POSSESSION OF SOURCE CODE

County acknowledges and agrees that the Source Code is the valuable confidential and proprietary information and trade secrets of Contractor and its licensors, and shall remain so even after a release of the Source Code to County under the Escrow Agreement. In the event of a release of the Source Code to County under the Escrow Agreement, County agrees to hold same in strict confidence and to take appropriate action to preserve its confidentiality in accordance with the same precautions adopted by County to safeguard its own like material against unauthorized use and disclosure and in all cases at least with a reasonable degree of care. County shall have a non-exclusive license to use the Source Code solely for County's use in accordance with the terms of this Agreement, to use the Source Code as needed to remedy the event of release and mitigate any damages arising from such event, and in order to support and maintain the Software. This provision shall survive any termination of this Agreement. Should use of the Source Code as provided in this Section 15 involve the use or practice of any intellectual property or other proprietary rights in which Contractor or its licensors have an interest, Contractor, its assignee and/or successors agree not to assert a claim for infringement against County provided that such use of Source Code is in accordance with this Agreement.

15.4 NO FEE

There shall be no charge to County for the maintenance of the escrow under this Agreement.

15.5 DISASTER RECOVERY AND BUSINESS CONTINUITY

15.5.1 Contractor's business continuity and disaster recovery plan is attached as Exhibit M (IT Disaster Recovery Plan) ("Business Continuity Plan") with respect to the Services hereunder. The Business Continuity Plan for all such Services shall be designed to ensure the continued operations and functionality of County with respect to the Services hereunder and be, and shall be maintained, consistent with then-current generally accepted industry standards. The Business Continuity Plan shall specifically address the ability of Contractor to provide each such Service in the event of a Crisis. The Business Continuity Plan shall provide, among other things, a mechanism for the redundancy or backup of business operations designed to keep such Services from becoming unavailable for a significant amount of time due to a Crisis and to permit the related business operations of County to be re-instituted in a time period that permits the ongoing operation and functionality of County's business to which such Services relate. The Business Continuity Plan shall address the manner in which Contractor will re-institute the processing of relevant information in a time period that permits the ongoing operation and functionality of County's business to which such Services relate. Notwithstanding the foregoing, if a Crisis prevents Contractor from providing such Services to County, Contractor shall allocate its efforts and resources to restoring County's Services no less favorably to County than it allocates to any of its other customers affected by the Crisis.

15.5.2 The parties acknowledge that Contractor currently has a disaster recovery site as set forth in the Business Continuity Plan, provided, however, that Contractor covenants and agrees that within six (6) months of the Effective Date Contractor shall have a replacement / secondary disaster recovery site ("New DR Site"). The New DR Site shall comply with or exceed such applicable industry standards for the implementation, operation, monitoring and maintenance of the facilities and services necessary for a disaster recovery site. Notwithstanding the above, the New DR Site's location selection shall take into account geophysical conditions and location diversity in order to minimize impacts to the Business Continuity Plan due to natural disasters. Contractor further agrees that the New DR Site shall be developed, built and maintained at no cost to County.

15.5.3 Upon the occurrence of a Crisis and at Contractor's sole expense, Contractor shall, in accordance with the terms of the Business Continuity Plan, implement the Business Continuity Plan. The occurrence of a Crisis (including any Force Majeure event) will not relieve Contractor of its obligation to implement the Business Continuity Plan and to provide disaster recovery Services. If the

Services are not restored within the period specified in the Business Continuity Plan, County may elect to either receive Service Level Credits in accordance with the terms of the Service Level Agreement set forth in Attachment B-1 (Service Level Terms) or terminate this Agreement or the applicable Statement of Work and such termination will be deemed to have occurred due to Contractor's material breach.

15.5.4 "Crisis" shall mean (i) any event affecting Contractor that requires emergency response measures to be taken, including any event that may result in the Services becoming unavailable for a significant amount of time, or (ii) any event that, in County's reasonable determination, requires emergency measures to be taken.

The provisions of Paragraph 16.0 (Force Majeure) of Exhibit A (Additional Terms and Conditions) relating to events of force majeure shall not relieve Contractor of its obligations under this Paragraph 15.5 (Disaster Recovery and Business Continuity).

16.0 SYSTEM WARRANTY OBLIGATIONS

16.1 SYSTEM WARRANTY

Contractor hereby represents, warrants, and covenants to County that, commencing on the date of System Acceptance the System shall be free from any and all Deficiencies and to perform fully to meet all of the warranties set forth herein, and as set forth in Attachment B-1 (Service Level Agreement), including but not limited to general warranties, System warranties and System Performance warranties. In addition, Contractor represents, warrants, and covenants to County that commencing on the date of System Acceptance the System shall perform in accordance with the Specifications.

Contractor further represents, warrants, covenants and agrees that, as of the Effective Date, the applicable items of the System are compliant with current industry communication protocol standards, including without limitation, TCP/IP, and that Contractor shall provide County with all mapping necessary to comply with any subsequent industry standards at no additional charge.

During the Term, Contractor warrants that the overall functionality of the System shall not be substantially decreased from the functionality existing as of the later of (i) the Effective Date, or (ii) the date on which such System is made available for or otherwise provided to, and accepted by, County, unless such decrease results from governmental regulation or changes requested by County or the functionality is replaced with comparable functionality or the changes are otherwise agreed upon by the parties.

16.2 SYSTEM WARRANTY SUPPORT

16.2.1 During the Term, Contractor shall provide Maintenance and Support Services and all other services described in this Paragraph 16.2 with respect to the System, at no additional cost to County.

16.2.2 All Deficiencies reported during the Term shall be corrected in accordance with Maintenance and Support Services at no additional cost to County. Without limiting the foregoing, during the Term, Contractor shall correct any and all Deficiencies in the System, including, but not limited to, supplying County with corrective or replacement codes and/or programs and making such additions, modifications or adjustments to the System as may be necessary to keep the System operating in conformance with the System Requirements and other Specifications.

16.2.3 Upon the release of any Version Release, County shall have the option to continue to use its then-current Version Release, rather than implement the new Version Release, until the occurrence of both of the following conditions: (a) Contractor has issued two (2) additional Version Releases beyond what County is then using; and (b) eighteen (18) months have passed. The level of Maintenance and Support Services provided by Contractor with respect to the Version Release required to be used by County shall not degrade throughout the Term, unless both conditions described above have occurred.

16.2.4 Contractor shall notify County Project Manager of all Version Releases, Software Modifications, Updates and/or Baseline Customizations prior to the anticipated installation date thereof and installation thereof shall be subject to the prior approval of County Project Manager. Contractor's provision of all Updates and Version Releases shall be at no additional cost to County.

16.3 HIPAA COMPLIANCE SYSTEM WARRANTY SUPPORT

16.3.1 Contractor represents, warrants, and covenants that the System to be provided hereunder, whether by it directly or by approved sub-contractors of Contractor, shall fully comply with all applicable federal, state and local statutes, rules and regulations, and that it shall be deemed a material breach of this Agreement by Contractor if it shall fail to observe this requirement. If such a breach is not cured in accordance with this Agreement, County may terminate this Agreement without penalty and without limiting any other rights and remedies set forth in this Agreement.

16.3.2 Contractor represents, warrants, and covenants that the Services to be provided hereunder shall comply with all applicable rules, regulations and accreditation standards or requirements of: Medicare or Medicaid or other federal or state health programs, the Joint Commission on Accreditation of Healthcare Organizations; the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"); the National Committee for Quality Assurance; updates to incorporate any changes to such laws, rules, regulations, requirements and standards; and the terms and conditions set forth in Exhibit E (Business Associate Agreement). In addition, Contractor represents, warrants, covenants and agrees as follows:

1. Permitted Uses and Disclosures of PHI. Contractor shall use and disclose PHI solely as necessary for the performance of Contractor's obligations hereunder and as required for use of the System. Contractor shall not use or disclose PHI for any other purpose.

2. Adequate Safeguards for PHI. Contractor shall implement and maintain appropriate safeguards to prevent the use or disclosure of PHI in any manner other than as permitted by the Agreement.

3. Reporting Non-Permitted Use or Disclosure. Contractor shall immediately notify County of each use or disclosure, of which it becomes aware, that is made by Contractor, its employees, representatives, agents or subcontractors that is not specifically permitted by this Agreement.

4. Access to and Amendment of PHI. Contractor shall: (a) make the PHI specified by County available to the individual(s) identified by County as being entitled to access and copy that PHI, and (b) make PHI available to County for the purpose of amendment and incorporating such amendments into the PHI. Contractor shall provide such access and incorporate such amendments within the time and in the manner specified by County.

5. Accounting of Disclosures. Contractor is not required to provide an accounting of disclosures that are necessary to perform its obligations hereunder as any such disclosures in connection with the services to be provided hereunder shall be solely for the purposes of County's treatment, payment, or health care operations. For the purposes of this paragraph, "disclosures" means any release, transfer, provision of access to, or

divulging in any other manner of PHI outside Contractor's internal operations or to any person other than its employees.

16.3.3 For the purposes of this Paragraph 16.3.3, the following definitions apply:

"Protected Health Information" or "PHI" means information, including demographic 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; and (ii) identifies the individual (or for which there is a reasonable basis for believing that the information can be used to identify the individual).

16.3.4 Disposition of PHI Upon Termination or Expiration. Upon termination or expiration of the Agreement, Contractor shall comply with the terms as set forth in Exhibit E, Paragraph 4.3 regarding the disposition of PHI, provided that, if either County or Contractor determines that neither return nor destruction of PHI is feasible, Contractor may retain PHI provided that Contractor (a) continues to comply with the provisions of this Paragraph 16.3 for as long as it retains PHI, and (b) limits further use and disclosure of PHI for those purposes that make the return or destruction of PHI infeasible.

16.3.5 Use of Subcontractors and Agents. Contractor shall require each of its agents and subcontractors that receive PHI from Contractor or County to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph 16.3.

16.4 SERVICE WARRANTY

16.4.1 Contractor represents, warrants, covenants and agrees that any services to be provided under this Agreement by or on behalf of Contractor shall be performed in a professional, competent, and timely manner by appropriately qualified personnel in accordance with this Agreement and consistent with generally accepted industry best practices.

16.5 LITIGATION WARRANTY

16.5.1 Contractor represents, warrants, covenants and agrees that as of the Effective Date there are no existing or threatened legal proceedings against Contractor that would have a material adverse

effect upon its ability to perform its obligations under this Agreement or its financial condition or operations.

16.6 VIRUS WARRANTY

16.6.1 Contractor represents, warrants, covenants and agrees that Contractor will not cause any unplanned interruption of the operations of, or accessibility to, the System through any device, method or means including, without limitation, the use of any "virus," "lockup," "time bomb," or "key lock" device program or disabling code that has the potential or capability of causing any unplanned interruption of the operations or accessibility of the System to County or any Authorized User or which could alter, destroy, or inhibit the use of the System (collectively referred to for purposes of this Paragraph as "Disabling Device(s)"). Contractor represents, warrants, covenants and agrees that it has not purposely placed, and is not aware of, any Disabling Device on any System component, neither shall Contractor knowingly permit any subsequently delivered Contractor System component to contain any Disabling Device.

16.7 ACCESS TO SYSTEM NOT TO BE WITHHELD

16.7.1 Provided County continues to timely make payments, except for disputed amounts or amounts withheld as agreed between the parties, Contractor represents, warrants, covenants and agrees that during the Term it will not withhold access to the System for any reason, including but not limited to a dispute between the parties arising under or relating to this Agreement, except as may be specifically authorized herein.

16.8 COMPLIANCE WITH LAWS

16.8.1 Without in any way limiting Paragraph 16.3 (HIPAA Compliance System Warranty Support), Contractor shall comply, and shall require its subcontractors to comply with, all applicable federal, state, and local laws, rules and regulations. Contractor represents, warrants, covenants and agrees that (a) the System complies with all existing federal, state and local laws, rules and regulations; and (b) if the System becomes non-compliant with any applicable federal, state or local laws, rules or regulations, Contractor will incorporate all functionality into the System as required to become compliant, at no additional charge, as soon as practicable.

16.9 INTEGRATION/INTERFACE WARRANTY

16.9.1 Contractor represents and warrants that the System, including the System Software and the Hosting Services, are capable of interconnecting and/or interfacing with each other, the third-party software and hardware identified in this Agreement, and Customer's software, computers, equipment, and electronic communications systems, including Customer's electronic health records system provided by Cerner Corporation ("County Systems"), either through integration or, as applicable, industry standard Interface protocols. As to County Systems (which utilize then-current industry standard Interface protocols) acquired after the Effective Date, the System, including the System Software and the Hosting Services, shall be capable of Interfacing with such County Systems using then-current industry standard interface protocols. The System, including the System Software and the Hosting Services, must be interoperable at the time it is provided to Customer and at all times thereafter during the Term. Further, Contractor shall not achieve System Acceptance until the System, including the System Software and the Hosting Services and such other systems have been successfully integrated/Interfaced with the County Systems and accepted by Customer in accordance with the terms of Section 5.0 (Work and System Acceptance).

17.0 CONTINUOUS PRODUCT SUPPORT

If Contractor assigns or transfers this Agreement to a permitted assignee and subsequent to such assignment, the System , or any component thereof is not supported to at least the same level that Contractor supported the System , or any component thereof, as determined by County Project Director (because, for example, Contractor's permitted assignee chooses to support other products in preference to the products licensed herein) or, absent any assignment or transfer, if County, at County's sole discretion, may elect to transfer the License/Access Grant to the System , without cost or penalty, to another similar product ("Replacement Product") within Contractor's, or Contractor's permitted assignee's, if applicable, product offering. The assignee, by taking benefit (including, without limitation, acceptance of any payment under this Agreement) shall be deemed to have ratified this Paragraph 17.0. All terms and conditions of this Agreement shall continue in full force and effect for the Replacement Product. In addition, the following terms and conditions shall apply if County elects to transfer the license to a Replacement Product:

17.1 IMPLEMENTATION OF REPLACEMENT PRODUCT

Contractor, or permitted assignee, shall, at no cost to County, provide License/Access Grant for and implement the Replacement Product , convert and migrate all of County's data from the System to the Replacement Product

to ensure use of such Replacement Product, including any formatting of County's data as may be required to use the Replacement Product;

17.2 TRANSFER OF MAINTENANCE FEES AND HOSTING FEES

Any prepaid Maintenance Fees and/or Hosting Fees shall transfer in full force and effect for the balance of the Replacement Product's Maintenance and Support Services and/or Hosting Services term (or equivalent service) at no additional cost. If the prepaid moneys are greater than the Replacement Product's Maintenance Fees and/or Hosting Fees for the same term, the credit balance shall be applied to future Maintenance Fees and/or Hosting Fees, or returned to County, at County's option;

17.3 TRAINING ON REPLACEMENT PRODUCT

All Authorized Users and support personnel shall receive reasonable training for purposes of learning the Replacement Product. Training shall be provided at no additional cost to County;

17.4 REPLACEMENT PRODUCT FUNCTIONALITY

Any and all units of the Replacement Product or otherwise offered separately, and needed to match the original System's level of functionality or Specifications, as determined by County's Project Director, shall be supplied by Contractor's permitted assignee without additional cost or penalty and shall not affect the calculation of any Maintenance Fees and/or Hosting Fees;

17.5 REPLACEMENT PRODUCT LICENSES

All License terms and conditions shall remain as granted herein with no additional fees imposed on County; and

17.6 DEFINITIONS

The definition of System shall then include the Replacement Product.

18.0 CORRECTION OF DEFICIENCIES

18.1 DEFICIENCIES

As used herein, the term "Deficiency" shall mean and include, as applicable to any Work provided by or on behalf of Contractor to County: any malfunction, error, or defect in the design, development, or implementation of any Work provided hereunder; any error or omission, or deviation from the Specifications or mutually agreed upon industry standards, or any other

malfunction or error, including the provision of negligent workmanship, which results in the System, in whole or in part, not performing in accordance with the provisions of this Agreement, including the Statement of Work, the Specifications, and any executed Change Notice or Amendment, as determined by County Project Director, in County Project Director's sole discretion.

18.2 CORRECTIVE MEASURES

Upon the earlier of (a) notice (orally, in writing or electronically) from County, or (b) Contractor's discovery, of any Deficiency, Contractor shall promptly commence corrective measures to resolve any such Deficiency as provided in this Paragraph 18.2. Contractor shall resolve each Deficiency reported by County in accordance with the time frame specified in Attachment B-1 (Service Level Terms) as the Resolution Time Requirement applicable for such Deficiency Priority Level. The time during which Contractor must resolve each Deficiency shall start tolling at the earlier of when County notifies Contractor of such Deficiency or Contractor discovers such Deficiency, and shall end when Contractor submits resolution of such Deficiency to County Project Director for approval thereof in accordance, provided such resolution is thereafter so approved by County without prior rejection by County or significant delay in County's approval thereof. The actual time taken by Contractor to resolve a Deficiency correction shall not exceed the Resolution Time Requirement for such Deficiency, as set forth in Attachment B-1 (Service Level Terms).

Contractor acknowledges that, as part of corrective measures to resolve a Deficiency, Contractor may be required to repair, replace or reinstall all or any part of the System, provide other material or update the System, including but not limited to System Environment, for purposes of maintaining Compatibility within the System, in order to remedy such Deficiency.

18.3 APPROVAL

No Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by County Project Director in accordance with the procedures set forth in Paragraph 5.0 (Work and System Acceptance).

19.0 CONTRACTOR'S OFFICES

Contractor's business offices are located at 4600 Campus Drive, Suite 101, Newport Beach, California 92660. Contractor shall notify County of any change in its business address at least ten (10) calendar days prior to the effective date thereof.

20.0 NOTICES

20.1 NOTICES, GENERALLY

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties identified on the applicable of Attachment A.1 (County's Administration) or Attachment A.2 (Contractor's Administration), in each case, of Exhibit A (Additional Terms and Conditions) 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.

20.2 NOTICES ISSUED BY COUNTY PROJECT DIRECTOR

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

21.0 ARM'S LENGTH NEGOTIATIONS

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

22.0 SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 1.0, 2.0, 6.6, 8.0, 9.0, 12.0, 13.0, 14.0, 15.0, 16.0, 20.0, 21.0, 22.0,and all the terms and conditions set forth in Exhibit A (Additional Terms and Conditions).

IN WITNESS WHEREOF, Contractor has executed this Agreement by its authorized officer, and County, by order of its Board of Supervisors, has caused this Agreement to be executed on its behalf by the Director of County's Department of Public Health, as of the day and year first above written.

COUNTY OF LOS ANGELES

By: _____
Mitchell H. Katz, M.D.
Director

CONTRACTOR

SAFETYNET CONNECT, INC

By: _____
President

APPROVAL AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: _____
Deputy County Counsel

EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

[SEE ATTACHED]

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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 herein, this "Exhibit") have the meanings given to such terms in the body of the Agreement.

1.0 SUBCONTRACTING

1.1 GENERAL

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

1.2 PROCEDURE FOR SUBCONTRACTING

1.2.1 If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under the Agreement, including Hosting Services, to any Subcontractor, Contractor shall adhere to the following procedures.

(a) Contractor shall provide a notice to County Project Director of its desire to subcontract a portion of the Work, which notice shall include, where applicable:

(1) The reason for the proposed subcontract and a description of the Work to be performed under the proposed subcontract;

(2) The identity of such Subcontractor and a statement of qualifications;

(3) A certificate of insurance from Contractor or the Subcontractor, which establishes that the Subcontractor maintains all the programs of insurance required by Paragraph 13.0 (Insurance and Performance Security) of this Exhibit;

(4) An executed Acknowledgment, Confidentiality, and Assignment Agreement substantially in the form of Exhibit H (Acknowledgement,

Confidentiality and Assignment Agreement), with such changes as are approved in advance by County Project Director in writing, for each of Subcontractor's employees performing Work under the subcontract which (a) requires such employees to have access to County's Confidential Information, and/or (b) requires such employees to come on-site to any County facility, and/or (c) as otherwise reasonably requested by County Project Director;

(5) Evidence that Contractor has complied with the requirements of Paragraph 32.0 (Background and Security Investigations) for each of Subcontractor's employees performing Work under the subcontract which (a) requires such employees to have access to County's Confidential Information, and/or (b) requires such employees to come on-site to any County facility, and/or (c) as otherwise reasonably requested by County Project Director;

(6) A draft copy of the proposed subcontract; and

(7) Any other information and/or certifications reasonably requested by County Project Director.

County Project Director may provide written authorization for an extension of time with respect to Contractor's delivery of any of the aforementioned items.

(b) County Project Director will review Contractor's request to subcontract and determine, in sole discretion, whether or not to consent to such request on an individual basis. Without limiting in any way County's prior approval rights, Contractor shall deliver to the County Project Director a fully executed copy of each subcontract entered into by Contractor pursuant to this Paragraph 1.0 no later than the date any Work is performed under the subcontract.

1.3 CONTRACTOR RESPONSIBILITIES

1.3.1 Notwithstanding any County consent to any subcontracting, Contractor shall remain responsible for any and all performance required under the Agreement, including the obligation properly to supervise, coordinate, and perform, all Work required hereunder,

and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations or responsibilities to County. Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 9.0 (Indemnification) of this Exhibit, from and against any and all liability in any way arising from, connected with, or related to Contractor's Subcontractors' acts, errors or omissions.

1.3.2 In the event that County consents to any subcontracting, such consent shall be subject to County's right to reject any and all Subcontractor personnel providing services under such subcontract. Further, in the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, performance of any Subcontractor under this Agreement at any time upon written notice Contractor when such Subcontractor is deemed by County be in material breach of its subcontract or this Agreement. County shall not be liable or responsible whatsoever for any claims, demands, damages, liabilities, losses, costs or expenses, including defense costs and legal, accounting and other professional fees, in any way relating to County's exercise of such rights. In the event of such termination, County shall allow Contractor reasonably sufficient time in which to retain a replacement subcontractor or to undertake and complete the necessary tasks itself, so long as such time period does not negatively impact the Work schedule.

1.3.3 In the event that County consents to any subcontracting, Contractor shall cause the Subcontractor, on behalf of itself, its successors and administrators, where applicable and except where otherwise permitted by County, to assume and be bound by and shall be deemed to have assumed and agreed to be bound by each and all of the provisions of the Agreement and any executed Change Order or Amendment hereto as it relates to or affects the Work performed by Subcontractor hereunder.

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

1.4 NO WAIVER

Subcontracting of any Work performed under the Agreement, with or without consent of County, shall not be, or be construed to be, a waiver of the

requirements of this Paragraph 1.0 or a blanket consent to any further subcontracting.

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 (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

Subject to County's express rights under the Agreement, Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance, which the parties mutually determine should be delayed as a result of such dispute.

2.3 DISPUTE RESOLUTION PROCESS

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 Director. 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

All disputes utilizing the Dispute Resolution Procedures 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 levels of the Dispute Resolution Procedures, 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 Paragraphs 4.0 (Termination for Insolvency), 5.0 (Termination for Default), 6.0 (Termination for Convenience) or 7.0 (Termination for Improper Consideration), in each case, of this Exhibit, or any other termination provision under the Agreement, shall not be subject to the Dispute Resolution Procedures. 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 Contractor shall maintain the confidentiality of all County Materials to which Contractor and/or its employees or agents have access during the course of performance of Work hereunder and all events or circumstances which occur during the course of such performance (collectively "Confidential Information"), in accordance with all applicable Data Security Guidelines, Card Rules, Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including HIPAA (as defined below), HITECH (as defined below), California Civil Code Section 1798.82 and County policies concerning information technology security and the protection of confidential records and information. Further, Contractor shall take all reasonable actions necessary or advisable to protect all Confidential Information in its possession, custody and/or control from loss or damage by any cause, including fire, theft or other catastrophe. In addition, if requested by County Project Director, Contractor shall provide notification to all persons whose unencrypted personal information was, or is reasonably believed to have been, acquired by any unauthorized person, and the content, method and timing of such notification shall be subject to the prior approval of County Project Director.

3.2 Notwithstanding any provision to the contrary in the Agreement, either party may disclose information about the other party that: (a) is in lawfully in the public domain at the time of disclosure; (b) is disclosed with the prior

approval of the party to which such information pertains; or (c) is required by law to be disclosed.

3.3 Contractor shall not reproduce, distribute or disclose to any person or entity any information identifying, characterizing or relating to any risk, threat, vulnerability, weakness or problem regarding information security or maintenance in County's computer systems, or to any safeguard, countermeasure or contingency plan, policy or procedure for data security contemplated or implemented by County.

3.4 With respect to any of the Confidential Information, Contractor shall: (a) not use any such Confidential 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 Confidential Information; (c) not disclose, except as otherwise specifically permitted by the Agreement, any such Confidential Information to any person or organization other than County without County's prior written authorization; and (d) at the expiration or termination of the Agreement, return all such Confidential Information as instructed under Paragraph 8.0 (Effect of Termination) of this Exhibit.

3.5 Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 9.0 (Indemnification) of this Exhibit, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Subcontractors, to comply with this Paragraph 3.0, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 3.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

3.6 Contractor shall inform all of its officers, employees, agents and Subcontractors performing Work hereunder of the confidentiality provisions of the Agreement. Notwithstanding the foregoing, 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 which Contractor discloses the Confidential Information or provides access to such

Confidential Information by virtue of performing Work on behalf of Contractor under the Agreement.

3.7 Contractor shall cause each employee and non-employee performing Work hereunder to sign and adhere to the provisions of Exhibit H (Acknowledgment, Confidentiality and Assignment Agreement) to the Agreement, with such changes as are approved in writing in advance by County Project Director.

3.8 Contractor acknowledges that a breach by Contractor of this Paragraph 3.0 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, at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Paragraph 3.0.

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 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 written notice to Contractor, terminate the whole or any part of the Agreement in any one of the following circumstances:

5.1.1 Contractor fails to perform or provide any Work, including System Software, Maintenance and Support Services, Hosting Services, and/or Optional Work, within the times specified in the Agreement; or

5.1.2 Contractor breaches or fails to perform or comply with any of the other provisions of the Agreement; or

5.1.3 Contractor otherwise materially breaches the Agreement,

in each case, 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, or such longer period as the County Project Director may authorize, in writing, but in no event shall the period, as extended by the County Project Director, exceed thirty (30) days), provided that nothing in this Paragraph 5.1 shall in any way limit or modify any rights of County or obligations of Contractor relating to timely performance by Contractor as otherwise set forth in the Agreement.

5.2 DEEMED TERMINATION FOR CONVENIENCE

If, after County has given notice of termination under the provisions of this Paragraph 5.0, it is determined by County or otherwise that Contractor was not in default under the provisions of this Paragraph 5.0, 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, 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 therefor at County's direct actual cost of outside labor and materials and County's burdened rates for labor (including salary, employee benefits and reimbursement policies). Such debit shall be made against any amounts owed by County to Contractor under the Agreement. In the event County elects to proceed under this Paragraph 5.3, 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 is deemed to prejudice any right of Contractor to make a claim against the County in accordance with the Agreement and applicable law and County procedures for payment for Work through the effective date of termination. Contractor, however, acknowledges that the rights and remedies set forth in this Paragraph 6.2 shall be the only remedy available to Contractor in the event of a termination or suspension pursuant to this Paragraph 6.0 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, services, the provision of travel or entertainment, or tangible gifts.

8.0 EFFECT OF TERMINATION

8.1 REMEDIES

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

8.1.1 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 in progress 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;

8.1.2 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;

8.1.3 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, including all County records, data and other information, in a media requested by County. In doing so, Contractor shall remove all copies of such Confidential Information from its media in accordance with Paragraph 12.13 of this Exhibit;

8.1.4 Contractor shall tender promptly payment to County and shall continue to tender payment for the duration of any credits levied pursuant to Paragraph 10.5 (Late Delivery Credits) of the body of the Agreement and/or Attachment B.1 (Service Level Requirements) to the Statement of Work, to the extent applicable; and

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

8.2 TRANSITION SERVICES

Contractor agrees that in the event of any full or partial termination of the Agreement for any 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 County's day-to-day operations due to the unavailability of the Work during such transition. Contractor agrees that if County terminates the Agreement in full or in part pursuant to Paragraph 6.0 (Termination for Convenience) or Paragraph 5.2 (Deemed Termination for Convenience) of this Exhibit, Contractor shall perform transition services, and shall invoice County for such transition services determined in accordance with the rates specified in Exhibit D (Price and Schedule of Payments) and agreed upon maximum amount, 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 breach by Contractor, Contractor shall perform transition services at no cost to County. In connection with the provision of any transition services pursuant to this Paragraph 8.2, Contractor shall provide to the County Project Director, upon the County Project Director's request, documentation that reasonably details the source and amount of the expenses Contractor purports to have incurred in the provision of such transition services.

8.3 REMEDIES NOT EXCLUSIVE

The rights and remedies of County set forth in this Paragraph 8.0 are not exclusive of any other rights and remedies available to County at law or in equity, or under the Agreement.

9.0 INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless County, its Special Districts, 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. Notwithstanding the foregoing, in no event shall Contractor be responsible for indemnifying or defending County for claims arising solely out of the negligence of any County Indemnitee or arising from or related solely to County's employment, scheduling or personnel decisions. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 9.0 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 contendere, 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.

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 each of the person executing the Agreement for Contractor and each other person identified as an authorized signatory on Attachment A.2 (Contractor's Administration) to this Exhibit, 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 GENERAL WARRANTIES AND COVENANTS

In addition to Contractor's representations, warranties, and covenants elsewhere in the Agreement, Contractor represents, warrants, and further covenants and agrees to the following:

12.1 (a) Contractor has the full power and authority to grant the License and all other rights granted by the Agreement to County; (b) no consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect; (c) County is entitled to use the System without interruption of use; (d) the Agreement and the System licensed or acquired herein, are neither subject to any liens, encumbrances, or pledges nor subordinate to any right or claim of any third party, including Contractor's creditors; (e) during the Term, Contractor shall not subordinate the Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the

System, and any part thereof, in accordance with the Agreement; (f) there is no litigation, dispute, claim, proceeding or other action pending, or to Contractor's knowledge, threatened against Contractor or in respect of the System, that could have a material adverse effect on Contractor's business or on Contractor's ability to perform and meet in a timely fashion Contractor's obligations under the Agreement; and (g) neither the performance of the Agreement by Contractor, nor the License to, and use by, County and its users of the System in accordance with the Agreement will in any way violate any non-disclosure agreement, nor, to the Contractor's knowledge, constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary information, moral, or other rights of any third party.

12.2 For each Phase, Contractor bears the full risk of loss due to total or partial destruction of all or any part of the System acquired from Contractor, as applicable, until the date of System Acceptance for such Phase.

12.3 Contractor shall, in the performance of all Work, strictly comply with all descriptions and representations (including, but not limited to, the Specifications, Deliverable Documentation, performance capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions, and requirements) as set forth in the Statement of Work and elsewhere in the Agreement. Except as otherwise expressly provided in the Agreement, the System shall be free from Deficiencies.

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

12.5 All Documentation developed or provided under the Agreement shall be uniform in appearance.

12.6 All System components shall interface and be Compatible with each other; and the System components, when taken together, shall be capable of delivering all of the functionality as set forth in the Agreement, including System Requirements and the other Specifications.

12.7 Updates that are provided pursuant to Contractor's obligation to provide Maintenance and Support Services will be Compatible with the System Environment, Specified Hardware and Specified Operating Software, or Contractor will provide backward functionality to maintain such Compatibility.

12.8 Contractor shall not cause any unplanned interruption of the operations of, or accessibility to the System or any component of the System through any Virus, device, method or means including the use of any "lockup," "time bomb," or "key lock," "worm," device or program, or disabling code (each a "Disabling Device"), which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any

unplanned interruption of the accessibility of the System or any component of the System by County or any user or which could alter, destroy, or inhibit the use of the System Software, any component of the System, or the data contained therein. Contractor represents, warrants and agrees that it has not purposely placed, nor is it aware of, any Disabling Device on any component of the System provided to County under the Agreement, nor shall Contractor knowingly permit any subsequently delivered component of the System to contain any Disabling Device.

12.9 Contractor shall implement practices and procedures consistent with guidance defined in International Organization for Standardization security standard 27002, section 10.4.1, as in effect from time to time, to prevent Disabling Devices from being incorporated or introduced into any component of the System by Contractor or any third party and to detect Disabling Devices in the event preventive measures fail.

12.10 With respect to each Phase, Contractor shall maintain and support all System Software components licensed to County hereunder in the Version Release that is installed as of System Acceptance for such Phase for the Initial Term and the level of maintenance and support shall not degrade throughout the Initial Term.

12.11 Contractor shall maintain comprehensive data security procedures and practices appropriate to the nature of the Confidential Information, which shall include, but not be limited to, reasonable and appropriate technical, organizational, administrative and other security measures, to protect the Confidential Information from unauthorized access, destruction, use, modification, or disclosure. The content and implementation of the data security program and associated technical, organizational, administrative and security measures shall be fully documented in writing by Contractor, and Contractor shall provide comprehensive training on the data security program to all parties granted access to the Confidential Information. The documentation shall address control architecture, encryption and data separation procedures, access control and verification, the presence or absence of audit trails, System testing and monitoring, disaster recovery and back-up, and program responsibility, among other items.

12.12 Under no circumstances shall Contractor make any changes in its technical, organizational, administrative and other security measures that materially weaken any technical, organizational, administrative or other security measure in place to safeguard the Confidential Information or result in Contractor's failure to meet any of the minimum standards set forth in this Agreement.

12.13 Contractor agrees to permanently and securely destroy or erase such Confidential Information in accordance with the National Institute of Standards and Technology (NIST) Guidelines for Media Sanitization (Special

Publication 800-88), as amended from time to time, from all computer systems and storage media from which Contractor is removing Confidential Information. Under no circumstances shall Contractor, or such entity as the case may be, use, re-use, sell, lease or otherwise transfer computer systems or storage media on which the Confidential Information has been stored for any purpose unless such Confidential Information has been permanently and securely destroyed or erased. To the extent that Contractor is disposing of any hard copies of County's Confidential Information (including following any records retention requirements under this Agreement or applicable law), Contractor agrees to shred such copies in a manner that renders such copies unable to be recognized and/or reconstructed and not to put in trash container when Contractor disposes of such copies. All such copies to be shredded are to be placed in a locked or secure container/bin/box and labeled "shred" until they are destroyed. No such copies are to be recycled.

12.14 As a precondition to accepting the first credit/debit card payment over the Internet, Contractor shall submit a letter from an authorized officer of Contractor (a) certifying that Contractor or each such entity, as the case may be, is in compliance with the Data Security Guidelines and (b) providing in a manner/format to maintain Contractor's security strategy and network architecture provide detailing the status a brief synopsis in general terms that quantifies risks remediated, not-remediated, and not-applicable that articulates sustained of such compliance, including, without limitation, an identification of any security vulnerabilities as identified in connection with Contractor's most recent CISP and/or PCI Data Security Standard compliance audit and corrective action taken with respect thereto. Thereafter, no less frequently than annually and, in any event, within forty-five (45) days of the completion of any CISP and/or PCI Data Security Standard compliance audit with respect to Contractor, Contractor shall provide a letter from an authorized officer of Contractor (a) certifying that Contractor is in compliance with CISP and PCI Data Security Standard and (b) providing a brief synopsis in general terms that quantifies risks remediated, not-remediated, and not-applicable that articulates sustained compliance, as identified in connection with Contractor's most recent CISP and/or PCI Data Security Standard thereto detailing the status of such compliance, including, without limitation, an identification of any security vulnerabilities identified in connection with Contractor's most recent CISP and/or PCI Data Security Standard compliance audit and corrective action taken with respect thereto.

12.15 Without limiting Paragraphs 18.0 (Compliance with Applicable Law) or 49.0 (Contractor's Obligations as a "Business Associate" Under HIPAA and HITECH) of this Exhibit, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, policies, guidelines and directives (in this Paragraph 12.0, "Laws") relating to incidents which compromise, are reasonably believed to have compromised, or may potentially compromise, the security, confidentiality and/or integrity of any

Confidential Information (collectively in this Paragraph 12.0, "Security Incidents"), including without limitation, California Civil Code Section 1798.82. Under no circumstances will this Section be deemed to confer upon County responsibility for Contractor's compliance with all applicable Laws.

12.16 Also without limiting Paragraphs 18.0 (Compliance with Applicable Law) or 49.0 (Contractor's Obligations as a "Business Associate" Under HIPAA and HITECH) of this Exhibit, in connection with the occurrence of any Security Incident with respect to the System, Contractor shall (a) no later than forty-eight (48) hours of the occurrence of such Security Incident, provide County Project Director and DPH's Departmental Information Security Officer with written notification detailing such Security Incident, (b) investigate (with County's participation if so desired by County) such Security Incident, (c) perform a root cause analysis and prepare a corrective action plan, (d) provide written reports of its findings and proposed actions to County for its review, (e) to the extent such Security Incident is within Contractor's areas of control, remediate such Security Incident or potential Security Incident and prevent its recurrence at Contractor's sole cost and expense, (f) cooperate with County in providing any notices that County deems appropriate to affected data subjects, government agencies, credit bureaus and other entities, and (g) cooperate with County in any litigation and investigation against third parties deemed necessary by County to protect the Confidential Information. Contractor shall be solely responsible for all costs it incurs as a result of compliance with the above requirements. No later than ten (10) business days' of County Project Director's or County Project Manager's request therefor, Contractor shall make the staff responsible for compliance with the Data Security Guidelines available for a conference call with County staff to discuss each Security Incident and the response to such Security Incident, which response shall include, but not be limited to, the steps taken (a) to prevent the reoccurrence of such a Security Incident and (b) to comply with the provisions of this Section 12.0 with respect to such Security Incident.

12.17 Without limiting any provisions of this Agreement, Contractor shall bear: (a) the costs incurred by Contractor in complying with its legal obligations relating to such breach, and (b) in addition to any other costs, expenses, or damages for which Contractor may be liable for under this Agreement, the following costs incurred by County in responding to such breach, to the extent applicable: (i) the cost of providing notice to affected individuals, (ii) the cost of providing notice to government agencies, credit bureaus, and other required entities, (iii) the cost of providing affected individuals with credit monitoring or restoration services for a minimum of 12 months or such longer minimum period required by applicable Law, to the extent the incident could lead to a compromise of the data subject's credit or credit standing, (iv) call center support for such affected individuals for a specific period not to exceed 30 days, (v) the cost of any other measures required under applicable Law, and (vi) any other damages for which Contractor would be

liable under this Agreement, including, but not limited to costs incurred by issuing banks to restore or correct the data subject's credit or credit standing.

12.18 At all times during which Contractor is obligated to maintain the public facing aspects of the System, Contractor's maintenance of such public facing aspects shall comply with County's privacy and security policy as it then-exists, which shall be conspicuously linked from each page of the public facing aspects of the System. County Project Director will provide Contractor with a copy of such policy prior to Production Use of the public facing aspects of the System and as such policy is updated from time to time.

12.19 Contractor shall assign to County to the fullest extent permitted by law or by Agreement and shall otherwise ensure that the benefits of any applicable warranty or indemnity offered by any manufacturer of any Third Party Software or other third party product or service provided hereunder shall fully extend to and be enjoyed by County.

13.0 INSURANCE AND PERFORMANCE SECURITY

13.1 GENERAL INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification of County Indemnitees, and in the performance of the Agreement and until all of its obligations pursuant to the Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in hits Paragraph 13.0. These minimum insurance coverage terms, types and limits (in this Paragraph 13.0, "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to the Agreement. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to the Agreement.

13.2 EVIDENCE OF COVERAGE AND NOTICE TO COUNTY

13.2.1 Certificate(s) of insurance coverage (in this Paragraph 13.0, "Certificate") satisfactory to County, and a copy of an Additional Insured endorsement confirming County Indemnitees have been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under the Agreement.

13.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.

13.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference the Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in the Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand ($50,000.00) dollars, and list any County required endorsement forms.

13.2.4 Neither County's failure to obtain, nor County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

13.2.5 Certificates and copies of any required endorsements shall be sent to:

COPY:

County of Los Angeles
Department of Health Services
Division of Contracts & Grants
313 N. Figueroa
Los Angeles CA 90012
Attention: Kathy K. Hanks, C.P.M.
Director, Contracts and Grants

And

County of Los Angeles
Department of Health Services
Centralized Contract Monitoring Section
5555 Ferguson Drive, Suite 210
Commerce, CA 90022
Attention: Loretta Range, Director
Centralized Contract Monitoring Section

ORIGINAL:

County Project Director at the address indicated on Attachment A.1 (County's Administration)

13.2.6 Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Subcontractors which arises from or relates to the Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

13.3 ADDITIONAL INSURED STATUS AND SCOPE OF COVERAGE

The County Indemnitees shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County Indemnitees additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County Indemnitees as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

13.4 CANCELLATION OF INSURANCE

In the event Required Insurance is cancelled, terminated, or reduced in coverage, Contractor shall provide County with notice of said action within five (5) business days upon receiving such notice from Contractor's insurer(s). Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

13.5 INSURER FINANCIAL RATINGS

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

13.6 CONTRACTOR'S INSURANCE SHALL BE PRIMARY

Contractor's insurance policies, with respect to any claims related to the Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

13.7 WAIVERS OF SUBROGATION

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to the Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

13.8 SUBCONTRACTOR INSURANCE COVERAGE REQUIREMENTS

Contractor shall include all Subcontractors as insureds under Contractor's own policies, or shall provide County with each Subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Subcontractor complies with the Required Insurance provisions herein, and shall require, where applicable, that each Subcontractor name the County and Contractor as additional insureds on the Subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Subcontractor request for modification of the Required Insurance.

13.9 DEDUCTIBLES AND SELF-INSURED RETENTIONS (SIRS)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

13.10 CLAIMS MADE COVERAGE

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of the Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

13.11 APPLICATION OF EXCESS LIABILITY COVERAGE

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

13.12 SEPARATION OF INSUREDS

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

13.13 ALTERNATIVE RISK FINANCING PROGRAMS

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County Indemnitees shall be designated as an Additional Covered Party under any approved program.

13.14 COUNTY REVIEW AND APPROVAL OF INSURANCE REQUIREMENTS

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

13.15 INSURANCE COVERAGE

13.15.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County Indemnitees as an additional insured, with limits of not less than:

General Aggregate:	$4 million
Products/Completed Operations Aggregate:	$2 million
Personal and Advertising Injury:	$2 million
Each Occurrence:	$2 million

13.15.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than $1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to the Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

13.15.3 Insurance covering Contractor's professional liability/errors and omissions arising from or related to the Agreement, with limits of not less than $1 million per claim and $3 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following the Agreement's expiration, termination or cancellation

13.15.4 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than $1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the

County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

13.15.5 Cyber Liability Insurance covering Contractor's liability arising from a security incident as it relate to this Contract, with limits of not less than $5 million aggregate for each occurrence. For purposes of this section, the term "security incident" means virus/worm outbreaks, malicious attacks on networks, web page defacements, actual or suspected loss or disclosure of personal and/or confidential information and loss of County supplies portable computing devices (i.e., laptops, PDAs, removable storage devices, etc). The Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

13.16 PERFORMANCE SECURITY REQUIREMENTS

County has the right to request a performance security bon. The bond shall be executed in a form satisfactory to the County and by an admitted surety insurer acceptable to the County. County Project Director has the authority to approve the form of the initial bond on behalf of County, and to approve any future amount or form of any subsequent bond.

13.17 FAILURE TO PROCURE AND MAINTAIN INSURANCE AND PERFORMANCE SECURITY

Failure on the part of Contractor to procure and maintain the Required Insurance or performance security, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of the Agreement, upon which County may either (i) terminate the Agreement pursuant to Paragraph 5.0 (Termination for Default) of this Exhibit and seek all remedies pursuant to Paragraph 8.0 (Effect of Termination) of this Exhibit, or (ii) purchase such required insurance coverage or performance security and debit Contractor pursuant to Paragraph 5.3 (Completion of Work) of this Exhibit.

14.0 INTELLECTUAL PROPERTY INDEMNIFICATION

14.1 Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 9.0 (Indemnification) of this Exhibit, from and against any and all liability (alleged or actual), including damages, losses, costs, fees and other expenses (including reasonable defense costs and legal,

accounting and other expert, consulting or 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 or misappropriation, arising from or related to the System or the operation and utilization of the Work under the Agreement (collectively referred to in this Paragraph 14.0 as "Infringement Claims").

14.2 Without limiting the foregoing, in the event County Project Director becomes aware that ongoing use of the System, or any part of it, is the subject of any Infringement Claim that might preclude or impair County's use of the System or any component of the System (e.g., injunctive relief), or that County's continued use of the System or any part of it may subject it to punitive damages or statutory penalties or other costs or expenses, County shall give notice to Contractor of such facts. Upon notice of such facts, Contractor shall, at no cost to County, either (a) procure the right, by license or otherwise, for County to continue to use the affected portion of the System, to the same extent as granted by the License, or (b) to the extent Contractor is unable to procure such right, replace or modify the affected portion of the System with product of equivalent quality and performance capabilities, in County's reasonable determination, to become non-infringing, non-misappropriating and non-disclosing.

14.3 If Contractor fails to complete the remedial acts set forth above within sixty (60) days of the date of the notice from County or if completion of such measures is not possible despite Contractor's commercially reasonable best efforts within such sixty (60) day period and County has not approved in writing (such approval not to be unreasonably withheld) Contractor's plan of completing such remediation, then, in either instance, County shall have the right, without limiting any other rights or remedies that County may have under the Agreement or at law or equity, to take such remedial acts it determines to be reasonable to mitigate any impairment of its use of the System. Contractor shall indemnify and hold County harmless for all amounts paid and all direct and indirect costs associated with such remedial acts by County.

15.0 PROPRIETARY CONSIDERATIONS

15.1 COUNTY MATERIALS

Contractor and County agree that all (a) County records, data and other information, including records, data and other information that may (i) from time to time be collected, transmitted and/or stored by the System or (ii) pertain to any person or entity using the public facing aspects of the System, and (b) materials, plans, reports, project schedules, project plans, Project Control Document, documentation and training materials developed by or solely for County, departmental procedures and processes, algorithms and any other information provided by County or specifically provided by

Contractor for County pursuant to this Agreement (excluding the Application Modifications, Source Code, System Operating Software, Replacement Products, System Software elements provided by Contractor, and related Documentation), and all copyrights, patent rights, trade secret rights and other proprietary rights therein (collectively "County Materials") shall be the sole property of County. Contractor hereby assigns and transfers to County all of Contractor's right, title, and interest in and to all such County Materials, provided that notwithstanding such County ownership, Contractor may retain possession of all working papers prepared by Contractor. During and for a minimum of five (5) years subsequent to the Term, Contractor shall retain any and all such working papers. County shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

15.2 TRANSFER TO COUNTY

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

15.3 PROPRIETARY AND CONFIDENTIAL

Any and all materials which are developed or were originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "PROPRIETARY" or "CONFIDENTIAL", if applicable. Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

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

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

In the event County is required to defend an action on a California Public Records Act request for any of the aforementioned documents marked

"trade secret", "confidential", or "proprietary", Contractor agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the California Public Records Act**.**

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, 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 Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the Agreement, debar 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 County.

17.3 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 the Agreement, with County or a nonprofit corporation created by County, (b) committed an act or omission which negatively reflects on 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 Contractor may be subject to debarment, DPH 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 DPH 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. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

17.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) 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.

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

17.10 These terms shall also apply to Subcontractors of County contractors, where applicable.

17.11 A listing of Contractors that are currently on the Debarment List for Los Angeles County may be found at the following website: http://lacounty.info/doing_business/DebarmentList.htm.

18.0 COMPLIANCE WITH APPLICABLE LAW

18.1 In the performance of the Agreement, Contractor shall comply with all applicable Data Security Guidelines, Card Rules, Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in the Agreement are hereby incorporated herein by reference.

18.2 Contractor shall indemnify, defend, and hold harmless County Indemnitees County Indemnitees pursuant to Paragraph 9.0 (Indemnification) of this Exhibit, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 18.2 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

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 Indemnitees County Indemnitees pursuant to Paragraph 9.0 (Indemnification) of this Exhibit, from any and all liability (actual or alleged), 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, attached as Exhibit G (Contractor's EEO Certification) to the Agreement.

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 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 have been violated, such violation shall, at the election of County, constitute a material breach of the Agreement upon which County may immediately terminate the Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations such determination shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of the Agreement. All determinations of violations made pursuant to this Paragraph 20.5 shall be appealable by Contractor in accordance with applicable laws and regulations, and separately pursuant to the Dispute Resolution Procedures.

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

21.0 EMPLOYMENT ELIGIBILITY VERIFICATION

21.1 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. Contractor shall retain all such documentation for the period prescribed by law.

21.2 Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 9.0 (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.

22.0 HIRING OF EMPLOYEES

22.1 Contractor and County agree that, during the Term and for a period of one (1) year thereafter, except with the prior written consent of the other party, neither party shall in any way intentionally induce or solicit any Project Director, Project Manager or other employee, of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

22.2 Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform Work described in the Agreement, in the event that: (a) County has the right to terminate the Agreement pursuant to Paragraph 4.0 (Termination for Insolvency) of this Exhibit, (b) the Agreement is terminated by County due to Contractor's default pursuant to Paragraph 5.1 (Termination for Default) of this Exhibit, or (c) 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.

23.0 CONFLICT OF INTEREST

23.1 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.

23.2 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. Failure to comply with the provisions of this Paragraph shall be a material breach of the Agreement.

24.0 RE-SOLICITATION OF BIDS, PROPOSALS OR INFORMATION

24.1 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.

24.2 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.

25.0 RESTRICTIONS ON LOBBYING

Contractor, and each County lobbyist or County lobbying firm as defined in County Code Section 2.160.010 retained by Contractor, shall fully comply with the County Lobbyist Ordinance, 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.

26.0 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Should Contractor require additional or replacement personnel after the effective date of the Agreement to perform the services set forth herein, 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 26.0, "GAIN") or general relief opportunity for work (in this Paragraph 26.0, "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/GROW participants by job category to Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, the County employees shall be given the first opportunity.

27.0 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.

28.0 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 the Agreement by Contractor, for which County may immediately terminate the Agreement.

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

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

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

29.3 Failure of Contractor to maintain compliance with the requirements set forth in this Paragraph 29.0, shall constitute default under the Agreement. Without limiting the rights and remedies available to County under any other provision of the Agreement, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate the Agreement pursuant to Paragraph 5.0 (Termination for Default) of this Exhibit and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

30.0 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.

31.0 COMPLIANCE WITH JURY SERVICE PROGRAM

31.1 JURY SERVICE PROGRAM

The Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service (in this Paragraph 31.0 "Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the County Code, a copy of which is attached as Exhibit K (Jury Service Ordinance) to the Agreement and incorporated by reference into and made a part of the Agreement.

31.2 WRITTEN EMPLOYEE JURY SERVICE POLICY

31.2.1 Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees 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.

31.2.2 For purposes of this Paragraph 31.0, "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, where applicable, to the

provisions of this Paragraph 31.0. To the extent applicable, the provisions of this Paragraph 31.0 shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

31.2.3 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.

31.2.4 Contractor's violation of this Paragraph 31.0 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.

32.0 BACKGROUND AND SECURITY INVESTIGATIONS

32.1 Each of Contractor's staff performing services under this Agreement who is in a designated sensitive position, as determined by the County, shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing Work under the Agreement. County shall use its discretion in determining the method of background investigation to be used, up to and including criminal conviction information obtained through fingerprints submitted to the California Department of Justice. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member or Contractor's staff passes or fails the background investigation.

32.2 If any of Contractor's staff, Subcontractors or agents do not pass the background clearance investigation, 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.

32.3 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 County, or whose background or conduct is incompatible with County facility access, at the sole discretion of County.

32.4 Disqualification, if any, of Contractor staff, Subcontractors or agents pursuant to this Paragraph 32.0 shall not relieve Contractor of its obligations to complete all Work in accordance with the terms and conditions of the Agreement.

33.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees, Subcontractors 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, its employees, Subcontractors and agents 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.

34.0 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.

35.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS

35.1 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.

35.2 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.

36.0 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, in their discretion.

37.0 FEDERAL EARNED INCOME TAX CREDIT

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

38.0 ASSIGNMENT BY CONTRACTOR

38.1 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 38.0, County consent shall require a written Amendment to the Agreement, which is formally approved and executed by the parties in accordance with Paragraph 6.0 (Change Notices and Amendments) of the body of the Agreement. Any payments by County to any approved delegate or assignee on any claim under the Agreement shall be deductible, at County's sole discretion, against the claims which Contractor may have against County.

38.2 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 38.1 of this Exhibit.

38.3 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.

39.0 INDEPENDENT CONTRACTOR STATUS

39.1 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.

39.2 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.

39.3 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.

40.0 RECORDS AND AUDITS

40.1 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. All such material, including all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and 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 (i) provide County with access to such material at a mutually agreed upon location inside Los Angeles County, or (ii) 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.

40.2 If an audit is conducted of Contractor specifically regarding the Agreement by any Federal or State auditor, or by an auditor or accountant employed by Contractor or otherwise, 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. If any such audit report is confidential and Contractor desires County to treat it as such, then Contractor shall mark such audit report in accordance with Paragraph 15.3 (Proprietary and Confidential).

40.3 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 Procedures, 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 Procedures, 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.

40.4 Commencing with respect to Contractor's first fiscal year following the Effective Date, and for each of Contractor's fiscal year thereafter during the Term, Contractor shall have an auditor (a) perform a Type 2 audit of Contractor's operations as defined in, and in accordance with, Statement on Auditing Standards (SAS) No. 70, Service Organizations, as amended, and (b) prepare an audit report in respect of such audit. Contractor shall provide County a copy of each audit report in no event later than forty-five (45) days of the auditor's delivery of such audit report to Contractor. If any such audit report is confidential and Contractor desires County to treat it as such, then

Contractor shall mark such audit report in accordance with Paragraph 15.3 (Proprietary and Confidential).

40.5 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 40.0 shall constitute a material breach upon which County may terminate or suspend the Agreement.

41.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

CONTRACTOR SHALL OBTAIN AND MAINTAIN IN EFFECT DURING THE TERM OF THIS AGREEMENT, ALL VALID LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES REQUIRED BY LAW WHICH ARE APPLICABLE TO ITS PERFORMANCE OF THIS AGREEMENT, AND SHALL ENSURE THAT ALL OF ITS OFFICERS, EMPLOYEES, AND AGENTS WHO PERFORM SERVICES HEREUNDER OBTAIN AND MAINTAIN IN EFFECT DURING THE TERM OF THIS AGREEMENT, ALL LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES REQUIRED BY LAW WHICH ARE APPLICABLE TO THEIR PERFORMANCE OF SERVICES HEREUNDER. ALL SUCH LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATIONS RELATING TO SERVICES HEREUNDER SHALL BE MADE AVAILABLE TO COUNTY UPON REQUEST.

42.0 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 42.0 shall not be construed to diminish Contractor's indemnification obligations hereunder.

43.0 TIME IS OF THE ESSENCE

Time is of the essence under this Agreement.

44.0 MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the Term, provide the same goods or 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.

45.0 COUNTY'S QUALITY ASSURANCE PLAN AND CONTRACTOR PERFORMANCE HISTORY DATABASES

45.1 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 improvement does not occur consistent with the corrective action measures, County may terminate the Agreement or impose other penalties as specified in the Agreement.

45.2 County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a contract term extension option.

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

Should Contractor require additional or replacement personnel after the effective date of the Agreement to perform the Work hereunder, 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 Term.

47.0 CONTRACTOR TO NOTIFY COUNTY WHEN IT HAS REACHED 75% OF MAXIMUM CONTRACT SUM

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.

48.0 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 Work performed or provided by Contractor under the Agreement after the expiration or other termination of the 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 Work performed or provided after expiration or termination of the 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 the Agreement.

49.0 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

(HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Agreement, Contractor provides services to County and Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit E (Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)) in order to provide those services. County and Contractor therefore agree to the terms of Exhibit E and agrees to immediately enter into an amendment to the County's BAA that is legally required by State or federal law.

50.0 SAFELY SURRENDERED BABY LAW

50.1 NOTICE TO EMPLOYEES

Contractor shall notify and provide to its employees, and shall require, where applicable, each Subcontractor performing Work under the Agreement to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit J (Safely Surrendered Baby Law) to the Agreement and is also 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 and where applicable, 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. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

51.0 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

51.1 The Agreement is subject to the provisions of County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the County Code.

51.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently

obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

51.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

51.4 If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded the Agreement to which it would not otherwise have been entitled, shall:

(a) Pay to County any difference between the contract amount and what the County's costs would have been if the Agreement had been properly awarded;

(b) In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the Agreement; and

(c) Be subject to the provisions of Chapter 2.202 of the County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and County's Office of Affirmative Action Compliance of this information prior to responding to a solicitation or accepting a contract award.

52.0 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

52.1 The Agreement is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the County Code.

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

52.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a

County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

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

(a) Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

(b) In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the contract; and

(c) Be subjected to the provisions of Chapter 2.202 of the County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

53.0 NOTICE OF DELAY

53.1 In the event Contractor determines at any time that failure, delay, or inadequacy of performance of any of County's obligations hereunder may prevent or tend to prevent Contractor from completing any of Contractor's obligations in a timely manner or may cause or tend to cause Contractor to incur additional or unanticipated costs or expenses, Contractor shall promptly following such determination (and without limiting Contractor's obligation of prompt notification, in any event within five (5) days following such determination), notify County Project Director in writing, which notice shall specify in reasonable detail: (a) any alleged failure, delay or inadequacy of performance by County and (b) to the best knowledge of Contractor after due inquiry and analysis, the estimated impact of such alleged failure, delay or inadequacy on the performance of Contractor's obligations, including any estimated delay and any estimated amount of additional or unanticipated costs or expenses that may be incurred (a "Notice of Delay").

53.2 Such Notice of Delay, if timely filed, shall be treated as a request by Contractor for a Change Notice or an Amendment to the Agreement, as

applicable pursuant to Paragraph 6.0 (Change Notices and Amendments) of the body of the Agreement. In the event Contractor fails to notify County in writing of any alleged failure, delay, or inadequacy of performance of any of County's obligations in a timely manner as set forth in this Paragraph 53.0, Contractor shall not be entitled to rely upon such alleged failure, delay, or inadequacy of performance for any purpose whatsoever, including as a purported justification for either: (i) claiming that Contractor is entitled to receive any additional payments from County hereunder or (ii) failing to fulfill any of Contractor's obligations in a timely manner. This Paragraph 53.0 shall not be interpreted or construed as expanding in any manner the financial obligations of County under the Agreement.

54.0 COUNTY'S DEFAULTED PROPERTY TAX PROGRAM

54.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their California property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

54.2 Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with County Code Chapter 2.206.

54.3 Failure of Contractor to maintain compliance with the requirements set forth in this Paragraph 54.0 shall constitute 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 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

55.0 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.

56.0 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.

57.0 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.

58.0 RIGHTS AND REMEDIES NOT EXCLUSIVE

The rights and remedies of County provided in any given Paragraph, as well as throughout the Agreement, including throughout this Exhibit, are not exclusive and are cumulative with any and all other rights and remedies under the Agreement, at law, or in equity.

59.0 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, Amendments 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.

* * *

ATTACHMENT A.1

COUNTY'S ADMINISTRATION

COUNTY PROJECT DIRECTOR: The following person or such person's designee:

Paul Giboney, M.D.,
Director, Specialty Care
Phone: 213-214-8353
Fax: 213.202.5991
E-mail: pgiboney@dhs.lacounty.gov

COUNTY PROJECT MANAGER:

Gary Garcia, Staff Analyst
Phone: 213.240.8076
Fax: 213.202.5991
E-mail: garygarcia@dhs.lacounty.gov

ADDRESS FOR NOTICES:

Kathy K. Hanks, C.P.M.
Director, Contracts and Grants
Los Angeles County Department of Health Services
Division of Contracts & Grants
313 N. Figueroa
Los Angeles CA 90012
Fax: (213) 250-2958
E-mail: khanks@dhs.lacounty.gov

With a copy to:

County Project Director and County Project Manager as indicated above.

ATTACHMENT A.2

CONTRACTOR'S ADMINISTRATION

CONTRACTOR PROJECT DIRECTOR:

Chris Chruttendon
Phone: 949-399-5382
Fax: 949-399-5381
E-mail: ccruttenden@netchemistry.com

CONTRACTOR PROJECT MANAGER:

Alex Teng
Phone: 949-399-5388
Fax: 949-399-5381
E-mail: ateng@netchemistry.com

CONTRACTOR'S AUTHORIZED SIGNATORIES:

NAME	TITLE	SIGNATURE
Chris Cruttenden	President	
Keith Matsutsuyu	CEO	

ADDRESS FOR NOTICES:

4600 Campus Drive, Suite 101
Newport Beach, CA 92660

EXHIBIT B
STATEMENT OF WORK

[SEE ATTACHED]

EXHIBIT B

STATEMENT OF WORK

Article I. Purpose of Project

The purpose of the Safety Net eConsult Program ("Program") is to expand the eConsult System currently in place for use by Community Partner clinic health care providers ("CPs") and the County of Los Angeles, Department of Health Services' ("DHS") health care providers. eConsult is a communications technology and care management process that addresses gaps in the way primary care providers ("PCP") and specialty care providers ("SCP") communicate to improve the coordination of care and treatment for patients.

eConsult replaces the traditional paper communication and referral process that exists in physician offices with a Health Insurance Portability and Accountability Act ("HIPAA") compliant electronic application through which PCPs and SCPs can share clinical information for treatment purposes, expedite the referral process to DHS specialty care clinics, and improve the coordination of care for their patients in common.

Article II. Scope of Work

Section 2.01 Overview: Contractor shall make available, the eConsult portal in it's most updated form as of June 30, 2013, and as currently in use by DHS in the LA Care sponsored eConsult System. The eConsult portal shall provide an interface ("Baseline Interface(s)") with existing specialty care management systems and existing data infrastructure. Contractor shall work closely with DHS in defining and finalizing all requirements to directly provide access to DHS and the CPs, and will identify any and all customizations, developments or modifications that may be needed to continue to provide access to the eConsult system ("Baseline Customizations"). Contractor shall complete testing of the System pursuant to Section 5.4 (Tests) of the Agreement, and achieve System Acceptance prior to County being obligated to pay for the License Fee provided for in Section 13.3 (Fully Paid License) of the Agreement. Contractor shall develop all required eConsult System product support Documentation, including but not limited to, System Specifications, technical Documentation, training materials and manuals.

Section 2.02 Project Objectives: Contractor will continue to make available the eConsult web-based platform that includes the ability to process specialty care requests and that facilitates "back end" processing by DHS referral center staff. The eConsult System will exchange data with DHS's enterprise data repository. The authorization functionality of the eConsult System is limited to authorizations for specialty care access by DHS. Contractor shall provide and continue to provide, at a minimum, the following Deliverables:

(a) A detailed project plan and resource plan, that was developed in collaboration with L.A. Care and DHS;

(b) Technical Specification documents that detail the handling and functionality of the eConsult System. This will include:

(i) A standard walkthrough of the functionality of the eConsult System and its use for end users;

(ii) Administrative manual describing administrative functions from creating, modifying user roles and user permissions and generating reports; and

(iii) Requirements documentation which includes statements that identify attributes capabilities, characteristics, or qualities of eConsult, and any other related Documentation.

(c) Implementation plan for any new modifications that includes beta-testing and user acceptance testing and post go-live activities;

(d) All required System Documentation including all training materials needed for deployment; and

(e) A quality assurance process.

Section 2.03 eConsult Functionality: eConsult functionality has already been developed by Contractor and will be continued to be provided by Contractor to DHS and CPs pursuant to this Agreement, which includes the following:

(a) Work queues;

(b) Alerts – changes in status via email;

(c) Storage of basic patient demographics including history;

(d) Ability to request additional information from referring provider once an eConsult is submitted;

(e) Ability to view a snapshot of the number of pending eConsults, by specialist and specialist organization, along with how many eConsults have been closed in the current month;

(f) Managing and creating organizations within the eConsult System, i.e., the ability to add physicians or specialist to organization(s);

(i) DHS expects to add several hundred clinics and thousands of users to the eConsult system over the course of this agreement.

(g) Ability to add and manage specialties listed for eConsult;

(i) DHS expects to bring all of its specialty services on to eConsult.

(h) Ability to manage and archive large numbers of eConsults.

(i) DHS currently receives over 300,000 requests for specialty care annually.

(i) Ability to manage users and assign various levels of access based on predefined roles, i.e., the ability for admin users to add and delete users;

(j) Ability to upload documents to a referral;

(k) Ability to upload pictures connected with each eConsult (e.g., Dermatology);

(l) Ability to attach faxes and scans to the eConsult System (i.e., the ability to print cover pages from an initiated eConsult that will link any faxes sent with the cover sheet to the same initiated eConsult that will then be available for electronic viewing through the eConsult System);

(m) Ability to upload clinical guideline files; and

(n) Ability to export into CSV summary of eConsult or communication;

(o) Report writing functionality;

(p) Any functionality currently present in the eConsult used in the LA Care sponsored System, even if not specifically mentioned above.

Section 2.04 Referral/Authorization Functionality: Contractor has already developed this functionality, and will continue to provide such functionality to DHS and CPs pursuant to this Agreement, which includes the following:

(a) Referral queues;

(b) Ability to flag referrals as “Urgent”;

(c) Alerts – changes in status via email;

(d) Storage of basic patient demographics;

(e) User to User messaging via the web-based platform;

(f) Ability to attach documents to referral;

(g) UM ability to review pending referrals and requests;

(h) Physician’s ability to review pending referrals and requests;

(i) Ability to enter CPT/ICD-9 codes;

(j) Ability to search for patients in system or add new patients;

(k) Ability to search for referrals in the system;

(l) Ability to manage user accounts:

(i) Add,
(ii) Search,
(iii) Modify, and
(iv) Assign Roles; and

(m) Clinical guideline development and upload via template.

(n) Any functionality currently present in the eConsult used in the LA Care sponsored system, even if not specifically mentioned above.

2.5 Additional Work: As requested and approved by DHS, Contractor will perform Additional Work, including making any Additional Customizations, Additional Interfaces, or other modifications and customizations, to the eConsult System. Contractor shall also perform any related Software Modifications that may be needed, if any, to implement the Additional Work. Section 5.1.5 (Additional Work) of the Agreement shall govern how such Additional Work will be performed. Testing will be required for any additional modifications, customizations or functionality to the eConsult system:

(o) Contractor shall conduct beta testing of any modifications of the eConsult System. Beta testing includes use and evaluation of the eConsult System to verify that the system complies with the technical specifications developed in accordance with Section 2, Statement of Work, excluding features related to reporting, faxing, and data exchange. Beta testing shall be conducted over a ten (10) business day period;

(p) Contractor shall provide DHS with access to the beta version of the eConsult System and test scripts so that DHS may participate in the beta testing. DHS will provide input on the scope of the functionality to be tested, but Contractor is responsible for developing the test scripts;

(q) If the eConsult System fails the beta testing and requires further modification, then the beta testing will be re-performed after the corrections have been made.

Article III. Contractor's Specific Tasks

Contractor shall be responsible for the tasks listed below.

Section 3.01 Interface Development: Contractor shall continue to maintain an eConsult System interface in its existing web-based provider portal application, which contains, at minimum, the following:

(a) eConsult Entry – Entry of a new patient eConsult request in place of, or following a patient visit referral. Request shall be entered on a "going forward" basis in order to automatically pre-populate standard patient and provider demographics and enhance the utilization of eConsult.

(b) eConsult Alert – Alerts regarding patient consultation shall be made available to both the specialist responding and the primary care physician awaiting response. There shall be no limit on the number of consultations regarding a specific patient or patient condition.

(c) eConsult View/Search – eConsult details shall be viewable and searchable.

(d) ICD-9 and CPT codes - The ICD-9 and CPT codes shall be captured in the eConsult System as part of the eConsult workflow.

(e) eConsult message interaction data – eConsult message interaction data shall be captured as part of a claim encounter. Data shall include

message content, message timestamps and possible survey responses regarding the eConsult message service.

(f) Security – HIPAA guidelines shall be followed for accessing all patient's protected health information.

(g) Reports – A printable view of individual patient eConsult details shall be made available.

(h) Any other aspects that are currently present in the L.A. Care sponsored eConsult System, even if not specifically mentioned above.

Section 3.02 End-User Reports: Contractor shall continue to provide an eConsult System interface to display end-user side reports as CSV or HTML formats with further specifications in Attachment B-1, Reporting Requirements.

Section 3.03 Training: Contractor will make available written training materials/user guides to facilitate DHS managed training on the system.

Section 3.04 System Integration Testing: Contractor shall conduct system integration testing. Contractor shall provide workflow diagrams and data exchange plans. Contractor, in collaboration with DHS, shall create all test scripts for system integration testing. Contractor shall test all interfaces or file transfers as required for integration with DHS enterprise data repository.

Section 3.05 Additional Modifications / Customizations / Functionality: Contractor shall perform additional modifications / customizations / functionality as requested by DHS pursuant to this Exhibit B (Statement of Work) and the requirements of the Agreement.

Section 3.06 User Acceptance Testing ("UAT"): After successful completion of the beta testing, Contractor will assist DHS in conducting UAT. Contractor shall provide DHS access to the beta version of the eConsult system and test scripts for the UAT. DHS will provide input on the scope of the functionality to be tested, but Contractor is responsible for developing the test scripts.

Section 3.07 Security Acceptance: Contractor shall provide DHS reviews and system diagrams that demonstrate that the system meets the security requirements as described in Section Section 3.01***(f)***, above.

Section 3.08 Post-Deployment (Go-Live): Contractor shall provide the services as set forth in Attachment B-1 (Service Level Terms), and meet the Service Level Terms as set forth therein. Deficiencies will be corrected as provided for in Attachment B-1 (Service Level Terms).

In addition, Contractor, at its sole cost, shall develop a process for incorporating improvements to the eConsult System functionality and features, including, but not limited to improving user interfaces or business logic, adding data fields, and other agreed improvements.

Article IV. DHS responsibilities

DHS will provide support to Contractor, as follows:

Section 4.01 Technical Specifications: If needed, DHS will provide business requirements to assist Contractor in maintaining the interfaces as described in Section 3.1.

Section 4.02 Staff Assistance: DHS will provide staff to assist in defining the general specifications and to provide input for the eConsult System.

Section 4.03 Training: DHS staff will perform PCP and SCP training. DHS will provide input and staff for project orientation and expectations at training sessions.

Section 4.04 Beta Testing:
DHS will provide staff to support Contractor's beta testing of the eConsult System as described in Section 2.5. DHS will review the testing results and provide inputs to Contractor within ten (10) business days of the completion of the beta-testing period. Contractor will provide a schedule to DHS for completion of any work needed to address deficiencies noted in the results of beta testing.

Section 4.05 Security Acceptance: DHS will review and confer final approval of the eConsult application.

Article V. Collaborative Tasks

Both DHS and Contractor are responsible for the following tasks.

Section 5.01 Beta-testing: Upon successful completion of the beta testing, DHS and Contractor will sign off on the beta-testing and prepare for UAT.

Section 5.02 UAT: DHS will conduct UAT using the test scripts prepared by Contractor. Upon successful completion of the UAT, DHS and Contractor will sign off on the UAT and prepare for deployment (go-live).

Section 5.03 Deployment: The Parties will work collaboratively to provide a deployment plan, if one is needed, for launch of the eConsult System into the production environment.

System Improvements: Both DHS and Contractor will work together to evaluate and update the eConsult System. Contractor shall be responsible for performing any maintenance or updates to the eConsult System as provided for in the Agreement.

ATTACHMENT B-1

SERVICE LEVEL TERMS

[See Attached.]

ATTACHMENT B-1

SERVICE LEVEL TERMS

This Exhibit describes the Service Levels to be achieved by Contractor regarding the System.

1. DEFINITIONS. Except as provided in this Exhibit, capitalized terms shall have the meanings set forth in the body of the Agreement. The following terms, when used in this Exhibit, shall have the following meanings:

   1.1. "Actual Uptime" means the measurement of time that the System Software and Hosting Services (or any portion thereof) are actually available for use by County and its Authorized Users as contemplated under the Agreement, including material conformance to all Specifications and requirements therein, during a calendar month. Such measurement will be calculated by subtracting Downtime from Scheduled Uptime.

   1.2. "Available" or "Availability" means the Actual Uptime expressed as a percentage of the Scheduled Uptime for the System Software and Hosting Services (i.e., Availability % = ((Actual Uptime)/(Scheduled Uptime)) x 100%). The System Software shall not be considered Available (i) during an Outage or (ii) when it is not otherwise available for use by County and its Authorized Users as contemplated under the Agreement, including material conformance to all Specifications and requirements therein.

   1.3. "Downtime" means the aggregate duration of Outages for the System Software and Hosting Services during the applicable Scheduled Uptime during a calendar month.

   1.4. "Incident" means any event that is not part of the standard operation of the System Software or Hosting Services (or any portion thereof) and that causes, or may cause, an interruption to, or a reduction in, the quality or Availability of the System or any portion thereof.

   1.5. "Outage" means any time during which the System Software or Hosting Services (or any portion thereof) are not Available or is otherwise materially degraded, measured from the earliest point in time that such Outage is or reasonably should be detected by Contractor, but in any event no later than the time the Outage actually occurred. An Outage is an Incident.

   1.6. "Priority Level 1 - Major Business Impact" ("Priority 1" or "P1") means an Incident that causes complete loss of the System Software or Hosting Services to County's production environment such that work cannot reasonably continue and

no workarounds to provide all of the functionality of the System Software and Hosting Services required under the Agreement are possible or cannot be implemented in time to minimize the impact on County's business. P1 Incidents have one or more of the following characteristics: (i) a large number of users cannot access all of the System Software and Hosting Services, (ii) critical functionality is not available, (iii) the System Software and Hosting Services or any portion thereof cannot function because a vital feature is inoperable, or (iv) data cannot be secured, backed up, recovered or processed as required by the Agreement.

1.7. "Priority Level 2 - Significant Business Impact" ("Priority 2" or "P2") means an Incident that results in a significant loss of the System Software and Hosting Services to County's production environment such that processing can proceed in a restricted fashion but performance is significantly reduced and/or operation of the System Software and Hosting Services or any portion thereof is considered severely limited and no workaround to provide the affected functionality is possible or cannot be implemented in time to minimize the impact on County's business. P2 Incidents have one or more of the following characteristics: (i) one or more Deficiencies or other errors causing the System Software or Hosting Services to fail, but restart or recovery is possible, (ii) severely degraded performance, or (iii) some important functionality is unavailable, yet the System Software and Hosting Services continues to operate in a restricted fashion.

1.8. "Priority Level 3 - Minor Business Impact" ("Priority 3" or "P3") means an Incident that results in minimal loss of the System Software and Hosting Services or any portion thereof to County's production environment such that the impact of the Incident is minor or an inconvenience, such as requiring a manual bypass to restore product functionality. P3 Incidents have one or more of the following characteristics: (i) a Deficiency or other error for which there is a workaround that is acceptable to County, (ii) there is minimal performance degradation, or (iii) a Deficiency or other error that requires manual editing of configuration or script files to address an Incident.

1.9. "Priority Level 4 - No Business Impact" ("Priority 4" or "P4") means an Incident that causes no loss of the System Software and Hosting Services and in no way impedes County's use of the System Software and Hosting Services in accordance with the Agreement. P4 Incidents have one or more of the following characteristics: (i) an Update for which there is workaround that is acceptable to County, or (ii) a Documentation error.

1.10. "Resolve" means, with respect to an Incident, that a workaround or fix with respect to such Incident has been implemented by Contractor and accepted by County.

1.11. “Respond” means, with respect to an Incident, that Contractor has notified County of such Incident and commenced steps to Resolve such Incident.

1.12. “Scheduled Uptime” means twenty-four (24) hours each day, seven (7) days per week, excluding regular maintenance windows between the hours of 10:00 p.m. and 2:00 a.m. Pacific time on Saturdays. Notwithstanding Paragraph 8.1 (Scheduled Outages), Contractor shall ensure that the System Software and Hosting Services remains Available during the foregoing maintenance windows to the extent reasonably practicable.

1.13. “Server” shall mean the server(s) on which the System Software and Hosting Serfvices will be hosted.

2. HOSTING OBLIGATIONS

2.1. General Requirements. In addition to the other obligations set forth in the Agreement and this Exhibit, Contractor shall do the following:

2.1.1. Operate the System Software and Hosting Services on a Server owned and maintained by Contractor;

2.1.2. Allow access to the System Software and Hosting Services over the Internet and provide secure and confidential storage of all information transmitted to and from the System;

2.1.3. Supply hardware, security protocols, software and communications support structure to facilitate connection to the Internet in accordance with the requirements set forth herein;

2.1.4. Maintain a back-up server, at a geographically different site from where the Server is located, to ensure continuous service in the event of disaster;

2.1.5. Review security notifications and alerts relevant to the hosting platform (e.g., Contractor notifications of bugs, attacks, patches), and apply as appropriate to maintain the highest level of defense; and

2.1.6. Provide adequate firewall protection in order to secure User Data, including any PHI and other Confidential Information of County and Authorized Users of the System from unauthorized access by third parties.

2.2. Standard Bandwidth and Storage. Contractor shall provide bandwidth and storage as follows:

2.2.1. Bandwidth with at least 200 GB (gigabytes) of throughput in each calendar month; and

2.2.2. User Data storage of at least 100GB.

2.2.3. The bandwidth and storage set forth above represent the best, good faith estimates of the bandwidth and storage requirements sufficient for County throughout the Term. In the event County exceeds the above limitations, Contractor shall provide such additional bandwidth and storage at no cost, provided, however, if County's average annual bandwidth and/or storage exceeds the amounts set forth above by more than ten percent (10%), the parties shall negotiate in good faith via the change process set forth in Section 6.0 (Change Notices and Amendments), subject to any limitations under the Maximum Contract Sum.

3. SERVICE MONITORING & MANAGEMENT. Contractor will perform continuous monitoring and management of the System Software and Hosting Services to optimize Availability of System. Included within the scope of this Paragraph is the proactive monitoring of the Server and all service components of Contractor's firewall for trouble on a 7 day by 24 hour basis, and the expedient restoration of components when failures occur within the time period set forth in Paragraph 8 (Service Outages). Contractor shall maintain redundancy in all key components such that Outages are less likely to occur due to individual component failures. Contractor will monitor "heartbeat" signals of all servers, routers and leased lines, and HTTP availability of the System Software and Hosting Services, by proactive probing at 30-second intervals 24 hours a day using an automated tool. If a facility does not respond to a ping-like stimulus, it shall be immediately checked again. When Contractor receives a "down" signal, or otherwise has knowledge of an Outage or Incident (including, without limitation, any failure in the Server, System and /or System Software), Contractor personnel will:

3.1. Confirm (or disconfirm) the Outage by a direct check of the facility;

3.2. If confirmed, take such action as may restore the System Software and Hosting Services, or, if determined to be an internet service provider or telecom carrier problem, open a trouble ticket with the relevant companies;

3.3. Notify County by telephone according to mutually agreed upon procedures that an Outage has occurred, providing such details as may be available, including the Contractor trouble ticket number, if appropriate, and time of Outage;

3.4. Work each Incident until Resolution, escalating to management or to engineering as required; and

3.5. Notify County of final Resolution, along with any pertinent findings or action taken, and request concurrence to close the trouble ticket.

4. BACKUPS. Contractor shall provide for both the regular back-up of standard file systems relating to the Server and the Hosting Services, and the timely restoral of such data on request by County due to a site failure. In particular, Contractor shall:

4.1. Perform weekly full back-ups;

4.2. Perform daily incremental back-ups;

4.3. Send back-up media to secured, off-site storage facilities with a thirty (30) day rotation of media;

4.4. Retain one back-up tape per month for one year;

4.5. Fulfill restoral requests as directed by County due to site failures. Restoral will be performed within the interval of two (2) to four (4) hours dependent on the urgency of the request, and the agreed upon location of the desired backup media; and

4.6. If the hosting Server or location is expected to be down for more than twenty-four (24) hours, immediately transfer appropriate back-up data and re-establish all Hosting Services in an appropriately functioning secondary server or location.

5. SERVICE LEVELS

5.1. Availability. At a minimum, the System Software and Hosting Services shall be Available for the percentage of the time each month of the Term as set forth on the attached Schedule 1 (the "Service Level Matrix").

5.2. Response Time. "Response Time" shall be calculated for each Incident occurring in a calendar month as the total minutes commencing from the time when Contractor becomes aware of a P1, P2, P3, or P4 Incident, whether by automated alarm or otherwise, until Contractor Responds to each such Incident. Contractor shall track and report monthly to County each P1, P2, P3 and P4 Incident and the time required to Respond to each such Incident. The Response Time Service Level is set forth on the Service Level Matrix.

5.3. Resolution Time. "Resolution Time" shall be calculated for each Incident occurring in a calendar month as the total minutes commencing from the time when Contractor becomes aware of a P1, P2, P3, or P4 Incident, whether by automated alarm or otherwise, until Contractor Resolves each such Incident as determined by County. Contractor shall track and report monthly to County each P1, P2, P3 and P4 Incident and the time required to Resolve each such Incident. The Resolution Time Service Level is set forth on the Service Level Matrix.

5.4. Non-Emergency Outage Incidents. Contractor shall track and report monthly to County each non-emergency Outage Incident that occurs outside of the regularly scheduled maintenance windows. The Non-Emergency Outage Incidents Service Level is set forth on the Service Level Matrix.

5.5. Reporting. Contractor shall be responsible for measuring and monitoring Service Level performance and shall provide County with monthly reports showing Service Level performance during the reporting period at a level of detail sufficient, as determined by County, to verify Contractor's compliance with the applicable Service

Levels. All monthly reports due under this Agreement are due on the 10th day of the month following the month for which such report relates; provided, however, that if the 10th is a weekend or County holiday, such reports shall be due on the first County business day thereafter. The Reporting Service Level is set forth on the Service Level Matrix.

5.6. Data Return. Contractor shall return all County data, including all User Data and PHI, in accordance with the requirements of this Agreement not later than the number of days after County's request as set forth on the Service Level Matrix.

5.7. Service Level Audits. County or its designee will have the right to audit Contractor's measurement, monitoring and reporting on all Service Levels, including providing County with access to the data used by Contractor to calculate its performance against the Service Levels and the measurement and monitoring tools and procedures utilized by Contractor to generate such data for purposes of audit and verification.

6. SERVICE LEVEL FAILURES AND SERVICE LEVEL CREDITS

6.1. Service Level Failures. Failure to achieve any of the Service Levels set forth in Paragraph 5 of this Exhibit and as set forth on Schedule 1 attached hereto shall constitute a "Service Level Failure" and Contractor shall be liable for the Service Level Credits in the amounts set forth on the attached Service Level Matrix. Contractor shall not be responsible for any Service Level Failure caused by County or its agents. Contractor shall promptly notify County of any Service Level Failure.

6.2. Service Level Credits. Upon the occurrence of any Service Level Failure, Contractor shall pay to County the credits specified in Schedule 1 attached hereto (each a "Service Level Credit"). Under no circumstances shall the imposition of Service Level Credits be construed as County's sole or exclusive remedy for any failure to meet the Service Levels. Contractor acknowledges and agrees that the Service Level Credits shall not be deemed or construed to be liquidated damages. Service Level Credits are not counted toward and are not subject to the overall cap on Contractor's liability. In cases where the Service Level Credits are expressed as a percentage, the percentage represents a percentage of the monthly fees due hereunder. Contractor acknowledges and agrees that any Service Level Credits assessed pursuant to this Exhibit shall be payable to County upon demand and may, at County's option, be set off against any monies due to Contractor under this Agreement and are reasonable under the circumstances existing as of the date this Agreement is entered into.

6.3. Termination for Chronic Service Level Failures. In addition to its termination rights under the Agreement, County may, in its sole discretion, terminate this Agreement without further obligation to Contractor in the event Contractor fails to achieve any of the required Service Levels twice in any two consecutive month period, or three times in any five month period.

7. CORRECTIVE ACTION PLAN. Notwithstanding Contractor's obligation to continue to perform as required under the Agreement and this Exhibit and County's remedies set forth herein, in the event of a Service Level Failure, Contractor shall promptly investigate the root causes of such Service Level Failure and shall provide to County (within five (5) days after knowledge of such Service Level Failure) an analysis of such root causes and a proposed corrective action plan for County's review, comment and approval (the "Corrective Action Plan"). The Corrective Action Plan shall include, at a minimum: (i) a commitment by Contractor to County to devote the appropriate time, skilled personnel, systems support and equipment, and/or resources to remedy, and prevent any further occurrences of, the Service Level Failure; (ii) a strategy for developing any programming/software Updates necessary to remedy, and prevent any further occurrences of, the Service Level Failure; and (iii) time frames for implementation of the Corrective Action Plan. There shall be no additional charge (other than those fees set forth in the Agreement) for Contractor's implementation of such Corrective Action Plan in the time frames and manner set forth in the Corrective Action Plan.

8. SERVICE OUTAGES

8.1. Scheduled Outages. Contractor shall notify County of scheduled Outages at least twenty-four (24) hours in advance, and such Outages shall be scheduled between the hours of 10:00 p.m. and 2:00 a.m. Pacific time on Saturdays. Contractor may request extensions of scheduled Outages beyond the aforementioned hours and with approval by County, which may not be unreasonably withheld or delayed. Unscheduled Outages (as described below) and extensions to scheduled down time as described above are not excluded from the Availability Service Levels set forth below (i.e., an Outage, regardless of its cause, except due to the actions of County and its agents, shall not relieve Contractor of its obligation to achieve the Service Levels set forth herein). For avoidance of doubt, scheduled Outages that fall within the above maintenance window timeframes are excluded from the Availability calculation.

8.2. Unscheduled Outages. Unscheduled Outages are caused by loss of connectivity to the Internet, or by failure of a Contractor service. In cases where a destination is not available, or unacceptable service is reported, Contractor will attempt to determine the source of the Incident and report its findings to County.

8.3. Corrective Action. Immediately upon notice of an Outage, Contractor personnel shall:

8.3.1. Confirm (or disconfirm) the Outage by a direct check of the facility;

8.3.2. If confirmed, take such action as may restore the System Software and Hosting Services, or, if determined to be a telecommunications company problem, open a trouble ticket with the telecommunications company carrier;

8.3.3. Notify the person designated by County by telephone or voicemail according to predefined procedures that an Outage has occurred, providing such details as may be available, including the trouble ticket number if appropriate and time of Outage;

8.3.4. Work the Incident until Resolution, escalating to management or to engineering as required; and

8.3.5. Promptly notify County of final Resolution, along with any pertinent findings or action taken.

9. SECURITY BREACHES. In the event of an attack or threatened or suspected breach of security against the System, Contractor will take whatever reasonable steps that are necessary to halt such action, including taking the System Software and Hosting Services down. Down time due to external attacks shall not count against Availability requirement set forth above. Contractor will immediately contact the person designated by County to discuss what measure to take. However, if time is critical, action may be required before the contact can be reached. Contractor's actions will include, as appropriate:

9.1. Confirm the threat;

9.2. Deny access from the source of the attack;

9.3. Investigate the extent of the damage, if any;

9.4. Back-up the affected systems and those suspected to be affected;

9.5. Strengthen defenses everywhere, not just the suspected path that the attacker used;

9.6. Contact the ISP where the threat or attack originated and/or law enforcement to work with Contractor's security team;

9.7. Produce an Incident Report within 24 hours detailing Contractor's findings; and

9.8. Re-instate the denial of access after a set time period, but continue to monitor traffic from that source until risk of further attacks is deemed to be minimized.

Schedule 1

Service Level Matrix

	Service Level Measurement	Required Metric	Service Level Credit
1.	**Availability**		
1.1	**Expected Service Level**	99..45% or above	None
	Service Level Failures	Below 99.9% to 95.10%	20% for first month 25% for second month 30% for third month
		Below 95.10% to 90.10 %	35% for first month 40% for second month 45% for third month
		Below 90.10 %	50% for first month 55% for second month 60% for third month
2.	**Response Time**		
	P1 Incidents		
	Expected Service Level Service Level Failure	Less than 30 minutes of becoming aware of an Incident 30 minutes after becoming aware of an Incident	None $500 for each additional 15 minute increment
	P2 Incidents		
	Expected Service Level Service Level Failure	Less than one hour of becoming aware of an Incident One hour after becoming aware of an Incident	None $500 for each additional 15 minute increment
	P3 Incidents		

	Service Level Measurement	**Required Metric**	**Service Level Credit**
	Expected Service Level Service Level Failure	Within 24 hours after becoming aware of an Incident 24 hours or more after becoming aware of an Incident	None $500 for each additional 15 minute increment
	P4 Incidents		
	Expected Service Level Service Level Failure	Within 24 hours after becoming aware of an Incident 24 hours or more after becoming aware of an Incident	None $500 for each additional 15 minute increment
3.	**Resolution Time**		
	P1 Incidents		
	Expected Service Level Service Level Failure	Less than 1 hour of becoming aware of an Incident 1 hour or more after becoming aware of an Incident	None $500 for each additional 1 hour increment
	P2 Incidents		
	Expected Service Level Service Level Failure	Less than 4 hours of becoming aware of an Incident 4 hours or more after becoming aware of an Incident	None $500 for each additional 1 hour increment
	P3 Incidents		
	Expected Service Level Service Level Failure	Less than 2 days of becoming aware of an Incident 2 days or more after becoming aware of an Incident	None $500 for each additional 1 hour increment
	P4 Incidents		
	Expected Service Level Service Level Failure	Less than 4 days of becoming aware of an Incident 4 days or more after becoming aware of an Incident	None $500 for each additional 1 hour increment
4.	**Non-emergency Outage Incidents**		

	Service Level Measurement	**Required Metric**	**Service Level Credit**
	Expected Service Level	No non-emergency Outage Incidents in any month	None
	Service Level Failure	First non-emergency Outage Incident in any month	$500
	Service Level Failure	Second non-emergency Outage Incident in any month	$1,000
	Service Level Failure	Third non-emergency Outage Incident in any month	$2,000
	Service Level Failure	Fourth or more non-emergency Outage Incident in any month	$4,000 for each such Incident up to total monthly charge
5.	**Reporting**		
		All monthly reports submitted on or before 10th of each month	$0
		Late reports	$100 per day late per report
6.	**Data Return**		
		Data to be returned within thirty (30) days	$0
		After defined due date for any reason	$1,000 per day late thereafter

ATTACHMENT B-2

REPORTING REQUIREMENTS

System reporting requirements

Contractor shall provide the following reports to DHS in a format agreeable to both parties and in accordance with the frequency set forth below for each report.

1. KEY eCONSULT EFFECTIVENESS MEASURES (CAPTURED BY CONTRACTOR)

1.1 **Total eConsults Generated and Received**: Tallies of the number of eConsults generated by PCPs and SCPs and received by Contractor each month and including a rolling total. The report shall be provided to DHS on a daily basis.

1.2 **Pending eConsults (or Initiated eConsult)**: This refers to the number of initiated eConsults that have yet been resolved because the PCP has not yet entered the clinical consult question, entered additional relevant data or attached any relevant documents necessary to complete the initiative of the eConsult. Additionally, this also refers to any eConsult waiting for a SCP initiation response, or eConsults not yet resolved. This information shall be available in real time.

1.3 **Never Scheduled eConsult:** Refers to any eConsults that do not result in the scheduling of a face to face after the last eConsult interaction between the PCP and SCP. This suggests that the eConsult from the specialist provided sufficient clinical management and guidance to enable the PCP to manage the patient's clinical issue without resorting to a face to face visit. This results in a saved appointment that would have otherwise been authorized or denied under the regular specialty referral system. Contractor shall provide the Never Scheduled data by both percentage and absolute number by months and by specialty. The results shall be reported on a monthly basis.

1.4 **Scheduled (Routine or Urgent):** This refers to any eConsult recommendation for either a routine or urgent scheduling for a face to face visit after the last eConsult interaction between the PCP and the SCP. Contractor shall capture and report the data generated by the SCP who replied to the PCP that the patient needed either a routine or urgent referral. Contractor shall report the data by both percentage and absolute number by months and by specialty. The results shall be reported on a monthly basis.

1.5 **SCP Response Timeframe**: Once a PCP generates an eConsult, the Specialist has five (5) business days to respond back to the PCP. Contractor shall capture and report the average response time, the range of response time, and the number and percentage of SCP response for greater than or equal to five business days, and less than five business days by specialty. The results shall be reported on a monthly basis.

1.6 **PCP Response Timeframe**: Once a SCP generates an eConsult reply back to the PCP, DHS would like to measure how quickly a PCP views the SCP's eConsult response. DHS expects the PCP to view the eConsult reply within seven days of the SCP response. Contractor shall capture and report the average number of days and the number of eConsult responses that are viewed either less than or equal to seven days and greater than seven days. Contractor shall also report for each PCP the number and percentage of eConsults viewed by PCP and by specialty less than or equal to seven and greater than seven days. The results shall be reported on a monthly basis.

1.7 **eConsult Appropriateness:** During the Safety-Net eConsult Program demonstration, the SCP is asked to rate the quality of 1) eConsult work-up/evaluation by the PCP and 2) eConsult question clarity for new patients. This will be done within the eConsult System after each response exchanged between the PCP and the SCP. Contractor shall capture and report the rating response by PCP and specialty. The results shall be reported on a weekly basis.

2. TABLEAU REPORTS

2.1 Reports provided by Tableau:

- DHS Specialty Loads
- DHS Closed eConsults
- DHS CRU
- DHS CRU Loads
- DHS SR Associations
- DHS Specialty by Payer
- DHS SR Activity
- DHS PCP Activity
- DHS Submitted eConsults

2.2 Future Reporting requirements will be considered change orders per schedule D.

EXHIBIT C

MINIMUM SYSTEM REQUIREMENTS

[SEE ATTACHED]

EXHIBIT C
MINIMUM SYSTEM REQUIREMENTS

Exhibit C sets forth the minimum System Requirements for end user hardware/software configurations and network configurations to ensure System Compatability with personal computers, tablets and mobile devices.

1.0 Minimum recommended operating system, processor and memory requirements:

Windows XP (32-bit) recommends 1 GB RAM, 1 GHz or faster processor and 20 GB available disk space.

2.0 Minimum recommended Browser Version by Type:

	Win XP	Win Vista	Win 7	Mac 10.5.†	Mac 10.6.†	iPhone 5.1.1	iPhone 6.0.	iPad 5.1.1	iPad 6.0
Firefox 18.0	A-grade								
Firefox 21.0	A-grade	A-grade	A-grade	A-grade	A-grade	A-grade	A-grade	A-grade	A-grade
IE 8.0	A-grade	A-grade	A-grade						
IE 7.0	A-grade	A-grade							
Chrome	A-grade	A-grade	A-grade						
Safari 4.0				A-grade	A-grade	A-grade	A-grade	A-grade	A-grade

3.0 Minimum required internet speed:

Process	Minimum Download/Upload Speed	Recommended Download/Upload Speed
Using The Site	40kbps / 40kbps	100kbps / 100kbps
Document Management	128kbps / 128kbps	300kbps / 300kbps
Searching Cases	128kbps / 128kbps	300kbps / 300kbps
Building Reports	300kbps / 300kbps	300kbps / 300kbps

EXHIBIT D
PRICE AND SCHEDULE OF PAYMENTS

[See Attached]

Exhibit D
Price and Schedule of Payments

System License/Access Fees:

Maximum System License / Access Fees: $ 6,807,630

The maximum System License / Access Fees is the maximum amount of System License / Access Fees payable under this Agreement. The actual amount of System License / Access Fees paid under this Agreement may be less than the maximum System License / Access Fees due to the actual go-live date for the Expansion Sites and the number of Buffer Sites utilized. The actual amount of System License / Access Fees may be further reduced due to actual number of Sites that are live.

System License / Access Fees calculated as follows[1]:

	Site Count	**Fee per Site / Month**	**Fee per Site / Month**	**Fee per Site / Month**
		Initial 36 Months	**34 Months Starting 2 Months After Effective Date**	**12 Months Effective After Initial 34/36 Month Period**
Developer Sites	1 – 36	$0	N/A	$0
Initial Sites	37 – 263	$511.50	N/A	$293.69
Expansion Sites Phase I	264 – 347	$301.79	N/A	$173.25
Expansion Sites Phase II	348 – 377	N/A	$301.79	$173.25
Buffer Sites	378 – 407	N/A	$301.79	$173.25

Subject to a properly executed Change Notice or Amendment modifying this Exhibit D (Price and Schedule of Payments) and Attachment D-1 (Sites) attached hereto, County may add additional Sites above the 407 allocated under this Agreement at rates to be negotiated. The System License/Access Fees and Maximum Contract Sum shall be adjusted as applicable, subject to County's authorization.

[1] Developer Sites, Initial Sites, Expansion Sites, and Buffer Sites are further described in Attachment D-1, below.

Adjustment of Maximum System License / Access Fees:

In the event of a reduction in Sites of 25% or more in a given calendar year, the rates for the Expansion Sites and the Buffer Sites shall be adjusted as of January of the following calendar year as follows (the pricing for the Initial Sites and Developer Sites are not adjusted):

Percentage Reduction	**Adjusted Price Years 1-3**	**Adjusted Price Year 4**
Initial 25% reduction in Sites	$358.05	$207.68
Next 25% reduction in Sites	$409.20	$234.95
Next 25% reduction in Sites	$460.35	$264.32
Next 25% reduction in Sites	$511.50	$293.69

Notwithstanding any reduction or loss of Sites as set forth above, County's minimum requirement under this Agreement is the System License / Access fees for the Developer Sites and Initial Sites.

Unlimited License for all Authorized Users (*included*)

Product Support Documentation (*included*)

Project & Resource Plan

System Documentation

Technical Specification Documentation

Training Materials and Manuals (pursuant to Paragraph 2.2 of Exhibit B, Statement of Work)

Maintenance and Support Services (*included*)

Hosting Services (*included*)

Pool Dollars: **$ 192,370**

Additional Work performed in excess of the total Pool Hours is paid out of the total available Pool Dollars. The total, aggregate amount that may be paid to Contractor for such Additional Work in excess of the Pool Hours is capped at the amount of Pool Dollars stated above. County has no obligation to Contractor for any amounts in excess of the total Pool Dollars stated herein. The Pool Dollars is not a commitment or offer on the part of County to spend such amounts for Additional Work.

Pool Hours: **150 Hours**

Contractor agrees to provide 150 hours of Additional Work subject to the conditions set forth in Paragraph 5.1.5 (Additional Work) at no cost to the County. The Pool Hours will be available to County as of the Effective Date

and expire 4 years after the Effective Date. Additional Work performed by Contractor during this period shall be credited out of available Pool Hours before Pool Dollars are utilized as stated above pursuant to Paragraph 6.0 (Change Notices and Amendments). The total, aggregate amount that may be allocated from Pool Hours for such Additional Work is capped at the amount set forth herein subject to Paragraph 6.3 (Amendments). County has no obligation to Contractor for any amounts in excess of the total Pool Hours and Pool Dollars. Additional Work performed by Contractor in excess of the Pool Hours stated above shall be paid at the Hourly Labor Rate of $200, and is subject to the conditions set forth in Paragraph 5.1.5 (Additional Work).

Maximum Contract Sum: **$ 7,000,000**

(*Maximum System License/Access Fees + Pool Dollars + Pool Hours*)

Maximum Contract Sum is the total amount that can be paid by County to Contractor under this Agreement.

Based upon the projected rollout of all Sites as set forth in this Agreement, the System License / Access Fees may equal or be less than the Maximum Contract Sum, but no case will such System License / Access Fees be greater than the Maximum Contract Sum.

Schedule of Payments

From the Effective Date through the end of 2013, Contractor shall invoice County for all System License / Access Fees to be incurred in 2013 upon System Acceptance. The System License / Access Fees to be incurred in 2013 are as follows: (a) all Developer Sites; (b) all Initial Sites; and (c) 84 of the 114 Expansion Sites (Phase I).

Beginning January 2014, County shall pay Contractor's invoices on a quarterly basis in arrears. Subject to the reduction in Sites as set forth above, County shall be responsible for System License / Access Fees as follows: (a) all Developer Sites; (b) all Initial Sites; (c) all Expansion Sites (Phase I and II); and (d) only those Buffer Sites implemented, as of the date such Buffer Sites are live.

ATTACHMENT D-1
SITES

The following tables identify the Sites, as of the Effective Date, that are subject to this Agreement. The following categories of Sites are identified below: (a) Developer Sites; (b) Initial Sites; (c) Expansion Sites; and (d) Buffer Sites.

DEVELOPER SITES (36)

The tables below represent those Sites that are or will be live as of the Effective Date. There are 36 Developer Sites. The pricing for such Developer Sites is set forth in Exhibit D. In the event a Developer Site closes or otherwise no longer uses eConsult, County may, upon notice to Contractor, substitute such Developer Site with another Site, or otherwise add or remove a Developer Site from the Table below, as amended from time-to-time. Pricing for Developer Sites shall not change based upon the number of active Sites.

DHS Sites Contracted under the LADHS/Safety Net Connect Agreement
DHS Primary Care sites (36 sites total):

SITE	ADDRESS
Antelope Valley HC	44900 N. 60th St W, Lancaster, CA 93536
Bellflower HC	10005 E. Flower Ave, Bellflower, CA90706
Dollarhide HC	1108 N. Oleander, Compton, CA 90220
El Monte CHC	10953 Ramona Blvd, El Monte, CA 91731
Glendale HC	501 N. Glendale Ave, Glendale, CA91206
Harbor UCLA Adults and Pediatrics (5 clinics)	1000 W. Carson St, Torrance, CA 90502
High Desert MACC	44900 N. 60th St W, Lancaster, CA 93536
Hudson CHC	2829 S. Grand Ave, Los Angeles, CA 90710
Humphrey CHC	5850 S. Main St, Los Angeles, CA 90003
La Puente HC	15930 Central Ave, La Puente, CA 91744
LAC+USC (9 clinics)	1100 N. State St, Los Angeles, CA 90033, OPD Building
Lake Los Angeles HC	44900 N. 60th St W, Lancaster, CA 93536
Littlerock HC	44900 N. 60th St W, Lancaster, CA 93536
Long Beach CHC	1333 Chestnut Blvd, Long Beach, CA 90813
Mid-Valley CHC	7515 Van Nuys Blvd, Van Nuys, CA 91405
MLK MACC	12021 W. Wilmington Ave, Los Angeles, CA 90059

Olive View Medical Center (3 Clinics)	14445 Olive View Dr., Sylmar, CA 91342
Rancho Los Amigos Primary Care	7601 E. Imperial Hwy, Downey, CA 90242
Roybal CHC	245 S. Fetterly St, Los Angeles, CA 90022
San Fernando HC	1212 Pico St., San Fernando, CA 91340
South Valley HC	44900 N. 60th St W, Lancaster, CA 93536
Wilmington HC	1325 Broad Ave, Wilmington, CA 90744

INITIAL SITES (227)

The tables below represent those Sites that are or will be live as of the Effective Date. County is provided with a total of 227 Initial Sites, including the Initial Sites listed below, as may be amended from time-to-time. The pricing for such Initial Sites is set forth in Exhibit D. In the event an Initial Site closes or otherwise no longer uses eConsult, County may, upon notice to Contractor, substitute such Initial Site with another Site, or otherwise add or remove an Initial Site from the Table below, as amended from time-to-time. Pricing for Initial Sites shall not change based upon the number of active Sites.

Notwithstanding as identified below with respect to Initial Sites to be added as they go live, the Sites identified in this Section, Initial Sites, represents 122 - DHS Medical Center/MACC Specialty submitting sites, 6 – Projected CHC Specialty submitting sites, 95 – LA Care Community Partner sites, and 4 – Sites to be determined for a total of 227 Initial Sites. County may, upon notice to Contractor, add, remove, or substitute Initial Sites to the list of Initial Sites below.

DHS Medical Center/MACC Specialty submitting sites (122 sites)

MLK MACC - 18 Specialties (includes Adult/Ped combos)

- Martin Luther King Jr Multi Service Ambulatory Care Center - Allergy
- Martin Luther King Jr Multi Service Ambulatory Care Center - Cardiology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Chest
- Martin Luther King Jr Multi Service Ambulatory Care Center - Dermatology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Endocrinology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Gastroenterology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Gynecology-OB
- Martin Luther King Jr Multi Service Ambulatory Care Center - Hematology/Oncology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Nephrology
- Martin Luther King Jr Multi Service Ambulatory Care Center - Neurology
- Martin Luther King Jr Multi Service Ambulatory Care Center - OMFS
- Martin Luther King Jr Multi Service Ambulatory Care Center - Rehab, PT, OT, ST
- Martin Luther King Jr Multi Service Ambulatory Care Center - Ophthalmology/General
- Martin Luther King Jr Multi Service Ambulatory Care Center - Orthopedic
- Martin Luther King Jr Multi Service Ambulatory Care Center - Otolaryngolgy/ENT
- Martin Luther King Jr Multi Service Ambulatory Care Center - Surgery

Martin Luther King Jr Multi Service Ambulatory Care Center - Radiology
Martin Luther King Jr Multi Service Ambulatory Care Center - Urology

High Desert MACC - 15 Specialties (includes Adult/Ped combos)
High Desert Health System - Cardiology
High Desert Health System - Chest Medicine
High Desert Health System - Ear/Nose/Throat
High Desert Health System - Endocrinology
High Desert Health System - Gastrointestinal
High Desert Health System - Gynecology - OB
High Desert Health System - Hematology - Oncology
High Desert Health System - Nephrology
High Desert Health System - Neurology
High Desert Health System - Orthopedics
High Desert Health System - Physical Medicine- Rehab, OT, PT, ST
High Desert Health System - Podiatry-HD
High Desert Health System - Surgery-HD
High Desert Health System - Radiology
High Desert Health System - Urology-HD

LAC+USC - 29 Specialties (includes Adult/Ped combos)

- LAC+USC Clinic Tower - Allergy/Immunology
- LAC+USC Clinic Tower - Cardiology
- LAC+USC Clinic Tower - Cardiothoracic Surgery
- LAC+USC Clinic Tower - Emergency Department/Urgent Care
- LAC+USC Clinic Tower - Dermatology
- LAC+USC Clinic Tower - Endocrine
- LAC+USC Clinic Tower - ENT
- LAC+USC Clinic Tower - Gynecology - OB
- LAC+USC Clinic Tower - Neurology
- LAC+USC Clinic Tower - Ophthalmology and Optometry
- LAC+USC Clinic Tower - Oral Maxillofacial Surgery
- LAC+USC Clinic Tower - Orthopaedics
- LAC+USC Clinic Tower - Plastic/Reconstructive Surgery
- LAC+USC Clinic Tower - Pulmonary
- LAC+USC Clinic Tower - Surgery (Trauma, General, Colorectal)
- LAC+USC Clinic Tower - Tumor Surgery
- LAC+USC Clinic Tower - Urology
- LAC+USC Clinic Tower - Burn Surgery
- LAC+USC Clinic Tower - Vascular; Surgery
- LAC+USC Diagnostic and Treatment Building - Radiology
- LAC+USC Diagnostic and Treatment Building - Sleep Medicine
- LAC+USC Inpatient Tower - Rehab, PT, OT, ST
- LAC+USC Outpatient Building - Hematology-Oncology
- LAC+USC Outpatient Building - Gastroenterology-Liver
- LAC+USC Outpatient Building - Podiatry
- LAC+USC Outpatient Building - Renal - Prevention and Management of Diabetic Nephropathy
- LAC+USC Outpatient Building - Rheumatology
- LAC+USC - Infectious Disease

Harbor UCLA - 26 Specialties (includes Adult/Ped combo)

- Harbor-UCLA Medical Center - Cardiology
- Harbor-UCLA Medical Center - Cardiothoracic Surgery
- Harbor-UCLA Medical Center - Pain Management
- Harbor-UCLA Medical Center - Dermatology
- Harbor-UCLA Medical Center - Endocrine
- Harbor-UCLA Medical Center - Gastroenterology
- Harbor-UCLA Medical Center - Surgery (General, Colo-Rectal, Trauma)
- Harbor-UCLA Medical Center - Gynecology-OB
- Harbor-UCLA Medical Center - Hematology - Oncology
- Harbor-UCLA Medical Center - Infectious Disease
- Harbor-UCLA Medical Center - Nephrology
- Harbor-UCLA Medical Center - Neurology
- Harbor-UCLA Medical Center - Neurosurgery

Harbor-UCLA Medical Center - Radiology
Harbor-UCLA Medical Center - Ophthalmology
Harbor-UCLA Medical Center - Optometry
Harbor-UCLA Medical Center - Oral Maxillofacial - Surgery
Harbor-UCLA Medical Center - Orthopedics
Harbor-UCLA Medical Center - Otolaryngology/Head and Neck Surgery
Harbor-UCLA Medical Center - Emergency Medicine/Urgent Care
Harbor-UCLA Medical Center - Plastic and Reconstructive Surgery
Harbor-UCLA Medical Center - Pulmonary/Chest/Allergy
Harbor-UCLA Medical Center - Renal Transplant
Harbor-UCLA Medical Center - Rheumatology
Harbor-UCLA Medical Center - Urology
Harbor-UCLA Medical Center - Vascular Surgery

Olive View - 22 Specialties (includes Adult/Ped Combos)
Olive View-UCLA Medical Center - Cardiology
Olive View-UCLA Medical Center - Chest
Olive View-UCLA Medical Center - Dermatology
Olive View-UCLA Medical Center - Ear, Nose, and Throat
Olive View-UCLA Medical Center - Endocrinology
Olive View-UCLA Medical Center - GYN - OB
Olive View-UCLA Medical Center - Gastroenterology
Olive View-UCLA Medical Center - General Orthopedics
Olive View-UCLA Medical Center - General Surgery
Olive View-UCLA Medical Center - Plastic Surgery
Olive View-UCLA Medical Center - Hematology/Oncology
Olive View-UCLA Medical Center - Infectious Disease
Olive View-UCLA Medical Center - Nephrology
Olive View-UCLA Medical Center - Neurology
Olive View-UCLA Medical Center - Radiology
Olive View-UCLA Medical Center - Ophthalmology - Optometry
Olive View-UCLA Medical Center - Allergy
Olive View-UCLA Medical Center - Podiatry
Olive View-UCLA Medical Center - Rheumatology
Olive View-UCLA Medical Center - Sleep Clinic
Olive View-UCLA Medical Center - Urology
Olive View-UCLA Medical Center - Vascular Surgery

Rancho Los Amigos - 12 Specialties
Rancho Los Amigos - Rehabilitation, PT, OT, ST
Rancho Los Amigos - Cardiology
Rancho Los Amigos - Neurology
Rancho Los Amigos - ENT
Rancho Los Amigos - Eye
Rancho Los Amigos - Surgery

Rancho Los Amigos - Nephrology
Rancho Los Amigos - Neurosurgery
Rancho Los Amigos - Podiatry
Rancho Los Amigos - Rheumatology
Rancho Los Amigos - Surgical Arthritis
Rancho Los Amigos - Urology

Projected CHC Specialty Submitting Sites (6 sites)

Roybal - 7 Specialties (GI, Liver, Podiatry, Dermatology, GYN, Endorcrine, Optometry)
Edward R. Roybal CHC - Dermatology - General; Adult
Edward R. Roybal CHC - Endocrine; Adult -
Edward R. Roybal CHC - Gastroenterology; Adult
Edward R. Roybal CHC - Gynecology
Edward R. Roybal CHC - Liver; Adult
Edward R. Roybal CHC - Optometry
Edward R. Roybal CHC - Podiatry

Hudson - 5 Specialties (Renal, Podiatry, GYN, Endocrine)
H. Claude Hudson CHC - Endocrine; Adult
H. Claude Hudson CHC - Gynecology
H. Claude Hudson CHC - Optometry
H. Claude Hudson CHC - Podiatry
H. Claude Hudson CHC - Renal; Adult - Nephrology, Hypertension, and Transplantation

El Monte - 4 Specialties (Cardiology, Renal, Podiatry, GYN)
El Monte CHC - Cardiology; Adult
El Monte CHC - Gynecology
El Monte CHC - Podiatry
El Monte CHC - Renal; Adult - Kidney Diseases, Hypertension and Kidney Transplant

Humphrey - 5 Specialties (Cardiology, Ophthalmology, Podiatry, GYN, Endocrine)
Hubert Humphrey CHC - Ophthalmology-Optometry
Hubert Humphrey CHC - Podiatry
Hubert Humphrey CHC - Women's Health/Ob/Gyn
Hubert Humphrey CHC - Cardiology
Hubert Humphrey CHC - Endocrine

Long Beach - 5 Specialties (Urology, Ophthalmology, Podiatry, GYN, Dermatology)

Long Beach Comprehensive Health Center - Dermatology
Long Beach Comprehensive Health Center - Gyn
Long Beach Comprehensive Health Center - Opthalmology-Optometry
Long Beach Comprehensive Health Center - Podiatry
Long Beach Comprehensive Health Center - Urology

Mid-Valley - 6 Specialties (Urology, Podiatry, Cardiology, Dermatology, Ophthalmology, GYN)

Mid-Valley Comprehensive Health Center - Cardiology
Mid-Valley Comprehensive Health Center - Dermatology
Mid-Valley Comprehensive Health Center - Ophthalmology
Mid-Valley Comprehensive Health Center - Urology
Mid-Valley Comprehensive Health Center - GYN-women's Health
Mid-Valley Comprehensive Health Center - Podiatry

DHS Medical Center sites to be determined (4 sites)

LA Care Community Partner sites (95 sites)
Live at Effective Date

SITE	ADDRESS
QueensCare Family Clinic - Eastside	4560 East Cesar Chavez Ave, Los Angeles, CA 90022
Tarzana Treatment Center-Northridge	8330 Reseda Blvd, Northridge, CA 91324
Venice Family Clinic - Rose	622 Rose Ave, Venice, CA 90291
NEVHC- Van Nuys Adult Center - HIV	6551 Van Nuys Blvd #201., Van Nuys, CA 91401
The Saban Free Clinic - Beverly	8405 Beverly Blvd., Los Angeles, CA 90048
The Saban Free Clinic - Hollywood	6043 Hollywood Blvd, Los Angeles, CA 90028
The Saban Free Clinic - Melrose	5205 Melrose Ave, Los Angeles, CA 90038
The Children's Clinic - (Vasek Polak) Pine Ave Primary Care	1057 Pine Ave., Long Beach, CA 90813
The Children's Clinic - Primary Care- (SMTF) S. Mark Taper Foundation	455 E Columbia St, Long Beach, CA 90806
QueensCare Family Clinic - Eagle Rock	4448 York Blvd, Los Angeles, CA 90041
East Valley Community Health Center - Pomona	680 Fairplex Drive, Pomona, CA 91768
East Valley Community Health Center - West Covina	420 S. Glendora Ave, West Covina, CA 91790
NEVHC - Santa Clarita	18533 Soledad Canyon Rd, Santa Clarita, CA 91351
NEVHC - Pacoima	12756 Van Nuys Blvd, Pacoima, CA 91331

SITE	ADDRESS
NEVHC - Valencia	23763 Valencia Blvd, Valencia, CA 91355
NEVHC - San Fernando	1600 San Fernando Rd, San Fernando, CA 91340
St. Johns Well Child and Family Center - Lincoln Heights	2512 Alta St., Los Angeles, CA 90031
St. Johns Well Child and Family Center - Magnolia	1910 S. Magnolia Ave., Los Angeles, CA 90007
Venice Family Clinic - Santa Monica (Simms/Mann Health and Wellness Center)	2509 Pico Blvd, Santa Monica, CA 90405
Venice Family Clinic- Venice (Robert Levine Health Center)	905 Venice Blvd, Venice, CA 90291
UMMA Community Clinic	711 W. Florence Ave, Los Angeles, CA 90044
Venice Family Clinic - Culver City (Colen Family Health Center)	4700 Inglewood Blvd, #102, Culver City, CA 90230
NEVHC - Sun Valley	7223 N. Fair Ave, Sun Valley, CA 91352
NEVHC - Canoga Park	7107 Remmet Avenue, Canoga Park, CA 91303
Tarzana Treatment Centers-Antelope Valley Family Medical Center (West Lancaster)	907 West Lancaster Blvd, Lancaster, CA 93534
St. Johns Well Child and Family-Hoover	5701 S. Hoover St. Los Angeles, CA 90037
St. Johns Well Child and Family-Hyde Park	6505 8th Ave, Los Angeles, CA 90043
St. Johns Well Child and Family-Williams	808 W. 58th St., Los Angeles, CA 90037
Central City Community Health Center-S Los Angeles	5970 S Central Ave, Los Angeles, CA 90001
Korean Health Education Information Research Center (KHEIR)-Los Angeles	3727 W 6TH ST, Suite 200, Los Angeles, CA 90020
Valley Community Clinic	6801 Coldwater Canyon Ave, Suite 2A, North Hollywood, CA 91605
NEVHC- Mission College Mission College School Based Center	13356 Eldridge Avenue, Sylmar, CA 91342
The Children's Clinic- (FHC-LB) Family Health Center in Central Long Beach	2360 Pacific Avenue, Long Beach, CA 90806-3051
The Children's Clinic (MSC) at Long Beach Multi-Service Center for the Homeless	1301 W. 12th St, Long Beach, CA 90813-2720
Clinica Msr. Oscar A. Romero-Alvarado	123 S. Alvarado St, Los Angeles, CA 90057
Queenscare Family Clinics- East Los Angeles	133 N Sunol Dr., Los Angeles, CA 90063

SITE	ADDRESS
Asian Pacific Health Care Venture, Inc.- El Monte	9960 Baldwin Place, El Monte, CA 91731
NEVHC- Van Nuys-Peds	7138 Van Nuys Blvd, Van Nuys, CA 91342
NEVHC- North Hollywood	7843 Lankershim Blvd, N. Hollywood, CA 91605
NEVHC San Fernando High School Based Clinic	11133 O'Melveny Avenue, San Fernando, CA 91340
NEVHC- Maclay Middle School Based Clinic site	12540 Pierce Street, Pacoima CA 91331
St. Johns Well Child and Family Center- Atlantic Casa Dominguez	15301 San Jose, Compton, CA 90221
St. Johns Well Child and Family Center- East Comption	15715 S. Atlantic Avenue, E. Rancho Dominguez, CA 90221
St. Johns Well Child and Family- Wilmington	2115 N. Wilmington Avenue, Compton, CA 90222
South Central Family Health Center-Los Angeles	4425 S Central Ave., Los Angeles, CA 90011
Community Health Alliance of Pasadena- Del Mar	3160 E. Del Mar Blvd., Pasadena, CA 91107
Community Health Alliance of Pasadena- Fair Oaks	1855 N Fair Oaks Ave, suite 200, Pasadena, CA 91103
Community Health Alliance of Pasadena-Lake	1800 Lake Avenue, Pasadena, CA 91107
Community Health Alliance of Pasadena-Raymond	412 S. Raymond Ave, Pasadena, CA 91105
Community Health Alliance of Pasadena-Vacco	10408 Vacco St. #A, South El Monte, CA 91733
Eisner Pediatric and Family Medical Center	1530 S Olive St.., Los Angeles, CA 90015
South Bay Family Health Care Center-Redondo Beach	2114 Artesia Blvd., Redondo Beach, CA 90278
JWCH Institute, Inc -Los Angeles- San Pedro St (Center for Community)	522 S San Pedro St., Los Angeles, CA 90013
JWCH Institute, Inc -Los Angeles- Madison (Path)	340 N Madison Ave., Los Angeles, CA 90004
Queenscare Family Clinics- Bresee	184 S Bimini Pl., Los Angeles, CA 90004
The Children's Clinic (FHC-BELL) - Family Health Center in Bellflower	17660 Lakewood, Blvd., Bellflower, CA. 90706-6410
The Children's Clinic- (HMS) Health Center in North Long Beach at Hamilton Middle School	1060 E. 70th St., Long Beach, CA 90805
The Children's Clinic- (IES) at International Elementary School	700 Locust Ave., Long Beach, CA 90813-4317

SITE	ADDRESS
Clinica Msr. Oscar A. Romero-Children's Clinic	201 S. Alvarado Street, suite 100, Los Angeles, CA 90057
Clinica Msr. Oscar A. Romero-Marengo	2032 Marengo St, Los Angeles, CA 90033
South Central Family Health Center-Huntington Park	2680 Saturn Ave., Huntington Park, CA 90255
T.H.E.-To Help Everyone Clinic, Inc. Ruth Temple	3834 S Western Ave, Los Angeles, CA 90062
The Children's Clinic (CCE) Health Center at Cesar Chavez Elementary School	730 W. 3rd St., Long Beach, CA 90802
Bartz-Altadonna Community Health Center	43322 Gingham Ave., Lancaster, CA 93535, Suite 104 & 106
Antelope Valley Community Clinic - Lancaster	44216 10th St. West, Lancaster, CA 93534
Antelope Valley Community Clinic-Health and Wellness Center	45104 10th Street, Lancaster, CA 93534
Antelope Valley Community Clinic-Palmdale	2151 E. Palmdale Blvd, Palmdale, CA 93550
Westside Family Health Center	1711 Ocean Park Blvd, Santa Monica, CA 90405
Mission City Community Network-Main	15206 Parthenia St, North Hills, CA 91343
Mission City Community Network-Pacoima Middle SBC	9919 Laurel Canyon Blvd Pacoima, CA 91331
Mission City Community Network-Parthenia	15210 Parthenia St, North Hills, California 91343
BAART Community Healthcare-Southeast	4920 S Avalon Blvd Los Angeles, CA 90011
BAART Community Healthcare- La Puente	15229 E Amar Rd West Covina, CA 91792
BAART Community Healthcare-Lynwood	11315 S Atlantic Avenue, Lynwood, CA 90262
East Valley Community Health Center- Villacorta SBC	17840 Villa Corta St, La Puente, CA 91744
Eisner USC Family Medicine Center at California Hospital	1400 S Grand Ave #101, Los Angeles, CA 90015
BAART Community Healthcare-Beverly	1926 W Beverly Blvd Montebello, CA 90640
Los Angeles Christian Health Centers- Pico Aliso Community Clinic	1625 E 4th St, Los Angeles, CA 90033
Mission City Community Network-Mobile Clinic	845 E. Arrow Highway, Pomona, CA 91767

SITE	ADDRESS
Mission City Community Network- Monrovia	513 E. lime Avenue #103, Monrovia, CA 91016
Mission City Community Network, Inc- Orange Grove	1818 N. Orange Grove Avenue #205, Pomona, CA 91767
South Bay Family Health Care Center- Inglewood/Dr. Claudia Hampton	1091 S La Brea Ave, Inglewood, CA 90301
Los Angeles Christian Health Centers- Joshua House Clinic	311 Winston Street, Los Angeles, CA 90013
Mission City Community Network- Centinela	501 E. Hardy Street #110, Inglewood, CA 90301
Mission City Community Network, Inc- Inglewood- Prairie	301 N. Prairie Avenue, #311, Inglewood, CA 90301
Mission City Community Network- Northridge	8363 Reseda Blvd #11 Northridge, CA 91324
QueensCare Family Clinic - Hollywood Clinic	4618 Fountain Ave, Los Angeles, CA 90029
Wilmington Community Clinic	1009 N Avalon Blvd, Wilmington, CA 90744
South Bay Family Health Care Center- Carson	270 East 223rd Street, Carson, CA 90745
Mission City Community Network- Hollywood Clinic	4842 Hollywood Blvd Los Angeles, CA 90027
Pomona Community Health Center- Holt	1450 Holt Avenue, Pomona, CA 91767
Pomona Community Health Center- Park	750 S. Park Avenue #101, Pomona, CA 91766
Wilmington Community Clinic - Mary Henry Center	10901 South Vermont Avenue, Los Angeles
South Bay Family Health Care Center- Gardena	742 W Gardena Blvd, Gardena, CA 90247
Tarzana Treatment Centers, Inc. - Palmdale	422 W Avenue P Suite C280 AKA Rancho Vista Blvd. Palmdale,CA 93551

EXPANSION SITES (114)

The initial table below (47 LA Care Community Partner (CP) Sites) represents a portion of Phase I of the Expansion Sites that are or will be live as of the Effective Date. The second table below identifies 67 DHS Community Partner Sites that will be part of the Expansion Sites.

Phase I of the Expansion Sites will include 47 LA Care CP Sites and 37 DHS CP Sites, for a total of 84 Expansion Sites, that are or will be live on or about the Effective Date. The 37 DHS CP Sites for Phase I will be chosen from the list of DHS CP Sites represented in the second table below. The remaining 30 DHS CP Sites will be live no later than July 31, 2014.

There are 114 total Expansion Sites. The pricing for such Expansion Sites is set forth in Exhibit D. In the event an Expansion Site closes or otherwise no longer uses eConsult, County may, upon notice to Contractor, substitute such Expansion Site with another Site. Pricing for Expansion Sites may change, in accordance with the terms of Exhibit D based upon the number of active Sites. County may, upon notice to Contractor, add, substitute, or remove an Expansion Site from the Tables below, as amended from time-to-time.

LA Care CP Sites - Phase I (47 sites)
Live or in development on or about the Effective Date.

SITES		ADDRESS
Tarzana Treatment Centers-Reseda	HCLA/CP	7101 Baird Ave, Reseda, CA 91335
Asian Pacific Health Care Venture, Inc.-Belmont	HCLA/CP	180 Union Place, Los Angeles, CA 90026
Asian Pacific Health Care Venture, Inc.-Los Feliz	HCLA/CP	1530 Hillhurst Ave #200, Los Angeles, CA 90027
Asian Pacific Health Care Venture, Inc.-JMHS Health Center	HCLA/CP	3939 Tracy St, Los Angeles, CA 90027
Cleaver Family Wellness Clinic Our Saviour Center	HCLA/CP	4368 Santa Anita Ave El Monte, CA 91731
QueensCare Family Clinic - Echo Park	HCLA/CP	150 N Reno St, Los Angeles, CA 90026
Harbor Community Clinic- Adult Site	HCLA/CP	593 W 6th St, San Pedro, CA 90731
Harbor Community Clinic- Pediatric Site	HCLA/CP	731 S Beacon St, San Pedro, CA 90731
South Central Family Health Center-Los Angeles S. Mark Taper Foundation Health Clinic @ The Accelerated School (TAS)	HCLA/CP	4000 S Main St, Los Angeles, CA 90037

SITES		ADDRESS
South Central Family Health Center-Los Angeles Wellness Center at Jefferson High School @ Jefferson Senior High School	HCLA/CP	3410 Hooper Ave, Los Angeles, CA 90011
JWCH Institute, Inc - Bellflower	HCLA/CP	14371 Clark Ave, Bellflower, CA 90706
JWCH Institute, Inc - Lynwood	HCLA/CP	3591 E Imperial Hwy, Lynwood, CA 90262
JWCH Institute, Inc - Norwalk	HCLA/CP	12360 Firestone Blvd, Norwalk, CA 90650
JWCH Institute, Inc -Bell Gardens	HCLA/CP	6912 Ajax Ave, Bell Gardens, CA 90201
JWCH Institute, Inc- Inglewood	HCLA/CP	3580 Imperial Hwy, Inglewood, CA 90303
Samuel Dixon Family Health Center - Newhall Health Center	HCLA/CP	23772 Newhall Ave, Santa Clarita, CA 91321
Samuel Dixon Family Health Center - Val Verde Health Center	HCLA/CP	30257 San Martinez Rd, Val Verde, CA 91384
UCLA Pediatrics Group Practice	HCLA/CP	200 UCLA MEDICAL PLZ # 265, Los Angeles, CA 90024
USC Family Medicine (USC CARE)	HCLA/CP	1520 San Pablo St. # 1300, Los Angeles, CA 90033
Watts Crenshaw Community Health Center	HCLA/CP	3756 Santa Rosalia Dr , # 400, Los Angeles, CA 90008
Watts Health Center	HCLA/CP	10300 S Compton Ave, Compton, CA 90222
Arroyo Vista Family Health Center - Highland Park	CP	6000 N. Figueroa Street, Los Angeles, CA 90042
Arroyo Vista Family Health Center - Huntington Drive	CP	4837 Huntington Dr. North Suite A, Los Angeles, CA 90031
Arroyo Vista Family Health Center - Lincoln Heights	CP	2411 N. Broadway, Los Angeles, CA 90031
Arroyo Vista Family Health Center - Loma Drive	CP	303 S. Loma Drive, Suite 202, Los Angeles, CA 90017
Arroyo Vista Family Health Center - Valley Blvd	CP	4815 Valley Blvd, Ste C, Los Angeles, CA 90032
Compton Central Health Clinic	CP	201 N. Central Avenue, Compton, CA 900220
El Proyecto Del Barrio- Arleta	DHS/CP	8902 Woodman Ave., Arleta, CA 91331
El Proyecto Del Barrio- Canoga	DHS/CP	20800 Sherman Way, Winnetka, CA 91306

SITES		ADDRESS
El Proyecto Del Barrio- Panorama City (HIV care only 20hrs/week)	DHS/CP	9140 Van Nuys Blvd., Suite 202, Panorama City, CA. 91402
El Proyecto Del Barrio-Azusa	DHS/CP	150 N. Azusa Ave., Azusa, CA 91702
Los Angeles Gay & Lesbian Center	HCLA/CP	1625 Schrader Blvd, Los Angeles, CA 90028
Northridge Family Practice Medical Group	HCLA/CP	18406 Roscoe Blvd, Northridge, CA 91325
St. John's Well Child and Family Center -Manual Arts	CP	4131 S. Vermont Ave L, A 90037
St. John's Well Child and Family Center -Mobile Clinic	CP	808 W. 58th St. Los Angeles, CA 90037
St. John's Well Child and Family Center-Washington	CP	1555 West 110th St. Los Angeles, CA 90047
Tarzana Treatment Centers, Inc.	HCLA/CP	18646 Oxnard St, Tarzana, CA 91356
UCLA Family Health Center	HCLA/CP	1920 Colorado Ave, Santa Monica, CA 90404
Compton Central Health Clinic		605 N. Central Avenue, Compton, CA 90220
Compton Central Health Clinic		12954 S. Hawthorne Blvd. Suite 101, Hawthorne, CA 90250
Compton Central Health Clinic		3624 MLK Jr. Blvd, Lynwood, CA 90262
Compton Central Health Clinic		3620 MLK Jr. Blvd, Lynwood, CA 90262
Tarzana Treatment Centers-Lancaster 10th St Residential	HCLA/CP	44447 N. 10th Street West, Lancaster, CA 93534
Tarzana Treatment Centers-Lancaster 10th St Teen	HCLA/CP	44443 N. 10th Street West, Lancaster, CA 93534
Tarzana Treatment Centers-Long Beach	HCLA/CP	2101 Magnolia Avenue, Long Beach, CA 90806
Tarzana Treatment Centers-Long Beach Outpatient	HCLA/CP	5190 Atlantic Avenue, Long Beach, CA 90805
Tarzana Treatment Centers-Tarzana Youth	HCLA/CP	18700 Oxnard St., Tarzana, CA 91356

The DHS CP Sites – Phase I and II (67 sites)
37 DHS CP Sites to be live on or about the Effective Date – Phase I
30 DHS CP Sites to be live no later than July 31, 2014 – Phase II

SITE
AIDS Healthcare Foundation – 9 sites
All for Health, Health for All – 3 sites
Altamed Health Services – 12 sites
American Indian Healing Center – 1 site
Bienvenidos Children's Center – 1 site
Central Neighborhood Health Foundation – 1 site
CHLA – I site
Chinatown Service Center – 2 sites
City of Long Beach Dept of Health Services – 1 site
City of Pasadena, Public Health Dept. – 1 site
Comprehensive Community Health Center – 2 sites
Dignity Health – St. Mary – 1 site
Durfee Family Care Medical Group – 1 site
El Dorado Community Service Center – 9 sites
Emile Shenouda, MD – 1 site
Family Healthcare Centers of Greater LA – 4 sites
Garfield Health Center – 1 site
Herald Christian Center – 1 site
Koryo Health Foundation – 1 site
Long Beach Memorial Med Center – 1 site
Northeast Community Clinic – 6 sites
Sacred Heart Family Medical Clinic – 1 site
South Atlantic Medical Group – 3 sites
Universal Community Center – 1 site
Universal Health Foundation – 1 site
Urban Revitalization Development Corp – 1 site

EXHIBIT E

CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH) (BUSINESS ASSOCIATE AGREEMENT)

Under this Agreement, Contractor ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to or creates Protected Health Information in order to provide those Services.

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards ("the Security Regulations") at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (together, the "Privacy and Security Regulations"). The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate ("Business Associate Agreement") in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place.

Further, pursuant to the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act"), effective February 17, 2010, certain provisions of the HIPAA Privacy and Security Regulations apply to Business Associates in the same manner as they apply to Covered Entity and such provisions must be incorporated into the Business Associate Agreement.

This Business Associate Agreement and the following provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Business Associate in compliance with HIPAA's Privacy and Security Regulations and the HITECH Act, as they now exist or may hereafter be amended.

Therefore, the parties agree as follows:

DEFINITIONS

1.1 "Breach" has the same meaning as the term "breach" in 45 C.F.R. § 164.402.

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

1.3 “Electronic Health Record” has the same meaning as the term “electronic health record" in the HITECH Act, 42 U.S.C. section 17921. Electronic Health Record means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.

1.4 “Electronic Media” has the same meaning as the term “electronic media” in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

The term “Electronic Media” draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

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

1.6 “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).

1.7 "Minimum Necessary" refers to the minimum necessary standard in 45 C.F.R. § 164.502 (b) as in effect or as amended.

1.8 "Privacy Rule" means the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164, also referred to as the Privacy Regulations.

1.9 “Protected Health Information” has the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is

received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Health Information.

1.10 “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.

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

1.12 "Security Rule" means the Security Standards for the Protection of Electronic Health Information also referred to as the Security Regulations at 45 Code of Federal Regulations (C.F.R.) Part 160 and 164.

1.13 “Services” has the same meaning as in the body of this Agreement.

1.14 "Unsecured Protected Health Information" has the same meaning as the term “unsecured protected health information" in 45 C.F.R. § 164.402.

1.15 “Use” or “Uses” mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations.

1.16 Terms used, but not otherwise defined in this Business Associate Agreement shall have the same meaning as those terms in the HIPAA Regulations and HITECH Act.

OBLIGATIONS OF BUSINESS ASSOCIATE

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

(a) shall Use and Disclose Protected Health Information only as necessary to perform the Services, and as provided in Paragraphs 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 4.3 and 5.2 of this Agreement;

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

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

i. Use Protected Health Information; and

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

Business Associate shall not Use or Disclose Protected Health Information for any other purpose or in any manner that would constitute a violation of the Privacy Regulations or the HITECH Act if so Used or Disclosed by Covered Entity.

2.2 Prohibited Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall not Use or Disclose Protected Health Information for fundraising or marketing purposes.

(b) shall not disclose Protected Health Information to a health plan for payment or health care operations purposes if the Individual has requested this special restriction and has paid out of pocket in full for the health care item or service to which the Protected Health Information solely relates.

(c) shall not directly or indirectly receive payment in exchange for Protected Health Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act. This prohibition shall not affect payment by Covered Entity to Business Associate. Covered Entity shall not provide such written consent except upon express approval of the departmental privacy officer and only to the extent permitted by law, including HIPAA and the HITECH Act.

2.3 Adequate Safeguards for Protected Health Information. Business Associate:

(a) shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Business Associate Agreement. Business Associate 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 as in effect or as amended.

(b) as to Electronic Protected Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information; effective February 17, 2010, said safeguards

shall be in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312, and shall comply with the Security Rule's policies and procedure and documentation requirements.

2.4 Reporting Non-Permitted Use or Disclosure and Security Incidents and Breaches of Unsecured Protected Health Information. Business Associate

(a) shall report to Covered Entity each Use or Disclosure of Protected Health Information that is made by Business Associate, its employees, representatives, Agents, subcontractors, or other parties under Business Associate's control with access to Protected Health Information but which is not specifically permitted by this Business Associate Agreement or otherwise required by law.

(b) shall report to Covered Entity each Security Incident of which Business Associate becomes aware.

(c) shall notify Covered Entity of each Breach by Business Associate, its employees, representatives, agents or subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the Business Associate as determined in accordance with the federal common law of agency.

2.4.1 Immediate Telephonic Report. Except as provided in Paragraph 2.4.3, notification shall be made immediately upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information by telephone call to (562) 940-3335.

2.4.2 Written Report. Except as provided in Paragraph 2.4.3, the initial telephonic notification shall be followed by written notification made without unreasonable delay and in no event later than three (3) business days from the date of discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach by the Business Associate to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 525
Los Angeles, California 90012
HIPAA@auditor.lacounty.gov
(213) 974-2166

(a) The notification required by Paragraph 2.4 shall include, to the extent possible, the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used, or Disclosed; and

(b) the notification required by Paragraph 2.4 shall include, to the extent possible, all information required to provide notification to the Individual under 45 C.F.R. 164.404(c), including:

i. A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

ii. A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

iii. Any other details necessary to conduct an assessment of whether there is a risk of harm to the Individual;

iv. Any steps Business Associate believes that the Individual could take to protect him or herself from potential harm resulting from the breach;

v. A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to the Individual, and to protect against any further Breaches; and

vi. The name and contact information for the person most knowledge regarding the facts and circumstances of the Breach.

If Business Associate is not able to provide the information specified in Paragraph 2.3.2 (a) or (b) at the time of the notification required by Paragraph 2.4.2, Business Associate shall provide such information promptly thereafter as such information becomes available.

2.4.3 Request for Delay by Law Enforcement. Business Associate may delay the notification required by Paragraph 2.4 if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security. If the law enforcement official's statement is in writing

and specifies the time for which a delay is required, Business Associate shall delay notification, notice, or posting for the time period specified by the official; if the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay the notification, notice, or posting temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in paragraph (a) of this Paragraph is submitted during that time.

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

2.6 Breach Notification. Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information, provide Breach notification for each and every Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or subcontractors, in a manner that permits Covered Entity to comply with its obligations under Subpart D, Notification in the Case of Breach of Unsecured PHI, of the Privacy and Security Regulations, including:

(a) Notifying each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of such Breach;

(b) The notification required by paragraph (a) of this Paragraph 2.6 shall include, to the extent possible:

i. A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

ii. A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

iii. Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;

iv. A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further Breaches; and

v. Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

vi. The notification required by paragraph (a) of this Paragraph shall be written in plain language Covered Entity, in its sole discretion, may elect to provide the notification required by this Paragraph 2.6, and Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, including costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information.

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

2.8 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

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

2.10 Accounting of Disclosures. Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors, in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528 and/or the HITECH Act which requires an Accounting of Disclosures of Protected Health Information maintained in an Electronic Health Record for treatment, payment, and health care operations.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity's payment or health care operations activities: However, Business Associate is not required to provide an Accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Paragraph 2.10 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 Paragraph 2.10, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Paragraph 2.10 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

2.11 Indemnification. Business Associate shall indemnify, defend, and hold harmless Covered Entity, including its elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, penalties and fines (including regulatory penalties and/or fines), and expenses (including attorney and expert witness fees), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement; Business Associate's obligations under this provision extend to compliance and/or enforcement actions and/or activities, whether formal or informal, of Secretary of the federal Department of Health and Human Services and/or Office for Civil Rights.

OBLIGATION OF COVERED ENTITY

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

TERM AND TERMINATION

4.1 Term. The term of this Business Associate Agreement shall be the same as the term of this Agreement. Business Associate's obligations under Paragraphs 2.1 (as modified by Paragraph 4.2), 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 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 either party's knowledge of a material breach by the other party, the party with knowledge of the other party's breach shall:

(a) Provide an opportunity for the breaching party to cure the breach or end the violation and terminate this Agreement if the breaching party does not cure the breach or end the violation within the time specified by the non-breaching party;

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

(c) If neither termination nor cure is feasible, 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 Paragraph, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

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

MISCELLANEOUS

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

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

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

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

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

5.6 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations and other privacy laws governing Protected Health Information.

* * *

EXHIBIT F

INVOICE DISCREPANCY REPORT

1. INVOICE DISCREPANCY (to be completed by County Project Manager)

   Today's Date: _____
   Contractor: _____
   Phone: _____
   Date of Subject Invoice: _____
   Description of Issues with Subject Invoice: _____
   _____
   _____

2. REVIEWED:

   Signed: _____ Date: _____
   County Project Director (CPD)

3. CONTRACTOR RESPONSE (to be completed by Contractor Project Director)

   Date received from CPD: _____
   Explanation regarding Issues with Subject Invoice: _____
   _____
   _____

   Corrective Action Taken: _____
   _____
   _____

   Signed: _____ Date: _____
   Contractor Project Director

4. COUNTY EVALUATION of Contractor's Response and Action taken: _____
   _____
   _____
   _____

5. Approved by COUNTY:

   Signed: _____ Date: _____
   County Project Director (CPD)

6. Date Contractor Notified on _____ (Date)

INSTRUCTIONS County Project Director: Forward IDR to the Contractor for investigation and response. Contractor: Must respond to County Project Director in writing within ten (10) days of receipt of IDR.

Exhibit G
Contractor’s EEO Certification

[See Attached]

EXHIBIT H

ACKNOWLEDGEMENT, CONFIDENTIALITY AND ASSIGNMENT AGREEMENT

AGREEMENT NAME & NUMBER: _____

CONTRACTOR/EMPLOYER NAME: _____

GENERAL INFORMATION:

Your employer referenced above ("Contractor") has entered into the above-referenced Agreement with the County of Los Angeles ("County") to perform work under the Agreement or has entered into a subcontract to perform such work. The County requires your signature on this Acknowledgement, Confidentiality & Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor is my sole employer for purposes of the above-referenced Agreement. I understand and agree that I must rely exclusively upon Contractor 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 Agreement.

I understand and agree that I am not an employee of the County for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County by virtue of my performance of work under and as defined in the above-referenced Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County pursuant to any agreement between any person or entity and the County, including, without limitation, the above-referenced Agreement.

CONFIDENTIALITY AGREEMENT:

I acknowledge that because I may be involved with work pertaining to services provided by the County and I may have access to confidential data and information of County and/or its constituents, including, without limitation, the Confidential Information defined below. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County, including, without limitation, the Confidential Information. I understand that the County has a legal obligation to protect all such confidential data and information in its possession and 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 must sign this Acknowledgement, Confidentiality & Assignment Agreement as a condition of my work to be provided by Contractor for the County.

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 Agreement, including, without limitation, the Confidential Information. I agree to forward all requests for the

release of any data or information received by me to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me.

I agree to protect this data and information, including, without limitation, the Confidential Information, against disclosure to any person or entity other than 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 during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me any and all violations of the above-referenced Agreement by myself and/or by any other person of which I become aware. I agree to return all such data and information, including, without limitation, the Confidential Information, to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me upon completion of the above-referenced Agreement, or termination of my employment with Contractor, whichever occurs first.

ASSIGNMENT OF PROPRIETARY RIGHTS:

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

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

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

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonym used in connection with the Works.

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

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

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

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

i. Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or

ii. Result from any work performed by the employee for the employer.

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

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

Signed: _____ Dated: _____/_____/_____

Printed: _____

Position: _____

EXHIBIT I

TASK/DELIVERABLE SUMMARY REVIEW FORM

[See Attached]

EXHIBIT I
TASK/DELIVERABLE SUMMARY REVIEW FORM

Contractor is submitting this Acceptance Certificate to the County Project Manager and the County Project Director for Approval in connection with the Deliverable described below. This Acceptance Certificate must be Approved by the County Project Manager and the County Project Director, as evidenced by the County Project Manager's and the County Project Director's signature below, before Contractor can invoice County for payment in connection with the Key Deliverable.

TO BE COMPLETED BY CONTRACTOR	
Deliverable Number:	Title of Deliverable:
Deliverable Description:	Contract/Statement of Work Reference:
Submitted By:	
Phone Number:	
Email:	
Submission Date:	

Contractor acknowledges and agrees that notwithstanding any acceptance as provided herein, in the event that at any time after County's acceptance of a deliverable, including the System, County discovers a Deficiency in the System, Contractor shall take all actions and corrective measures, at no additional cost to County, in accordance with Section 18.2 (Corrective Measures) of the Agreement. Without limiting the foregoing, during the Term of the Agreement, Contractor shall correct any and all Deficiencies in the System, including, but not limited to, supplying County with corrective or replacement codes and/or programs and making such additions, modifications or adjustments to the System as may be necessary to keep the System operating in conformance with the System Requirements and other Specifications. Upon completion of Contractor's corrective measures, Contractor shall notify County, and County, at its election, shall engage in further Testing to verify the System and such corrective measures. Notwithstanding the above, no Deficiency shall be deemed remedied until all necessary remedial action has been completed and approved in writing by the County Project Director.

COUNTY APPROVAL	
County Project Manager Approval	County Project Director Approval
By: _____ Name: _____ Date: _____	By: _____ Name: _____ Date: _____

Exhibit J

SAFELY SURRENDERED BABY LAW

[See Attached]

Safely Surrendered

No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

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

Safely Surrendered *Baby Law*

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

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

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

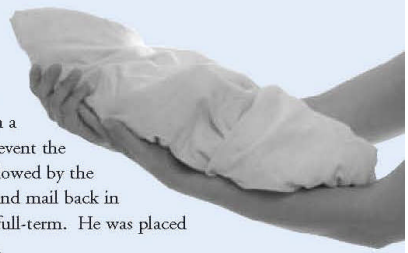
What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the **Safely Surrendered Baby Law** is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The **Safely Surrendered Baby Law** prevents this tragedy from ever happening again in California.

A baby's story



Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.

Ley de Entrega de Bebés *Sin Peligro*

Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

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

Ley de Entrega de Bebés *Sin Peligro*

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

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

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

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

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan *si tienen custodia legal.*

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

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

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la **Ley de Entrega de Bebés sin Peligro** es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La **Ley de Entrega de Bebés sin Peligro** impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.

Exhibit K

JURY SERVICE ORDINANCE

[See Attached]

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

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

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.203.030 Applicability.

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

2.203.040 Contractor Jury Service Policy.

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

2.203.050 Other Provisions.

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

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

2.203.060 Enforcement and Remedies.

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

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

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

2.203.070. Exceptions.

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

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

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

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

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

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

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

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

2.203.090. Severability.

A. If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 200.

EXHIBIT L

SOURCE CODE ESCROW AGREEMENT

[See Attached]

EXHIBIT L

SOURCE CODE ESCROW AGREEMENT

This Source Code Escrow Agreement ("Escrow Agreement") made this _____ day of _____, _____, by and between _____ whose principal office is located at _____ ("Contractor"), and Los Angeles County, for the benefit of its Department of _____, located at _____ ("County"), and the _____, located at _____ ("Escrow Agent").

WHEREAS, prior to or concurrently with this Escrow Agreement, County and Contractor have entered into an agreement for _____("_____"), which this Escrow Agreement is made a part thereof, pursuant to which Contractor has licensed to County certain computer software product(s), including updates, improvements, and enhancements thereof from time to time developed by Contractor, all of which is more fully described in the _____ Agreement (hereinafter collectively referred to as the "Product"); and

WHEREAS, Contractor desires to deliver to Escrow Agent a copy of the source code ("Source Code") for the Product identified as _____ as described in the _____ Agreement Paragraph 15.0 (Source Code), which Contractor desires to keep in the possession of an escrow agent for the benefit of County; and

WHEREAS, the parties desire for Escrow Agent to act as custodian of the Source Code under the terms and conditions specified herein; and

WHEREAS, Contractor and County agree that upon occurrence of certain events described herein, County shall be able to obtain the Source Code Escrow Package, as defined below, for the Product and all revisions thereof; and

NOW THEREFORE, in consideration of the foregoing, of the mutual promises hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Delivery by Contractor.

Within ten (30) business days after execution of the _____ Agreement between Contractor and County, Contractor shall deliver to Escrow Agent the "Source Code Escrow Package", which shall include a complete and computer readable copy on optical media (CD-R or DVD) of:

(a) The current version of the Source Code for the _____ Product, including all revisions, corrections, enhancements and other changes developed for the County; and

(b) The executable code of the Product; and

(c) Any existing design documentation and user documentation for the Product;

(d) Instructions for compiling and linking every part of the Source Code into executable code for purposes of enabling verification of the completeness of the Source Code. Such instructions shall include precise identification of all compilers, library packages, and linkers used to generate executable code; and

(e) The parties acknowledge that as a result of the passage of time alone, the deposited Source Code may be susceptible to loss of quality. Therefore, for the purpose of reducing the risk, Contractor shall deposit with the Escrow Agent a new copy of all deposited Source Code at least once every three (3) years during the Term. In the event the Source Code or any part of it is destroyed or corrupted, upon County's request, Contractor shall provide a replacement copy of the Source Code. Contractor shall deliver the replacement copy of the Source Code within thirty (30) days of receipt of County's written request..

The CD-R shall be formatted to be read by an industry standard CD-R or DVD reader. Thereafter, from time to time, Contractor shall deliver to Escrow Agent the Source Code Escrow Package for new or updated Product versions, and any updates to the Source Code Escrow Package.

2. Updates and Changes.

The Escrow Agent shall not duplicate the Source Code Escrow Package without the written permission of Contractor, which permission shall not be refused if necessary to comply with the terms and provisions of this Escrow Agreement and the _____ Agreement. Contractor agrees to deposit with Escrow Agent any modifications, updates, new releases or documentation related to the Source Code Escrow Package by delivering to Escrow Agent an updated version of the Source Code Escrow Package as soon as practicable after the modifications, updates, new releases and documentation are provided to County. Contractor also agrees to update the Source Code Escrow Package, as necessary, and as may be required by the _____ Agreement. When Contractor delivers an updated version of the Source Code Escrow Package to Escrow Agent, Escrow Agent shall return to Contractor the previous Source Code Escrow Package it held in custody, if so requested by Contractor in writing. The Escrow Agent will issue to Contractor and County a receipt for the Source Code Escrow Package upon initial delivery and in connection with each update by Contractor.

3. Representations and Covenants of Contractor to County.

Contractor represents, warrants and covenants to County that:

(a) The Source Code Escrow Package constitutes all materials required to be deposited into escrow under Paragraph _____ (Source Code) of the _____ Agreement. Contractor shall keep the Source Code Escrow Package current and equivalent to the version of the applicable Product then being used by County under the _____ Agreement.

(b) The Source Code Escrow Package delivered to the Escrow Agent are in a form suitable for reproduction by computer equipment, and consists of full source language statement of the computer program or programs comprising the Product(s) and complete computer program maintenance documentation, including all flow charts, schematics and annotations which comprise the pre-coding detailed design specifications, and all other material necessary to allow a reasonably skilled third party programmer or analyst to maintain or enhance the Product without the help of any other person or reference to any other material; such Source Code Escrow Package to be in the mode machine readable by the then operating County equipment and produced and copied on common magnetic media.

(c) Contractor will promptly supplement the Source Code delivered hereunder with all revisions, corrections, enhancements or other changes so that the Source Code Escrow Package constitutes a human readable computer program for the current release of the Product. This supplementation shall be made in machine readable format by the then operating County equipment and produced and copied on common magnetic media, along with specifications of sections a. and b. herein, every six (6) months or within ten (30) Business Days of delivery of any modification, enhancement, or upgrade to the County or any other customer of Contractor, whichever occurs first.

4. Right to Verify Source Code Escrow Package.

County shall have the right to verify the relevance, completeness, currency, accuracy and functionality of the Source Code Escrow Package by, among other things, requiring Contractor (1) to compile the Source Code and to perform test runs for comparison with the applicable Products, and (2) to provide County with a written report that details the results of such compilation and test runs and demonstrates in a manner that is able to be audited by County that the Source Code in escrow is accurate and complete. In the event such testing demonstrates that the Source Code does not correspond to the applicable Product, Contractor shall immediately deposit with the Escrow Agent an accurate and complete copy of the Source Code.

5. County.

Los Angeles County, for the benefit of its Department of Health Services, is the singular County under this Escrow Agreement and no additional parties may be added without the written permission of Contractor and Escrow Agent. No changes that affect any rights or obligations of County will be made to this Escrow Agreement by the Escrow Agent and

Contractor, unless Contractor or Escrow Agent first notifies County of such changes at the address set forth herein, and County consents in writing to such changes.

6. Delivery by Escrow Agent to County.

6.1 Escrow Agent agrees that the Source Code Escrow Package shall be held by it for delivery to the County upon receiving written correspondence from Contractor or County ("Notice of Default") that Contractor is in default, pursuant to the terms and conditions set forth and fully contained in the _____ Agreement, Paragraph 15.2 (Release Conditions), or in the event of termination of this Escrow Agreement by Escrow Agent, and Contractor fails to enter into a new escrow agreement as required by paragraph 11 of this Agreement.

6.2 Escrow Agent may rely on the parties' representations regarding default under the _____ Agreement, Paragraph 5.0 (Termination for Default) of Exhibit A (Additional Terms and Conditions). Where the Notice of Default is received pursuant to Subparagraphs 6.1(b) - 6.1(h), Escrow Agent must also receive the following from County prior to the release of the Source Code Escrow Package:

(a) Written notification from County that all of the prerequisites for delivery of the Source Code Escrow Package have been satisfied;

(b) Written statement from County that County has previously notified Contractor or its Successors that all of said prerequisites for delivery of the Source Code Escrow Package have occurred;

(c) A written demand by County that the Source Code Escrow Package be released and delivered to County; and

(d) Specific instructions from the County for this delivery.

6.3 County identifies the following individuals as authorized to make demand upon Escrow Agent for delivery pursuant to this Paragraph 6:

_____;
_____;
_____; and

such other persons as may be identified to Escrow Agent by the Director of the Department of _____or listed authorized individuals in writing.

In the event that the provisions of Agreement, Paragraph 15.2 (Release Conditions) are met, Escrow Agent shall, within ten (10) business days of receipt of all of the items specified in Agreement, Paragraph 15.2 (Release

Conditions), deliver the Source Code Escrow Package to County in accordance with this Escrow Agreement.

6.4 In the event it is later established by mutual agreement of the Parties, or by a determination of a court of competent jurisdiction, that a Release Condition did not in fact occur, County shall immediately destroy all copies of the Source Code Escrow Package in its possession, custody or control (and in the possession, custody or control of its employees, subcontractors and consultants), and certify to Contractor, in writing, that all such copies have been destroyed.

7. Intellectual Property.

Escrow Agent acknowledges and agrees that the Source Code, its documentation and all copies thereof are Contractor's exclusive property, are proprietary, constitute valuable "trade secrets", as that term is defined pursuant to the Uniform Trade Secrets Act, California Civil Code Section 3426.1(d), and are protected by federal and international copyright laws and treaties. The Escrow Agent shall not violate or infringe any United States copyright, United States patent, trade secret or other similar proprietary or intellectual property right related to the use or handling of the Product source code owned by Contractor. Contractor shall inform Escrow Agent of any special care necessary for the CD-R. Escrow Agent acknowledges that exposure to environmental extremes such as heat will damage the optical media.

8. Liability.

Except for actual fraud, negligence or intentional misconduct, Escrow Agent shall not be liable to Contractor or County under this Escrow Agreement for any act, or failure to act, by Escrow Agent in connection with this Escrow Agreement.

9. Indemnity.

Contractor and County hereby agree to indemnify and hold harmless Escrow Agent and each of its directors, officers, and stockholders, absolutely and forever, and from and against any and all claims, actions, damages, suits, liabilities, obligations, costs, fees, charges, and any other expenses whatsoever, including legal fees, that may be asserted against Escrow Agent or any of its directors, officers, or stockholders with respect to any act, except as otherwise provided in Paragraph 8. If Escrow Agent is required to participate in any legal proceeding then Contractor shall pay the reasonable costs and expenses, including reasonable attorney's fees, incurred by Escrow Agent, except for legal proceedings arising from, or involving, allegations of actual fraud, negligence or intentional misconduct on the part of Escrow Agent.

10. Bankruptcy.

Contractor and County acknowledge that this Escrow Agreement is an "agreement supplementary to" the _____ Agreement as provided in Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"). Contractor acknowledges that if

Contractor, as a debtor in possession or a trustee in Bankruptcy in a case under the Bankruptcy Code, rejects the _____ Agreement or this Escrow Agreement, County may elect to retain its rights under the _____ Agreement and this Escrow Agreement as provided in Section 365(n) of the Bankruptcy Code.

11. Term; Termination and Payment.

The term of this Escrow Agreement shall be concurrent with the _____ Agreement, except as otherwise specifically set forth herein and Contractor and County shall notify Escrow Agent of the term upon execution of the _____ Agreement. However, Escrow Agent may resign and terminate this Escrow Agreement if it gives Contractor written notice thereof ninety (90) days in advance, with a copy of said Notice mailed to the County. Contractor shall pay Escrow Agent amounts in accordance with Attachment A, which is attached and incorporated herein, as compensation for Escrow Agent's services under this Escrow Agreement. In the event of non-payment of any amounts due hereunder from Contractor to Escrow Agent, Escrow Agent shall give notice of such non-payment to the County and Contractor. In such an event, County, within ten (10) days of receipt of notice from Escrow Agent, shall have the right to enter into an individual escrow agreement for the Product upon substantially the same terms as this Escrow Agreement (which must include all of the limitations and requirements specified in Paragraphs 6, 8 and 9 above) and upon the payment of the Escrow Agent's standard charges therefor. In any event, this Escrow Agreement may not be terminated for non-payment prior to ninety (90) days after Escrow Agent has sent notice of non-payment to County.

In the event the Escrow Agent terminates this Escrow Agreement, Contractor shall, within ninety (90) days of the termination notice, enter into another escrow agreement with an escrow agent that is reasonably acceptable to County and Contractor under mutually agreeable terms and conditions. In the event Escrow Agent terminates this Escrow Agreement, Escrow Agent shall have no further obligations hereunder, except for the return of the Source Code Escrow Package, as described below.

Contractor and County may also jointly terminate this Escrow Agreement at any time by informing the Escrow Agent of said termination in writing. Upon any termination of this Escrow Agreement jointly by Contractor and County, County acting alone, or Escrow Agent, the Escrow Agent shall return all Source Code Escrow Packages to Contractor, along with an affidavit stating the Escrow Agent does not possess any other copies thereof. Nothing herein shall be construed to allow the County to ever use the Source Code Escrow Package in contravention of its license and for any other purpose other than as provided in the _____ Agreement to support its copy of the software.

12. Verification.

Upon receipt of a written request from County, Escrow Agent shall confirm the date of the most recent delivery of Source Code Escrow Package to Escrow Agent by Contractor.

13. Miscellaneous Provisions.

13.1 Notices. All notices and demands required or permitted under this agreement shall be in writing and may be delivered personally to one of the persons set forth below, sent by registered or certified mail, postage prepaid, with return receipt requested, or by an overnight express service, e.g. Federal Express, Airborne Express, etc., to one of the persons or entities and addresses set forth below. Any notice or demand mailed as aforesaid shall be deemed to have been delivered on the date of actual delivery or refusal, as the case may be, set forth on the return receipt. Said notices shall be delivered or addressed as follows:

To Contractor:

_____
_____
_____
Attention: _____

To Escrow Agent:

_____
_____
_____
Attention: _____

To County:

_____
_____
_____
Attention: _____

or to such other address and to the attention of such other person as either party may designate to the other in writing.

13.2 Severability. If any provision of this Escrow Agreement or the application of such provision to any person, entity or circumstance shall be held invalid, the remainder of this Escrow Agreement, or the application of such provision to persons, entities or circumstances, other than those as to which it is held invalid, shall not be affected.

13.3 Parties Bound. This Escrow Agreement shall be binding upon the parties hereto, their successors, heirs, devisees, assigns, legal representatives, executors and administrators.

13.4 Contractor's Right to Assign. The parties agree that Contractor, with or without Escrow Agent's permission and without further consideration to the Escrow Agent, may assign its rights and obligations hereunder to a third

party upon notice to Escrow Agent and County as provided for in paragraph 13.1 with written consent from County. In the event Contractor so assigns its rights or obligations to a third party, Escrow Agent shall be provided written notice of such assignment.

13.5 Applicable Law. The laws of the State of California shall govern this Escrow Agreement. The venue of any action hereunder shall be in a court of competent jurisdiction in Los Angeles County, California.

13.6 Headings. The headings in this Escrow Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Escrow Agreement or any provision.

13.7 Final Agreement. This Escrow Agreement, and the agreement to which it is an exhibit hereof, constitutes the complete, final and exclusive expression of the parties' agreement concerning the subject matter of this escrow, and supersedes all proposals and other communications made between the parties concerning the subject matter hereof. This Escrow Agreement cannot be modified except by written agreement signed by all the parties hereto.

13.8 Previous Agreement. Any previous verbal agreements concerning the subject matter of this Escrow Agreement are hereby terminated as of the effective date of this Escrow Agreement and are superseded in their entirety by this Escrow Agreement, as evidenced by the parties' signatures below.

IN WITNESS WHEREOF the parties have executed this Escrow Agreement in duplicate originals on the date first written above.

Contractor

By:_____
_____

Escrow Agent

By:_____
_____

COUNTY OF LOS ANGELES

By:_____

ATTACHMENT A

ESCROW TERMS

The initial term of this Escrow Agreement is for a period of four (4) years. Thereafter, this Escrow Agreement shall automatically renew from year-to-year unless otherwise terminated pursuant to the terms of this Escrow Agreement.

As between County and Contractor only, the following terms shall survive termination of this Escrow Agreement: (a) Contractor's Representations and Warranties that it lawfully possesses all rights and title to all Source Code Escrow Package deposited with Escrow Agent, as provided in further detail in the _____ Agreement,; (b) Contractor's obligations to pay Escrow Agent fees, costs, and expenses, including reasonable attorney's fees, due; and (c) this Escrow Agreement's liability provisions, as provided in this Agreement.

If any other person or entity shall be required by this Escrow Agreement, any arbitration or judicial decision, or otherwise to pay any amount to Escrow Agent and such amount shall not have been paid in full within thirty (30) days after its due date, then upon written demand therefor, Contractor shall pay such unpaid amount to Escrow Agent in consideration for which Escrow Agent shall assign to Contractor all of its right, title and interest to such right to payment.

Contractor shall be solely responsible for any and all fees charged by Escrow Agent pursuant to this Escrow Agreement except as otherwise explicitly set forth herein. Escrow Agent shall have no obligation to take any action under this Escrow Agreement so long as any amount due from Contractor to Escrow Agent remains unpaid, except that Escrow Agent must notify Contractor of any subpoena or order pertaining to the disclosure or release of any Source Code Escrow Package, as provided below. Escrow Agent may not release any Source Code Escrow Package due to nonpayment.

Escrow Agent shall be paid the following fees:

(i)	Initial Setup and First Year Fee	$ _____
(ii)	Each update, modification, revision, correction, enhancement, or change	$ _____
(iii)	Annual fee	$ _____
(iv)	Release fee	$ _____
(v)	Inquiry form responses	$ _____

The initial setup and first year fee shall be paid to the Escrow Agent upon execution of this Escrow Agreement and prior to acceptance of the Source Code Escrow Package by the Escrow Agent. Each update, modification, revision, correction, enhancement, or change fee shall be paid upon transmission of each update, modification, revision, correction, enhancement, or change and prior to acceptance of the Source Code Escrow Package by Escrow Agent. Annual fees shall be paid no less than thirty (30) days prior to the beginning of the year to which such annual fee applies. Any release fee shall be paid by Contractor no less than ten (10) days prior to any release of Source Code Escrow

Package. Fees for inquiry responses shall be paid by Contractor making the inquiry prior to the Escrow Agent responding thereto.

If Escrow Agent receives a subpoena or other order of a court or other tribunal pertaining to the disclosure or release of the Source Code Escrow Package, Escrow Agent will notify Contractor within a reasonable time but no more than ten (10) business day of receiving said subpoena or order. It shall be the responsibility of Contractor to challenge any such subpoena or order; provided, however, that Escrow Agent does not waive Escrow Agent's rights to present Escrow Agent's position with respect to any such subpoena or order. Escrow Agent will not be required to disobey any subpoena or order of any court or other tribunal.

If Escrow Agent is required to travel for purposes of litigation or arbitration or otherwise regarding the Source Code Escrow Package, the following fees will apply and be paid by Contractor:

(i)	Travel Costs	Actual reasonable travel expenses incurred
(ii)	Hourly rate for escrow agent	$_____ per hour

Escrow Agent's acceptance of this Escrow Agreement is contingent upon execution of the _____ Agreement by Contractor and County.

EXHIBIT M

IT DISASTER RECOVERY PLAN

[See Attached]

Safety Net Connect

IT Disaster Recovery Plan

Revision History

Author	Date	Amendment / Edits
Ed Meador	3/16/2009	Initial Revision
Ed Meador	5/14/2010	Updated for 2010 JANUS ASSOCIATES Onsite
Ed Meador	3/1/2011	Updated for 2011 JANUS ASSOCIATES Onsite
Ed Meador	3/4/2012	Updated for 2012 JANUS ASSOCIATES Onsite
Ed Meador	6/14/2012	Included plan validation.
Ed Meador	5/8/2013	Updated for 2013

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Purpose

This document delineates our policies and procedures for technology disaster recovery, as well as our plans for recovering critical technology platforms and the telecommunications infrastructure. This document summarizes our recommended procedures. In the event of an actual emergency situation, modifications to this document may be made to ensure physical safety of our people, our systems, and our data.

Our mission is to ensure information system uptime, data integrity and availability, and business continuity.

Scope

The disaster recovery plan should cover all essential and critical infrastructure elements, systems and networks, in accordance with key business activities.

Policy Statement

Corporate management has approved the following policy statement:

- The company shall develop a comprehensive IT disaster recovery plan.
- A formal risk assessment shall be undertaken to determine the requirements for the disaster recovery plan.
- The disaster recovery plan should be tested annually at a minimum in a simulated environment to ensure that it can be implemented in emergency situations and that the management and staff understand how it is to be executed.
- Test results are reviewed by management and lessons learned are published.
- The disaster recovery plan is to be kept up to date to take into account changing circumstances.

Objectives

The principal objective of the disaster recovery program is to develop, test and document a well-structured and easily understood plan which will help the company recover as quickly and effectively as possible from an unforeseen disaster or emergency which interrupts information systems and business operations. Additional objectives include the following:

- The need to ensure that all employees fully understand their duties in implementing such a plan
- The need to ensure that operational policies are adhered to within all planned activities

- The need to consider implications on other company sites
- Disaster recovery capabilities as applicable to key customers, vendors and others

Key Personnel Contact Info

Corporate Office
Office 9493995380
Fax 9493995381

Safety Net Connect's 24-Hour Emergency Hotline 9492609397
General Support Email: support@safetynetconnect.com

Ed Meador – CTO
Roles – Application Development, Application Support, Systems Support, Backup & Restore, Firewalls, Networking, Database Support, Information Security.
Email emeador@netchemistry.com
Alternate Email: meadore@yahoo.com
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Cell 9097172070

Randall Louie – CCS Manager
Major Roles – Hospital Census
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Alternate Email: randalll@eceda.net
Office 9492723821

External Key Contacts

Landlord / Property Manager – Rian Cruttenden
Email rian@cruttendenpartners.com
Office 9493990327
Cell 19496323074

Telecom Carrier – ATT DSL
Support 8777223755
DSL Number 9494741427

Telecom Carrier – Cox Business

Support 8662725777
Account Number 001-7601-052548101
Pin 6521

Co-location Facility – AT&T Irvine
2681 Kelvin Ave, Irvine 92614
Support 8777892877 Option 1, Option 2
Email: rm-icmtierone@ems.att.com
Customer Number 11255

Hardware Supplier – Dell (Servers/Network Switches/Desktops)
Support + 1-800-945-3355 Option 1

Hardware Supplier – Watchguard (firewalls)
Support 1.877.232.3531
Support https://www.watchguard.com
Account Numbers:

80B0283D-2786	dncwgfw01	26 Jan 2015	XTM 330
80B005072-038F	pncwgfw02	26 Jan 2015	XTM 510
80B0052FB-770B	pncwgfw03	07 Feb 2015	XTM 510

Hardware Supplier – NetGear (NAS Arrays)
Support 8662725777
Account Numbers:

ncnas02	Datacenter	RNDP6610	001F33EA1C19
ncnas03	Office	RNDP6610	001F33EA2143

1 Plan Overview

1.1 Plan Updating

It is necessary for the DRP updating process to be properly structured and controlled. Whenever changes are made to the plan they are to be fully tested and appropriate amendments should be made to the training materials. This will involve the use of formalized change control procedures under the control of the CTO.

1.2 Plan Documentation Storage

Copies of this Plan will be stored in secure locations to be defined by the company, including the locked Safe in the CTO's office. Each member of senior management will be issued a hard copy of this plan to be filed at home. Each member of the Disaster Recovery Team and the Business Recovery Team will be issued a hard copy of this plan. A master protected copy will be stored on the company shared drive in a location established for this purpose.

1.3 Backup Strategy

Key business processes and the agreed backup strategy for each are listed below.

The datacenter disaster recovery strategy chosen is a mirrored recovery site at the company's offices in Newport Beach. This strategy entails the maintenance of a duplicate site which will enable switching between the live site (Co-location facility) and the backup site (headquarters).

We maintain an operating environment at our off-site location that closely matches the production systems. In the event of a disaster that renders the main production datacenter inoperable, system operations will be directed to our off-site location.

We perform nightly Encrypted Data and Database backups to LTO Tape Jukeboxes for archival and compliance purposes. Full backup tapes are transported to an off-site location for long term storage.

We employ NAS (Network Attached Storage) Technology to support local and off-site data replication. This technology provides both rapid data restores, and reduced recovery point objectives. Database backups and system data are replicated to NAS on a nightly basis. Database archive logs are replicated to NAS on an hourly basis. The NAS data is then replicated from the datacenter to an identical NAS at the off-site location.

VMware Data Recovery software is used to store de-duplicated image backups of the client systems and allow for both complete system and file level restores.

1.4 Risk Management

There are many potential disruptive threats which can occur at any time and affect the normal business process. We have considered a wide range of potential threats and the results of our deliberations are included in this section. Each potential environmental disaster or emergency situation has been examined. The focus here is on the level of business disruption which could arise from each type of disaster.

Potential disasters have been assessed as follows:

Potential Disaster	Probability Rating	Impact Rating	Brief Description Of Potential Consequences & Remedial Actions
Flood	4	4	All critical equipment is located in a raised floor environment on 1st Floor, however not in an area prone to flooding.
Fire	3	4	Fire suppression system installed in main computer centers. Fire and smoke detectors on all floors.
Tornado	5		
Electrical storms	5		
Act of terrorism	4		
Act of sabotage	4		
Electrical power failure	3	4	Redundant UPS array together with auto standby generator that is tested weekly & remotely monitored 24/7. UPSs also remotely monitored.
Loss of communications network services	4	3	WAN redundancy at ATT datacenter and headquarters.

Probability: 1=Very High, 5=Very Low Impact: 1=Total destruction, 5=Minor annoyance

2 Emergency Response

2.1 Alert, escalation and plan invocation

2.1.1 Plan Triggering Events

Key trigger issues at Datacenter that would lead to activation of the DRP are:

- Total loss of all communications
- Total loss of power
- Flooding of the premises
- Loss of the building

2.1.2 Assembly Points

Where the premises need to be evacuated, the DRP invocation plan identifies two evacuation assembly points:

- Primary – Far end of main parking lot;

- Alternate – Starbucks at corner of Campus and MacArthur

2.1.3 Activation of Emergency Response Team

When an incident occurs the Emergency Response Team (ERT) must be activated. The ERT will then decide the extent to which the DRP must be invoked. Responsibilities of the ERT are to:

- Respond immediately to a potential disaster and call emergency services;
- Assess the extent of the disaster and its impact on the business, data center, etc.;
- Decide which elements of the DR Plan should be activated;
- Establish and manage disaster recovery team to maintain vital services and return to normal operation;
- Ensure employees are notified and allocate responsibilities and activities as required.

2.2 Disaster Recovery Team

The team will be contacted and assembled by the ERT. The team's responsibilities include:

- Establish facilities for an emergency level of service within 2.0 business hours;
- Restore key services within 4.0 business hours of the incident;
- Recover to business as usual within 8.0 to 24.0 hours after the incident;
- Coordinate activities with disaster recovery team, first responders, etc.
- Report to the emergency response team.

2.3 Emergency Alert, Escalation and DRP Activation

This policy and procedure has been established to ensure that in the event of a disaster or crisis, personnel will have a clear understanding of who should be contacted. Procedures have been addressed to ensure that communications can be quickly established while activating disaster recovery.

The DR plan will rely principally on key members of management and staff who will provide the technical and management skills necessary to achieve a smooth technology and business recovery. Suppliers of critical goods and services will continue to support recovery of business operations as the company returns to normal operating mode.

2.3.1 Emergency Alert

The person discovering the incident calls a member of the Emergency Response Team in the order listed:

Emergency Response Team

Contacts	Office Phone	Cell	E-Mail
Primary: Ed Meador	9493995387	9496774916	ed@netchemistry.com
Alternate: Tom Murphy	9493995384	7143055179	tom@netchemistry.com

If not available try:

Contacts	Office Phone	Cell	E-Mail
Primary: Chris Cruttenden	9493995382	9498872677	chris@netchemistry.com
Alternate: Tyler Hesse	9493995383	9493002252	tyler@netchemistry.com

The Emergency Response Team (ERT) is responsible for activating the DRP for disasters identified in this plan, as well as in the event of any other occurrence that affects the company's capability to perform normally.

One of the tasks during the early stages of the emergency is to notify the Disaster Recovery Team (DRT) that an emergency has occurred. The notification will request DRT members to assemble at the site of the problem and will involve sufficient information to have this request effectively communicated. The Business Recovery Team (BRT) will consist of senior representatives from the main business departments. The BRT Leader will be a senior member of the company's management team, and will be responsible for taking overall charge of the process and ensuring that the company returns to normal working operations as early as possible.

2.3.2 DR Procedures for Management

Members of the management team will keep a hard copy of the names and contact numbers of each employee in their departments. In addition, management team members will have a hard copy of the company's disaster recovery and business continuity plans on file in their homes in the event that the headquarters building is inaccessible, unusable, or destroyed.

2.3.3 Contact with Employees

Managers will serve as the focal points for their departments, while designated employees will call other employees to discuss the crisis/disaster and the company's immediate plans. Employees who cannot reach staff on their call list are advised to call the staff member's emergency contact to relay information on the disaster.

2.3.4 Backup Staff

If a manager or staff member designated to contact other staff members is unavailable or incapacitated, the designated backup staff member will perform notification duties.

2.3.5 Alternate Recovery Facilities / Hot Site

If necessary, the hot site at the company's offices in Newport Beach will be activated and notification will be given via email to the client contacts. Hot site staffing will consist of members of the disaster recovery team only for the first 24 hours, with other staff members joining at the hot site as necessary.

2.3.6 Personnel and Family Notification

If the incident has resulted in a situation which would cause concern to an employee's immediate family such as hospitalization of injured persons, it will be necessary to notify their immediate family members quickly.

3 Media

3.1 Media Contact

Assigned staff will coordinate with the media, working according to guidelines that have been previously approved and issued for dealing with post-disaster communications.

3.2 Media Strategies

1. Avoiding adverse publicity
2. Take advantage of opportunities for useful publicity
3. Have answers to the following basic questions:
    - What happened?
    - How did it happen?
    - What are you going to do about it?

3.3 Media Team

Contacts	Office Phone	Cell	E-Mail
Primary: Chris Cruttenden	9493995382	9498872677	chris@netchemistry.com
Alternate: Alex Teng	9493995388	9095481456	ateng@netchemistry.com

3.4 Rules for Dealing with Media

Only the media team is permitted direct contact with the media; anyone else contacted should refer callers or in-person media representatives to the media team.

4 Insurance

As part of the company's disaster recovery and business continuity strategies a number of insurance policies have been put in place. These include errors and omissions, directors & officers liability, general liability, and business interruption insurance.

If insurance-related assistance is required following an emergency out of normal business hours, please contact: Costello & Sons 415 257-2100

Policy Name	Coverage Type	Coverage Period	Amount Of Coverage
Hartford	General Liability	11/1/2012-11/1/2013	2,000,000
Hartford	Auto Liability	11/1/2012-11/1/2013	1,000,000
Hartford	Umbrella Liability	11/1/2012-11/1/2013	2,000,000
Hartford	Workers Comp	11/1/2012-11/1/2013	1,000,000
AXIS	Technology E&O	11/1/2012-11/1/2013	1,000,000

5 Financial and Legal Issues

5.1 Financial Assessment

The emergency response team shall prepare an initial assessment of the impact of the incident on the financial affairs of the company. The assessment should include:

- Loss of financial documents
- Loss of revenue
- Theft of check books, credit cards, etc.
- Loss of cash

5.2 Financial Requirements

The immediate financial needs of the company must be addressed. These can include:

- Cash flow position
- Temporary borrowing capability
- Upcoming payments for taxes, payroll taxes, Social Security, etc.
- Availability of company credit cards to pay for supplies and services required post-disaster

5.3 Legal Actions

The company legal department and ERT will jointly review the aftermath of the incident and decide whether there may be legal actions resulting from the event; in particular, the possibility of claims by or against the company for regulatory violations, etc.

6 DRP Exercising

Disaster recovery plan exercises are an essential part of the plan development process. In a DRP exercise no one passes or fails; everyone who participates learns from exercises – what needs to be improved, and how the improvements can be implemented. Plan

exercising ensures that emergency teams are familiar with their assignments and, more importantly, are confident in their capabilities.

Successful DR plans launch into action smoothly and effectively when they are needed. This will only happen if everyone with a role to play in the plan has rehearsed the role one or more times. The plan should also be validated by simulating the circumstances within which it has to work and seeing what happens.

Appendix A – Forms

Damage Assessment Form

Key Business Process Affected	Description Of Problem	Extent Of Damage

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Management of DR Activities Form

- During the disaster recovery process all activities will be determined using a standard structure;
- Where practical, this plan will need to be updated on a regular basis throughout the disaster recovery period;
- All actions that occur during this phase will need to be recorded.

Activity Name:
Reference Number:
Brief Description:

Commencement Date/Time	Completion Date/Time	Resources Involved	In Charge

Disaster Recovery Event Recording Form

- All key events that occur during the disaster recovery phase must be recorded.
- An event log shall be maintained by the disaster recovery team leader.
- This event log should be started at the commencement of the emergency and a copy of the log passed on to the business recovery team once the initial dangers have been controlled.
- The following event log should be completed by the disaster recovery team leader to record all key events during disaster recovery, until such time as responsibility is handed over to the business recovery team.

Description of Disaster:
Commencement Date:
Date/Time DR Team Mobilized:

Activities Undertaken by DR Team	Date and Time	Outcome	Follow-On Action Required

Disaster Recovery Team's Work Completed: <Date>
Event Log Passed to Business Recovery Team: <Date>

Disaster Recovery Activity Report Form

- On completion of the initial disaster recovery response the DRT leader should prepare a report on the activities undertaken.
- The report should contain information on the emergency, who was notified and when, action taken by members of the DRT together with outcomes arising from those actions.

- The report will also contain an assessment of the impact to normal business operations.
- The report should be given to business recovery team leader, with a copy to senior management, as appropriate.
- A disaster recovery report will be prepared by the DRT leader on completion of the initial disaster recovery response.
- In addition to the business recovery team leader, the report will be distributed to senior management

The report will include:

- A description of the emergency or incident
- Those people notified of the emergency (including dates)
- Action taken by members of the DRT
- Outcomes arising from actions taken
- An assessment of the impact to normal business operations
- Assessment of the effectiveness of the BCP and lessons learned
- Lessons learned

Mobilizing the Disaster Recovery Team Form

- Following an emergency requiring recovery of technology infrastructure assets, the disaster recovery team should be notified of the situation and placed on standby.
- The format shown below can be used for recording the activation of the DR team once the work of the damage assessment and emergency response teams has been completed.

Description of Emergency:
Date Occurred:
Date Work of Disaster Recovery Team Completed:

Name of Team Member	Contact Details	Contacted On (Time / Date)	By Whom	Response	Start Date Required
Relevant Comments (e.g., Specific Instructions Issued)					

Mobilizing the Business Recovery Team Form

- Following an emergency requiring activation of the disaster recovery team, the business recovery team should be notified of the situation and placed on standby.
- The format shown below will be used for recording the activation of the business recovery team once the work of the disaster recovery team has been completed.

Description of Emergency:
Date Occurred:
Date Work of Business Recovery Team Completed:

Name of Team Member	Contact Details	Contacted On (Time / Date)	By Whom	Response	Start Date Required
Relevant Comments (e.g., Specific Instructions Issued)					

Monitoring Business Recovery Task Progress Form

- The progress of technology and business recovery tasks must be closely monitored during this period of time.
- Since difficulties experienced by one group could significantly affect other dependent tasks it is important to ensure that each task is adequately resourced and that the efforts required to restore normal business operations have not been underestimated.

Note: A priority sequence must be identified although, where possible, activities will be carried out simultaneously.

Recovery Tasks (*Order of Priority*)	Person(s) Responsible	Completion Date		Milestones Identified	Other Relevant Information
		Estimated	Actual		
1.					
2.					
3.					
4.					
5.					
6.					
7.					

Preparing the Business Recovery Report Form

- On completion of business recovery activities the BRT leader should prepare a report on the activities undertaken and completed.
- The report should contain information on the disruptive event, who was notified and when, action taken by members of the BRT together with outcomes arising from those actions.
- The report will also contain an assessment of the impact to normal business operations.
- The report should be distributed to senior management, as appropriate.

The contents of the report shall include:

- A description of the incident
- People notified of the emergency (including dates)
- Action taken by the business recovery team
- Outcomes arising from actions taken
- An assessment of the impact to normal business operations
- Problems identified
- Suggestions for enhancing the disaster recovery and/or business continuity plan
- Lessons learned

Communications Form

- It is very important during the disaster recovery and business recovery activities that all affected persons and organizations are kept properly informed.
- The information given to all parties must be accurate and timely.
- In particular, any estimate of the timing to return to normal working operations should be announced with care.
- It is also very important that only authorized personnel deal with media queries.

Groups of Persons or Organizations Affected by Disruption	Persons Selected To Coordinate Communications to Affected Persons / Organizations		
	Name	Position	Contact Details
Customers			
Management & Staff			
Suppliers			
Media			
Stakeholders			
Others			

Returning Recovered Business Operations to Business Unit Leadership

- Once normal business operations have been restored it will be necessary to return the responsibility for specific operations to the appropriate business unit leader.

- This process should be formalized in order to ensure that all parties understand the change in overall responsibility, and the transition to business-as-usual.
- It is likely that during the recovery process, overall responsibility may have been assigned to the business recovery process lead.
- It is assumed that business unit management will be fully involved throughout the recovery, but in order for the recovery process to be fully effective, overall responsibility during the recovery period should probably be with a business recovery process team.

Business Process/Function Recovery Completion Form

The following transition form should be completed and signed by the business recovery team leader and the responsible business unit leader, for each process recovered.

A separate form should be used for each recovered business process.

Name Of Business Process	
Completion Date of Work Provided by Business Recovery Team	
Date of Transition Back to Business Unit Management *(If different than completion date)*	

I confirm that the work of the business recovery team has been completed in accordance with the disaster recovery plan for the above process, and that normal business operations have been effectively restored.

Business Recovery Team Leader Name: _____

Signature: _____

Date: _____

(Any relevant comments by the BRT leader in connection with the return of this business process should be made here.)

I confirm that above business process is now acceptable for normal working conditions.

Name: _____

Title: _____

Signature: _____

Date: _____

Digitally signed by Christopher Cruttenden
DN: cn=Christopher Cruttenden, o=Safety Net Connect, Inc., ou, email=ccruttenden@safetynetconnect.com, c=US
Date: 2013.06.06 17:01:37 -07'00'