

APPROVED

NOV 07 2018

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 18-226

DATE November 7, 2018

C.D. All

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AWARD OF CONTRACT FOR AS-NEEDED SOFTWARE AS A SERVICE (SAAS) BASED – RISK MANAGEMENT INFORMATION SYSTEM AND RELATED PRODUCTS AND SERVICES; USE OF THE SELECTION PROCESS OF THE CITY OF LOS ANGELES OFFICE OF THE CITY ADMINISTRATIVE OFFICER TO PROVIDE THESE SERVICES UNDER CONTRACT NO. C-127779 WITH RISKONNECT, INC.

AP Diaz	_____	V. Israel	_____
R. Barajas	_____	S. Piña-Cortez	_____
H. Fujita	_____	*N. Williams	<u>Now</u>



General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

1. Find that the Department of Recreation and Parks (RAP) desires to secure a contract for Software as a Service (SAAS) Based – Risk Management Information System and related products and services with Riskconnect Inc., for the purpose of managing claims, litigation management, analysis of exposures and claims;
2. Find that Riskconnect, Inc. is experienced in providing Risk Management Information System and related product and services, and is willing to perform such services;
3. Find that Riskconnect, Inc., can provide such services economically and expediently to RAP and it is in RAP's best interest to secure these services with Riskconnect, Inc.;
4. Find, pursuant to Charter Section 371(e)(2), that the professional, scientific, expert, technical or other special services to be provided by Riskconnect, Inc., are of a temporary and occasional character for which competitive bidding is not practicable or advantageous;
5. Find, pursuant to Charter Section 371(e)(8), that the City may, in lieu of undertaking its own competitive bidding or proposal process, utilize (piggyback) the City of Los Angeles Contract No. C-127779 (Appendix A) between Office of the City Administrative Officer (CAO) and Riskconnect, Inc.;

BOARD REPORT

PG. 2 NO. 18-226

6. Find, pursuant to Charter Section 371(e)(10), that the services to be provided by Riskconnect, Inc., are for the performance of professional, scientific, expert or technical services and the use of competitive bidding would be undesirable, impractical or impossible or is otherwise excused by common law;
7. Find that the letter attached hereto dated October 11, 2018 (Appendix B) from Riskconnect, Inc., authorizes RAP to utilize Contract No. C-127779 between CAO and Riskconnect, Inc., for Software as a Service (SAAS) Based – Risk Management Information System and related products and services (CAO Contract);
8. Authorize RAP to enter into the proposed Contract (Attachment 2), substantially in the form attached to this Report as Attachment 2 and incorporating the terms and conditions of the CAO Contract, subject to the review and approval of the Mayor in accordance with Executive Direct No. 3 (Villaraigosa Series), and the City Attorney as to form, between RAP and Riskconnect, Inc., for the purchase and installation Software as a Service (SAAS) Based – Risk Management Information System and related products and services, on an occasional and as needed basis, not-to-exceed One Hundred Fifty Thousand Dollars (\$150,000.00); the term of the proposed Contract being from the date of execution through the remainder of the CAO Contract which is set to expire June 29, 2019;
9. Authorize staff, upon the Board of Recreation and Park Commissioners' (Board) approval, to purchase and setup the Software as a Service (SAAS) Based – Risk Management Information System from Riskconnect, Inc., as described in the Summary of this Report, prior to the execution of the Contract;
10. Direct the Board Secretary to transmit the proposed Contract to the Mayor and to the City Attorney for approval as to form;
11. Authorize RAP's General Manager or his designee to make technical corrections to the proposed Contract consistent with the intent of this Report;
12. Authorize the Board President and Secretary to execute the proposed Contract upon receipt of the necessary approvals.

SUMMARY

The Department of Recreation and Parks (RAP) has an ongoing need for a commercially available integrated multiline risk management information system (RMIS) and related product and services on an occasional and as-needed basis for the purpose of managing claims, litigation management, and analysis of exposures and claims.

Staff is recommending that the Board authorize RAP to piggyback on CAO's competitively bid Contract No. C-127779 with Riskconnect, Inc. (Appendix A). The use of this contract is consistent with RAP's contract terms for achieving the lowest pricing available. A new competitive process facilitated by RAP would therefore not be practicable or advantageous. Further, under the City Charter, contracts for cooperative arrangement with other governmental

BOARD REPORT

PG. 3 NO. 18-226

agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts of those agencies and any implementing agreements, even though the contracts and implementing agreements were not entered into through a competitive bid or proposal process are an exception to the City's competitive bidding requirements.

Riskconnect, Inc., has issued a letter to RAP (Appendix B) which authorizes use of Contract No. C-127779 between CAO and Riskconnect, Inc. RAP will enter into and issue a separate contract with Riskconnect, Inc. (Attachment 2), which will incorporate the terms and conditions of Contract No. C-127779 (Appendix A) and the Standard Provisions for City Contracts (Rev 10/17)[v.3] (Attachment 1). Riskconnect, Inc.'s current contract with CAO will expire on June 29, 2019.

The proposed contract with Riskconnect, Inc. will provide RAP with a Risk Management Information System (RMIS) that will allow RAP Risk Management staff to use the City Attorney's existing and near real-time claims database (CityLaw) to more effectively administer liability claims against RAP. Riskconnect will configure its RMIS with the necessary data forms, data field, and claims workflows based on RAP's business requirements. RAP Risk Management staff will use Riskconnect's configured user-defined data forms and fields and workflows to manage supplemental information for the RAP claims and track timeline and persons taking actions on RAP claims. The RMIS will also provide comprehensive data analytics and reporting capabilities.

The proposed contract is recommended in an amount not-to-exceed One Hundred Fifty Thousand Dollars (\$150,000.00) for the purchase and installation of risk management information system (RMIS) and related product and services on an occasional and as-needed basis. The contract amount is an estimate, and RAP does not guarantee that the contract maximum amount will be reached. RAP, in entering into the contract, guarantees no minimum amount of business or compensation. The contract awarded through this Report shall be subject to funding availability and early termination by RAP, as provided in the Standard Provisions for City Contracts (Rev 10/17)[v.3]. Funding for projects will be provided from Fund 302, Department 89, Account Number 89712H - Computer System Development.

ENVIRONMENTAL IMPACT STATEMENT

No projects are currently associated with this proposed contract. As such there is no direct environmental impact statement required.

FISCAL IMPACT STATEMENT

Executing this proposed contract will enable RAP to carry out integrated multiline risk management information system (RMIS) for the purpose of managing claims, litigation management, and analysis of exposures and claims on an occasional as-needed basis, and has no impact to RAP's General Fund as funding will be identified on a per project basis.

This Report was prepared by Gino Ogtong, Management Analyst and reviewed by Alex Yee, Director of Systems Finance Division.

BOARD REPORT

PG. 4 NO. 18-226

LIST OF APPENDICES / ATTACHMENTS

- 1) Appendix A – Contract No. C-12779 awarded on June 30, 2016 between the CAO and Riskonnect, Inc.
- 2) Appendix B – Letter dated October 11, 2018 from Riskonnect, Inc., authorizing RAP to utilize Contract No. C-127779 between the CAO and Riskonnect, Inc.
- 3) Attachment 1 – Standard Provisions for City Contracts (Rev 10/17)[v.3]
- 4) Attachment 2 – Proposed Contract between RAP and Riskonnect, Inc.

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: June 30, 2016

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): City Attorney's Office

CONTACT PERSONS: Gustavo Plascencia
Curtis Kelley

PHONE: (213) 978-2239

PHONE: (213) 978-7659

CONTRACT NO.: C- 12779

COUNCIL FILE NO.: _____

ADOPTED BY COUNCIL: _____

DATE

APPROVED BY BPW: _____

DATE

NEW CONTRACT XX

AMENDED AND RESTATED _____

ADDENDUM NO. _____

SUPPLEMENTAL NO. _____

CHANGE ORDER NO. _____

AMENDMENT _____

CONTRACTOR NAME: Riskonnet, Inc.

TERM OF CONTRACT: 6/30/16 THROUGH: 6/29/19

TOTAL AMOUNT: \$450,000

PURPOSE OF CONTRACT: Risk Management Information System (RMIS) for the purpose of managing claims, litigation management, and analysis of exposures and claims.

C. 12779

**AGREEMENT FOR
SOFTWARE AS A SERVICE (SAAS) - BASED
RISK MANAGEMENT INFORMATION SYSTEM**

**BETWEEN
THE CITY OF LOS ANGELES
AND
RISKONNECT, INC.**

AGREEMENT FOR RISK MANAGEMENT INFORMATION SYSTEM (RMIS)

THIS AGREEMENT is made and entered into by and between the City of Los Angeles ("City"), a municipal corporation, acting through the Office of the City Attorney ("City Attorney"), and Riskconnect, Inc. a Delaware corporation with a principal office located at 1701 Barrett Lakes Boulevard, Suite 500, Kennesaw, Georgia 30144, and its Affiliates (collectively, herein "Riskconnect" or "Contractor"). This Agreement is effective as of the later of the dates beneath the parties' signatures below (the "Effective Date"), with reference to the following:

RECITALS

WHEREAS, the City of Los Angeles is in need of a commercially available integrated multiline risk management information system (RMIS) for the purpose of managing claims, litigation management, and analysis of exposures and claims; and

WHEREAS, in October, 2015 the City Attorney in conjunction with the Office of the Chief Administrative Officer (CAO) conducted a competitive process, seeking proposals from vendors capable of providing the City with an RMIS; and

WHEREAS, Contractor responded to the competitive process with a proposal indicating that it has the requisite expertise and competence to perform the professional services sought by the City; and

WHEREAS, the City has selected Contractor, to develop, implement, and provide licenses for an RMIS in accordance with the specifications articulated by the City during the competitive process; and

WHEREAS, the professional legal services to be performed are of an expert and technical nature and are temporary and occasional in character; and

WHEREAS, City Attorney will retain control and oversight of the agreement, and the Office of the City Administrative Officer (CAO) will pay for, and utilize the system; and

NOW, THEREFORE, in consideration of the promises, covenants, terms and conditions contained herein, the parties hereby covenant, agree and represent as follows:

I. PARTIES TO THE AGREEMENT AND REPRESENTATIVES:

1. PARTIES TO THE AGREEMENT

The parties to this Agreement are:

- A. City – The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, California 90012.
- B. Contractor – Riskconnect, Inc. a Delaware corporation with a principal office located at 1701 Barrett Lakes Boulevard, Suite 500, Kennesaw, Georgia 30144.

1.1 REPRESENTATIVES OF THE PARTIES

The representatives of the parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

- A. The City’s representative is, unless otherwise stated in the Agreement:

Gustavo Plascencia
Office of City Attorney Mike Feuer
200 N. Main Street, 8th Floor
Los Angeles, CA 90012
(213) 978-2239

With copies to:

Curtis Kelley
Risk Manager II
Office of the Chief Administrative Officer
200 N. Main Street, 12th Floor
Los Angeles, CA 90012

- B. The Contractor’s representative is, unless otherwise stated in the Agreement:

Chief Financial Officer
Riskconnect, Inc.
1701 Barrett Lakes Boulevard, Suite 500,
Kennesaw, Georgia 30144.

With copies to: legal@riskonnct.com

1.2 FORMAL NOTICES

Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing.

1.3 NOTICES OF CHANGE

If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice will be given in accord with this Section, within five (5) working days of said change.

II. TERMS OF USE:

1. GENERAL

Riskonnct will provide City Users with use of the City configuration of the Riskonnct Service as outlined in this Agreement. The services provided by Riskonnct will be specified in the statement of work (“**Statement of Work**” or “**SOW**”), attached, and any written addendum which references this Agreement and executed by both parties. The SOW is attached hereto as **Exhibit A**. Capitalized terms used without definition in this Agreement have the meanings specified in Section 15 of this Agreement.

2. PRIVACY & SECURITY; DATA; CONFIDENTIAL INFORMATION

2.1 City shall always own its Data.

2.2 Riskonnct shall maintain and handle all City Data in accordance with privacy and security measures reasonably adequate to preserve the confidentiality and security of City Data. Riskonnct shall also maintain and handle all City Data in accordance with all applicable privacy laws and regulations.

2.3 Riskonnct will restrict access to City Data to Riskonnct employees, affiliates' employees, or others who need to know that information to provide services to City or in the course of conducting its normal business operations. Riskonnct will maintain appropriate physical, electronic, and procedural safeguards to protect City Data.

2.4 Riskonnct will use City Data for the purposes described in this Agreement. Riskonnct will not sell, license, transmit or disclose this information outside of Riskonnct unless: (1) City expressly authorize Riskonnct to do so; (2) it is necessary to allow Riskonnct's Licensors to

perform services under this Agreement; (3) in order to provide Riskonnect products or services to City; (4) it is necessary in connection with a sale of all or substantially all of the assets of Riskonnect or the merger of Riskonnect into another entity or any consolidation, share exchange, combination, reorganization, or like transaction in which Riskonnect is not the survivor (provided the terms and conditions of this Agreement are not adversely impacted by the successor entity in the sale); or (5) otherwise as Riskonnect is required by law. Notwithstanding the foregoing, Riskonnect is responsible for any disclosures of City Data by Riskonnect's Licensors made contrary to the terms of this Agreement.

2.5 As used herein, "Confidential Information" means all confidential and proprietary information of a party disclosed to the other party, whether orally, in writing or electronically, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure, including the terms and conditions of this Agreement (including pricing), City Data, the Riskonnect Service, business and marketing plans, screenshots, technology and technical information, product designs, and business processes. Confidential Information (except for City Data) shall not include any information that: (i) is or becomes generally known to the public without breach of any obligation owed to the other party; (ii) was known to a party prior to its disclosure by the other party without breach of any obligation owed to the other party; (iii) was independently developed by a party without breach of any obligation owed to the other party; or (iv) is received from a third party without breach of any obligation owed to the other party.

2.6 Each party agrees to protect the confidentiality of the Confidential Information of the other party in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind (but in no event using less than reasonable care). If a party is compelled by law to disclose Confidential Information of the other party, it shall provide the other party with prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure.

2.7 If a party discloses or uses (or threatens to disclose or use) any Confidential Information of the other party in breach of confidentiality protections hereunder, the other party shall have the right, in addition to any other remedies available to it, to seek injunctive relief to enjoin such acts, it being specifically acknowledged by the parties that any other available remedies are inadequate.

2.8 As a customer of the Riskonnect Service, City agrees that in the normal course of conversation, Riskonnect may orally disclose the fact that City is a customer.

3. RIGHT TO USE THE RISKONNECT SERVICE; RESTRICTIONS

3.1 Subject to the terms and limitations set forth in this Agreement and provided that both parties are in compliance with this Agreement, Riskonnect hereby grants to City, a revocable, worldwide, non-exclusive, non-sublicensable, non-transferable (except as set forth in Section 13 (Assignment)), license for City Users to use City configuration of the Riskonnect Service and the services of its Licensors, solely for City's own internal business purposes and as specified in the

exhibits attached hereto and incorporated herein. All rights not expressly granted to City are reserved by Riskonnect and its Licensors. To the extent necessary in the provision of their services to City, City Affiliates and Contractors are entitled to access and use the Riskonnect Service in accordance with this Agreement and are entitled to all rights and benefits granted to City hereunder as long as City remains accountable for their acts or omissions relating to this Agreement. "Contractor" means any third party employed or retained by City to perform services for or on City's behalf.

3.2 Notwithstanding any access City or City Users may have to the services of Riskonnect's Licensors via City's configuration of the Riskonnect Service, Riskonnect is the sole provider of the Riskonnect Service, and City is entering into a contractual relationship solely with Riskonnect and not Riskonnect's Licensors.

3.3 As an express condition of City configuration of the Riskonnect Service and the services of Riskonnect's Licensors, City agrees that the City shall not (i) license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, timeshare, provide on a service bureau basis or otherwise commercially exploit or make available to any third party the Riskonnect Service (or Riskonnect's Licensors) (ii) modify or make derivative works based upon the Riskonnect Service or the Content [for clarity, reports, data and surveys generated by City using the Riskonnect Service and Content are excluded from this section] (iii) create Internet "links" to the Riskonnect Service or "frame" or "mirror" any Content other than on City's own intranets or otherwise for City's own internal business purposes; or (iv) reverse engineer or access the Riskonnect Service in order to (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of the Riskonnect Service, or (c) copy any ideas, features, functions or graphics of the Riskonnect Service. City also shall not (i) modify, copy or create derivative works based on the services of Riskonnect's Licensors; (ii) frame or mirror any content forming part of the services of Riskonnect's Licensors, other than on City's own intranets or otherwise for City's own internal business purposes; (iii) reverse engineer the services of Riskonnect's Licensors; or (iv) access the services of Riskonnect's Licensors in order to (A) build a competitive product or service, or (B) copy any ideas, features, functions or graphics of the services of Riskonnect's Licensors.

3.4 Each user license cannot be shared or used by more than one User but City shall have the right to deactivate User-Id's of one User and, for no additional charge, request Riskonnect to activate a new User-Id of the same type for another User for the balance of the remaining License Term (otherwise described herein as a contract year). At all times, City shall not permit User-Id sharing.

3.5 City's license to use City configuration of the Riskonnect Service includes the use of products and services of Riskonnect's Licensors that are provided in City's configuration of the Riskonnect Service. City's license does not include a license to use applications provided directly by Riskonnect's Licensors outside of the Riskonnect Service.

3.6 City may use the Riskonnect Service only for City's internal business purposes and shall not: (i) send spam or otherwise duplicative or unsolicited messages in violation of applicable laws; (ii) send or store infringing, obscene, threatening, libelous, or otherwise unlawful or

tortious material, including material that is harmful to children or violates third party privacy rights; (iii) send or store viruses, worms, time bombs, Trojan horses or other harmful or malicious code, files, scripts, agents or programs; (iv) interfere with or disrupt the integrity or performance of the Riskconnect Service or the data contained therein; or (v) attempt to gain unauthorized access to the Riskconnect Service.

3.7 City is responsible for all activity occurring under City User accounts and shall abide by all applicable local, state, and national laws in connection with City's use of the Riskconnect Service, including those related to data privacy, international communications and the transmission of technical, financial or personal data.

3.8 Any subcontract entered into by Contractor relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the City's license rights are preserved and protected as intended herein. Failure of Contractor to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of Contractor's contract with the City.

3.9 Riskconnect reserves the right to suspend any User that Riskconnect reasonably determines has violated the terms of this Agreement. Riskconnect will not be liable for any loss or damage arising from a User's failure to comply with User's obligations hereunder.

4. ACCOUNT INFORMATION AND DATA

4.1 Data Generally. As the parties agree that City shall always own City Data, City expressly agrees to have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all of City's Data. Riskconnect shall not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store any of City's Data caused by City or City's Users.

4.2 Integration of Non-Riskconnect Service Applications. Third parties may make available to City third-party products, services or applications unrelated to the Riskconnect Service and implementation and other consulting services ("Non-Riskconnect Service Applications"). Any acquisition by City of such non-Riskconnect Service Applications, and any exchange of data between City and any third-party, is solely between City and such third party. Riskconnect does not warrant or support, and shall have no liability whatsoever for, any Non-Riskconnect Service Applications, whether or not they are designated by Riskconnect Service as "certified", "compatible", or otherwise.

4.3 Modifications Performed By City. Riskconnect does not warrant or support, and shall have no liability whatsoever for, any configuration or development work to the Riskconnect Service that is performed by City.

5. INTELLECTUAL PROPERTY OWNERSHIP

Except as otherwise stated herein, the following provision shall apply, in lieu of Standard Provisions for City Contracts section PSC-23 ("Ownership and License). Riskconnect alone (and its Licensors, where applicable) shall own all right, title and interest, including all related Intellectual Property Rights, in and to the Riskconnect Service, the Software, the Riskconnect Technology and any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by City or any other party relating to the Riskconnect Service. This Agreement, including the applicable Statement of Work and supporting order forms, constitute a transaction for the Riskconnect Service; however, this Agreement does not convey to City any rights of ownership in or related to the Riskconnect Service, Riskconnect Technology, Software or the Intellectual Property Rights owned by Riskconnect and its Licensors, where applicable. The Riskconnect name, the Riskconnect logo, and the product names associated with the Riskconnect Service and its Licensors are trademarks of Riskconnect or third parties, and no right or license is granted to use them unless prior written consent is granted by authorized representatives of Riskconnect.

6. FEES AND PAYMENT

6.1 **Fees Generally.** As consideration for City's use of the Riskconnect Service, City shall pay Riskconnect the compensation articulated in Exhibit A (Statement of Work) attached hereto, with a total amount not to exceed four hundred and fifty thousand dollars (\$450,000) for the three year term of the Agreement. Any increase in appropriation or compensation must be agreed upon in writing by the parties.

Except as otherwise specified herein, in the foregoing exhibits, order forms, or addenda, City acknowledges and agree that: (i) Riskconnect charges and collects annually for use of the Riskconnect Service and all related services (ii) annual fees are based on the number of licenses ordered and not actual usage, (iii) payment obligations are non-cancelable and fees paid are non-refundable, (iv) payment for annual renewals of each License Term (contract year) is due on the renewal date of the License Term, (vi) all travel expenses necessary to carry out Riskconnect's deliverables under this Agreement and pre-approved by City will be invoiced separately; and (vii) payment hereunder shall be rendered in United States Dollars.

The City's obligation to make payments under this contract shall be limited to the current appropriation(s) for that purpose. If the City appropriates additional funds for this contract, the City payment obligations shall be expanded to the extent of such appropriation(s), subject to the terms and conditions of the contract, and an amendment implementing that change shall be executed by the parties. The Contractor shall not provide any services, goods or equipment, and the City shall not pay for any services, goods or equipment provided, in excess of the funds appropriated by the City for this Contract.

6.2 User License Fees. In addition to the terms outlined in Section 6.1, City is responsible for paying for all User license subscriptions and services ordered for an entire License Term under the payment terms set forth herein in Section 6.4. City may reduce its number of User id licenses only in accordance with Section 8.2 herein. City may increase its number of User id license at any time in accordance with Section 8.3 herein.

6.3 Data Infrastructure Fees. While Data Infrastructure is inherent in the City's configuration of the Riskconnect Service, Riskconnect charges City for the amount of data and file storage space City utilizes in the Riskconnect Data Infrastructure as detailed in the SOW. The City shall be able to monitor City data and file storage space in the Riskconnect Service. If City exceeds the amount of data or file storage subscribed by City in the SOW, City shall be charged the excess Data Infrastructure subscription fees set forth in the SOW. The Riskconnect Service includes administrative features that permit City to view and monitor City's utilization of data or file storage space in the Riskconnect Data Infrastructure.

Riskconnect will use reasonable efforts to notify City when the data or file storage used in the City's configuration of the Riskconnect Service reaches approximately 90% of the maximum; however, any failure by Riskconnect to so notify City shall not affect City's responsibility for additional Data Infrastructure storage fees. Riskconnect reserves the right to establish or modify its general practices and limits relating to data infrastructure pertaining to City Data as long as Riskconnect provides City thirty (30) days' notice of such modification; provided that any such changes do not adversely impact the City Data Infrastructure limits or rights as agreed to in this Agreement.

6.4. Billing. All fees are due at the time of renewal of a License Term. Upon the renewal of a License Term, Riskconnect will automatically issue City an invoice and City agrees to pay sixty (60) calendar days from receipt of invoice Riskconnect's fees are exclusive of all taxes, levies, or duties imposed by taxing authorities, and City shall be responsible for payment of all such taxes, levies, or duties, excluding only United States (federal or state) taxes based solely on Riskconnect's income.

City agrees to provide Riskconnect with complete and accurate billing and contact information, and to update this information within thirty (30) days of any change to it.

6.5 Fee Changes. After the initial twelve (12) months of this Agreement, Riskconnect reserves the right to modify its fees and charges, upon written notice to City at least seventy five (75) days' prior to the end of the then current License Term, which notice may be provided to City's billing contact by e-mail; provided however, that: (i) Riskconnect shall not increase the fees and charges more than once in any consecutive twelve (12) month period; and (ii) any such increase shall not exceed the Consumer Price Index (CPI) for the Greater Los Angeles Area for the applicable fees or charges payable during the immediately preceding twelve (12) month period.

7. TERMINATION

7.1 Termination for Convenience. In lieu of Standard Provision for City Contracts section PSC-10(a) (“Termination for Convenience”), the following provision shall apply. Either party may terminate this Agreement if it notifies the other party in writing with at least sixty (60) calendar days prior to the expiration of then current License Term.

7.2 Termination By City for Cause. In lieu of Standard Provision for City Contracts section 10(b) (“Termination for Breach of Contract”), the following provision shall apply. In addition to any other rights granted to City in this Agreement or under law, City has the right to terminate this Agreement upon written notice due to:

- a) a material breach of a term, representation, or warranty under this Agreement (including a material breach under an Exhibit to this Agreement) by Riskconnect if such material breach is not remedied within thirty (30) days following receipt of written notice from City; or
- b) a third party’s claim that the Riskconnect Service, Content, Data Infrastructure, Professional Services, Riskconnect Technology, Software, any other services and products provided by Riskconnect, Riskconnect Licensors or other third parties the and Intellectual Property Rights associated thereof, infringes upon such party’s intellectual property right.

7.3 Termination/Suspension by Riskconnect for Cause. In lieu of Standard Provision for City Contracts section 10(b) (“Termination for Breach of Contract”), the following provision shall apply. In addition to any other rights granted to Riskconnect herein or under law, Riskconnect reserves the right, upon thirty (30) days’ written notice to City, to suspend or terminate this Agreement or SOW, in whole or in part, and City’s access to and use of the Riskconnect Service due to:

- a) any amounts owed by City that are delinquent greater than thirty (30) days; or
- b) a material breach of the terms of this Agreement, other than a payment obligation, by City if such breach is not remedied within thirty (30) days following receipt of notice of such breach from Riskconnect; and
- (c) a third party’s claim that City’s use of the Riskconnect Service, City Data, City Intellectual Property, or that of City Contractors, infringes upon such party’s intellectual property rights.

7.4 Suspension of Service & Acceleration.

7.4.1 During Suspension, the City will not be charged any fees associated with this Agreement.

7.4.2 Except for termination arising from Riskconnect’s breach of this Agreement (in which case City will be obligated only to pay the amounts then due for conforming services provided up to the date of termination), if City or Riskconnect initiates termination of this Agreement, City will be obligated to pay the balance then due on City’s account computed in accordance with Section 6 (Fees and Payment) under payment terms set forth in Section 6.4. City agrees that Riskconnect may bill City for such unpaid fees.

7.5 Data Portability and Deletion. In the event this Agreement expires or terminates for any reason, Riskconnect shall make available to City a file of City Data in CSV file format within 30 days of the effective date of termination. Furthermore, City agrees and acknowledges that Riskconnect has no obligation to retain City Data and thus Riskconnect may delete City Data after thirty (30) of the effective date of termination of the Agreement.

8. TERM; CHANGE IN NUMBER OF LICENSES

8.1 Term. The initial term of this Agreement commences on the Effective Date and shall continue for a period of three (3) years (each a License Term) unless this Agreement is terminated sooner in accordance with this Agreement. If City does not renew the Agreement, then this Agreement will automatically terminate on the last day of the Initial Term, after which Riskconnect shall return City Data in accordance with Section 7.5 and City's right to use the Riskconnect Service will automatically terminate.

8.2. Reduction of User Id and Data Infrastructure Licenses. Notwithstanding the foregoing, City may reduce the number of User Id and Data Infrastructure licenses by providing Riskconnect written notice at least sixty (60) calendar days before the end of the applicable License Term. For clarity, since no refund is available to Riskconnect from salesforce.com under the following scenario, if City chooses to reduce User Id or a Data Infrastructure License, then City agrees there will be no refund (prorated or otherwise) of license fees already paid for in the applicable License Term in which City provides the written notice and the reduction in license will take effect on the first day of the next License Term. Data Service and support hour subscriptions may be reduced at any time.

8.3. Increase in User Id and Data Infrastructure Licenses. City may order additional or new User Id and Data Infrastructure licenses by signing and providing Riskconnect with the Order Form attached hereto as Exhibit E. The terms of any additional or new licenses shall be expressly subject to the terms and conditions of this Agreement, including any set forth in Exhibit B. If a new license is added after the beginning of a License Term, the cost of any increase in the City's number of licenses will be prorated based on the time remaining in the then-current License Term.

9. PROFESSIONAL SERVICES, USER ACCEPTANCE, SUPPORT, AND UPGRADES.

9.1 Professional Services. City shall appoint a qualified member of City staff who will operate as City's primary interface between City and Riskconnect and who will ensure that City personnel interface with Riskconnect personnel in a manner conducive to facilitating Riskconnect's Professional Services or deliverables under this Agreement, including the timely evaluation and testing of Professional Services and project deliverables as set forth in Exhibit A (or any subsequent order form).

9.2 User Acceptance. Prior to each deliverable being submitted to City for user acceptance, the parties shall agree to a mutually acceptable time frame for City to test and accept the

deliverable. If City does not provide acceptance or rejection within the mutually agreed upon time frame, the applicable deliverable(s) shall be deemed to have been accepted. In the case of any rejection, City shall provide Riskconnect reasonably detailed, written reasons for City's determination and Riskconnect shall use best efforts to correct critical errors (as determined by City) and use commercially reasonable efforts to correct all other errors reasonably requested by City and accepted by Riskconnect. In the event City rejects deliverable(s) a second time and Riskconnect disagrees with such rejection, then the parties shall escalate the issue(s) to senior management of both parties for mutual resolution.

9.3 Support.

9.3.1 For the benefit of City Users, Riskconnect shall provide the Riskconnect Service and Riskconnect's support services to City as set forth in **Exhibit C** (Uptime; Support Services & Upgrades) and City agrees to pay for these Services as specified in the applicable SOW.

9.3.2 **Data Transfer Protocols (DTPs).** Riskconnect may receive City Data that may be sent from City or City third parties in order to perform data interface services. Unless otherwise specified in writing, Riskconnect is responsible for the execution and verification of all implementation and ongoing data interfaces provided that the following DTPs are followed:

- A. City shall be responsible for the delivery of electronic files, for conversion and interfaces, in generally accepted, standard, readable formats.
- B. City is responsible for making all arrangements with third parties to secure data for conversion and interfaces and City is responsible for any fees associated with the request in order for City third party to perform the work. Riskconnect will not be responsible for third party costs in generating or transmitting City Data from or to City third parties (e.g.) third party administrators "TPAs";
- C. For each one-time implementation data interface, City shall provide Riskconnect an initial file and a go-live file and the go-live file must be in the same layout and format as the initial file.
- D. City shall be responsible for the delivery of a data dictionary for each data interface.
- E. Tables and fields must have consistently defined relationships (referential integrity). Tables must be received as merged (de-normalized) to provide a single flat file for each component (e.g.) Claim, Claim Transactions, and/or Location Hierarchy). Table structures and field formats must remain consistent in subsequent submissions.
- F. City shall cause all data transmitted by City or on City's behalf to or from Riskconnect or the Riskconnect Service to be encrypted using PGP encryption.
- G. Riskconnect does not print checks or generate check requests.
- H. If City chooses to transmit data to or from Riskconnect or the Riskconnect Service that contains personal information subject to protection under applicable laws and regulations in a manner that is not compliant with Riskconnect's DTPs as set forth herein and/or provided to City subsequent to the Agreement and attached hereto (herein the "Non-Compliant Data"), then City agrees that;

- i. Riskconnect shall not be liable for and shall not be required to hold harmless, provide defense, or provide indemnification for any breach of Non-Compliant Data or for errors or omissions in the transmission of such Non-Compliant Data not caused by Riskconnect; and
- ii. Riskconnect shall not be required to make such Non-Compliant Data any more secure or compliant with the applicable laws than the form in which such non-compliant data is received by Riskconnect; provided that Riskconnect treats the Non-Compliant Data in the same way that it treats all City Data.

10. INDEMNIFICATION

10.1 The City is self-insured and will be responsible for its own negligence in accordance with the limits set by law.

10.2 Notwithstanding any provision herein to the contrary and in addition to Riskconnect's express indemnification undertakings in Appendix "A", Standard Provisions for City Contracts (Rev. 03/09) Section PSC-20 and subject to Section 10.4 and Section 12 below, Riskconnect shall indemnify and hold City and City subsidiaries, Affiliates, officers, directors and employees and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest harmless from and against any and all claims, costs, damages, losses, liabilities and expenses (including reasonable attorneys' fees and costs) arising out of or in connection with: (i) a third party claim alleging that the Riskconnect Service, Content, Software or Riskconnect Technology infringes or misappropriates the rights of, or has caused harm to, a third party; or (ii) a third-party claim alleging Riskconnect's gross negligence or willful misconduct with regards to City Confidential Information.

Riskconnect and Riskconnect's respective insurers shall not be liable for and shall not be required to hold harmless, provide defense or indemnification for errors and omissions caused by City or third parties that City utilize to transmit data to Riskconnect.

10.3. Intellectual Property Indemnification

Contractor, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the City, and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by Contractor, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the City's actual or intended use of any Work Product furnished by Contractor, or its

subcontractors of any tier, under the Agreement. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of this section shall survive expiration or termination of this Contract.

10.4 **Procedure.** Unless a third party obligation provides otherwise, the defense and payment obligations set forth in this Section will be conditional upon the following:

- (i) The City will notify Riskconnect of any such claim in writing and tender the defense thereof within a reasonable time; and
- (ii) Riskconnect will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (a) when substantial principles of government or public law are involved, when litigation might create precedent affecting future City operations or liability, or when involvement of the City is otherwise mandated by law, the City may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (b) where a settlement would impose liability on the City, affect principles of California government or public law, or impact the authority of the City, the City will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (c) the City will reasonably cooperate in the defense and in any related settlement negotiations.

11. WARRANTIES AND DISCLAIMER OF WARRANTIES.

11.1 **Riskconnect's Warranties.** In lieu of Standard Provisions for City Contracts section PSC-22 ("Intellectual Property Warranty") and PSC-26 ("Warranty and Responsibility of Contractor"), the following section shall apply. Riskconnect warrants that: (a) it has the right to grant the License to use the Software as set out in this Agreement; (b) the Software and services will materially perform in conformity with this Agreement; (c) it has not knowingly included any viruses with the Software and the medium on which it was originally provided to City; (d) support and services will be provided with reasonable skill and care conforming to generally accepted software industry standards, and (e) if City is unable to utilize the Platform Service due to salesforce.com inability to offer the Platform Service, Riskconnect will provide City with prorated reimbursement commensurate with the amount of time the Platform Service does not function properly.

11.2 **City Warranties.** City represents and warrants that: (a) City and City Users, where applicable, own all right, title, and interest in and to, or otherwise have the right to grant the use of City Data and associated Intellectual Property Rights as set forth in this Agreement; (b) City Data will not knowingly infringe upon a third party's intellectual property right, including, without limitation, copyright, patent, or trademark; and (c) City and City Users shall not knowingly include any viruses or malware with City Data.

11.3 **Platform Service Continuity Warranty.** The only warranty offered by Riskconnect's platform licensor, salesforce.com (herein "SFDC"), to City in connection with this Agreement is expressly provided in **Exhibit D** attached hereto and incorporated herein.

11.4 LICENSORS' WARRANTY DISCLAIMER. NOTHING IN THIS SECTION 11.4 SHALL LIMIT ANY OF RISKONNECT'S WARRANTIES OR INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THOSE THAT RISKONNECT MAKES AND/OR PROVIDES ON BEHALF OF RISKONNECT'S LICENSORS. EXCEPT AS PROVIDED IN SECTION 11.3, RISKONNECT'S LICENSORS MAKE NO WARRANTIES OF ANY KIND, INCLUDING BUT NOT LIMITED TO WITH RESPECT TO THE PLATFORM SERVICE, AND/OR THE RISKONNECT SERVICE, WHETHER EXPRESS, IMPLIED, STATUTORY. RISKONNECT'S LICENSORS DO NOT REPRESENT OR WARRANT THAT: (A) THE RISKONNECT SERVICE WILL BE AVAILABLE, TIMELY, UNINTERRUPTED OR ERROR-FREE; (B) THE RISKONNECT SERVICE OR ANY OF THE PRODUCTS AND SERVICES OFFERED BY RISKONNECT'S LICENSORS WILL MEET CITY'S REQUIREMENTS OR EXPECTATIONS; (C) ANY DATA STORED USING THE RISKONNECT SERVICE WILL BE ACCURATE, RELIABLE, OR (D) ERRORS OR DEFECTS IN THE RISKONNECT SERVICE WILL BE CORRECTED, TO THE MAXIMUM EXTENT PERMITTED BY LAW, RISKONNECT'S LICENSORS DISCLAIM ALL CONDITIONS, REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE PLATFORM SERVICE, THE RISKONNECT SERVICE, AND ANY OF THE PRODUCTS AND SERVICES OFFERED BY RISKONNECT'S LICENSORS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

11.5 CITY WILL SELF-INSURE AND RISKONNECT WILL UNDERTAKE COMMERCIALY REQUIRED EFFORTS TO MITIGATE ANY LOSS OR CLAIM RELATED TO A BREACH OF WARRANTY BY THE OTHER PARTY.

11.6 THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE.

12. LIMITATION OF LIABILITY

12.1 Except as otherwise required under indemnification in Section 10 of this Agreement, the aggregate liability of the Contractor for Professional Liability (errors & omissions) claims in any way arising out of or relating to the services performed under the Agreement shall be limited to and not exceed one million dollars (\$1,000,000). In no event shall Riskonnect be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs).

12.2 TO THE EXTENT THAT ANY CLAIMS ARISE FROM A RISKONNECT'S DATA PRIVACY OBLIGATIONS OR THIRD PARTY INDEMNIFICATION OBLIGATIONS RELATED TO A DATA BREACH, THEN IN NO EVENT SHALL THE LIABLE PARTY'S AGGREGATE LIABILITY HEREUNDER EXCEED \$30,000,000.

12.3 The above limitations shall not limit Riskonnect's liability for personal injury or death or for damage to real property or tangible personal property caused by the negligence or willful misconduct of Riskonnect or its employees; liability for infringement of the other party's intellectual property rights, or liability for payment of interest added by a court of law or an arbitration panel to a judgment entered in any action or proceeding under this Agreement

12.4 The above limitations will not limit City's payment obligations under this Agreement.

12.5 THE FOREGOING DISCLAIMERS AND LIMITATIONS WILL APPLY TO THE EXTENT PERMITTED BY LAW.

13. ASSIGNMENT.

In lieu of Standard Provisions for City Contracts section PSC-13 ("Prohibition Against Assignment or Delegation"), Section 13 of this Agreement shall apply.

13.1 Neither party may assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without the other party's prior written approval (not to be unreasonably withheld); provided, however, either party may, upon reasonable written notice, assign this Agreement in its entirety without the other party's consent to (i) a parent or subsidiary or (ii) in connection with a merger, acquisition, corporate reorganization, change in control, or sale of all or substantially all of its assets. A party may exercise its right to terminate this the Agreement for convenience pursuant to Section 7.1 in the event of such assignment.

13.2 Notwithstanding the foregoing, if a party is acquired by, sells substantially all of its assets to, or undergoes a change of control in favor of, a direct competitor of the other party, then such other party may terminate this Agreement upon written notice. In the event of such a termination by City, Riskonnect will refund to City any prepaid fees covering the remainder of the applicable License Term in which termination is exercised.

13.3 Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns.

13.4 Any purported assignment in violation of this section shall be void.

14. GENERAL PROVISIONS

14.1 Applicable Law, Interpretation, and Enforcement

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. Riskonnect shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

In any action arising out of this Agreement, Riskconnect consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

14.2 Standard Provisions for City Contracts. To the extent they do not conflict with the provisions of this Agreement, Riskconnect must comply with the requirements of the *Standard Provisions for City Contracts (Rev. 3/09)*, attached hereto as Appendix A and incorporated herein by reference.

14.3 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect.

14.4 Relationship of the Parties. No joint venture, partnership, employment, or agency relationship exists between City and Riskconnect as a result of this Agreement or use of the Riskconnect Service.

14.5 Third Party Beneficiaries. There are no third party beneficiaries to this Agreement, except Salesforce.com shall be a third party beneficiary to this Agreement solely as it relates to the provisions herein that relate to the use of the Platform Service.

14.6 No Waiver of Rights. The failure of either party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by either party in writing.

14.8 Force Majeure. Neither party shall be liable to the other for any failure or delay in the performance of its obligations (except for required payments obligations above) for any cause that is beyond the reasonable control of such party, including, without limitation, acts of God, shortages of supplies, labor or materials, strikes and other labor disputes, storms, floods, acts of war or terrorism, failure of third party hardware, software, services or networks, failure of service providers (excluding Riskconnect's Licensors), utility blackouts or brownouts, failure of telecommunications or the internet, and actions by a governmental authority (such as changes in government codes, ordinances, laws, rules, regulations, or restrictions).

14.9 Surviving Provisions. The sections titled "Privacy & Security; Data; Confidential Information"; "License Grant & Restrictions"; "Account Information and Data", "Intellectual Property Ownership"; "Fees and Payment," " Termination"; "Warranties and Disclaimer of Warranties," "Indemnification," "Limitation of Liability," Assignments"; and all provisions in "General Provisions," will survive any termination or expiration of this Agreement; provided however, all representations, warranties, rights of use, and license grants from either party to the other party herein terminate upon termination or expiration of this Agreement unless otherwise agreed in writing by duly authorized representatives of each party

14.10 Entire Agreement; Order of Precedence. This Agreement, the Standard Provisions for City Contracts (Rev. 3/09), together with the Statement of Work and any applicable order form, comprises the entire agreement between City and Riskconnect and supersedes all prior or

contemporaneous negotiations, discussions or agreements, whether written or oral, between the parties regarding the subject matter contained herein. In the event of any inconsistencies between the Master Services Agreement and any SOW or exhibit, the conflict shall be resolved in the following order of descending priority: (1) Master Services Agreement, (2) Standard Provisions for City Contracts (Rev. 3/09), (3) SOW, and (4) any applicable exhibit. No text or information set forth on any other purchase order, preprinted form or other document (not included in this Agreement) shall add to or vary the terms and conditions of this Agreement unless otherwise signed by authorized representatives of the parties (in the case of Riskonnect, this shall mean the CEO or CFO).

15. DEFINITIONS

As used in this Agreement and in any Statement of Work or related order form or addendum now or hereafter associated herewith:

- i. **"Affiliate"** means with respect to a party, any corporation, partnership, firm, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization, governmental organization or body that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with that party. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, organization or body, whether through the ownership of voting securities or otherwise.
- ii. **"Agreement"** means the terms of this agreement, those online terms of use, any applicable Statement of Work order forms, and any materials available on the Riskonnect website specifically incorporated by reference herein, as such materials, may be updated by Riskonnect from time to time in its sole discretion (Riskonnect will notify City of any said updates); If there is a dispute between the express terms of this Agreement and the terms and conditions of any web page, statement of work, work order or purchase order, the express terms and conditions of this Agreement shall prevail.
- iii. **"Confidential Information"** shall have the meaning given in Section 2.5
- iv. **"Content"** means the audio and visual information, documents, software, products and services contained or made available to City in the course of using the Riskonnect Service (excluding City Data);
- v. **"Control"** (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or otherwise.
- vi. **"Data Infrastructure"** relates to the powerful and multifaceted data processing abilities offered to City within the Riskonnect Service, including but not limited to, data security, disaster recovery, sandbox environment (quality assurance), and history tracking within City organization's account configured in the Riskonnect Service platform.
- vii. **"Effective Date"** means the date set forth on the first page of this Agreement;
- viii. **"Initial Term"** means the contract term, consisting of three (3) separate License Terms, beginning on the Effective Date and ending thirty-six (36) months thereafter;
- ix. **"Intellectual Property Rights"** means unpatented inventions, patent applications, patents, design rights, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how, screenshots and other trade secret rights, and all other intellectual property rights, derivatives thereof, and forms of protection of a similar nature anywhere in the world.

- x. **"Licensor(s)" or "Riskconnect's Licensors"** means third party platform and utility providers of Riskconnect including but not limited to salesforce.com (cloud platform provider) and Rackspace (provider of secure server for converting source data);
- xi. **"Non-Compliant Data"** shall have the meaning given in Section 9.3.2.
- xii. **"Platform Service"** means the online, Web-based platform service provided by salesforce.com to Riskconnect in connection with Riskconnect's provision of the Riskconnect Service.
- xiii. **"Professional Services"** means any consulting, training, implementation, configuration ongoing support, or other professional services provided by Riskconnect and paid by City pursuant to the Agreement, including the applicable Statement of Work.
- xiv. **"Riskconnect Service"** means City specific edition of Riskconnect's software-as-a-service ("SaaS") identified and further defined in each Statement of Work, addendum, and **Exhibit B** (Riskconnect Service Definitions and Restrictions) and accessible via <http://www.riskconnect.com> or another designated web site or IP address, or ancillary online or offline products and services provided to City by Riskconnect, to which City is being granted access under this Agreement; the "Riskconnect Service" includes all deliverables provided to City under this Agreement.
- xv. **"Riskconnect Technology"** means all of Riskconnect's and its Licensors' proprietary technology (including software, hardware, products, processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to City by Riskconnect in providing the Riskconnect Service.
- xvi. **"Software"** means the proprietary computer software programs of Riskconnect and its third party software licensors and all related materials, improvements, updates, licensed internal code, embedded third party software, new releases, fixes, enhancements, derivative products and information utilized by Riskconnect in providing City access to the Riskconnect Service and other services under this Agreement.
- xvii. **"Statement of Work"** means the document agreed and signed by both parties that specifies the objectives, scope of work, initial implementation deliverables and fees, and ongoing services and fees contracted annually by City in connection with City's configuration of the Riskconnect Service.
- xviii. **"License Term(s)"** means the contract year [measured from the Agreement's Effective Date] during which a specified number of Users have a right to use the Riskconnect Service pursuant to the Statement of Work and related order form(s).
- xix. **"System Administrator(s)"** means those User(s) designated by City who are authorized to purchase subscriptions by executing written order forms and to create User accounts and otherwise administer City's use of the Riskconnect Service.
- xx. **"User(s)"** means an individual, including City's employees, representatives, consultants, contractors or agents who are appropriately authorized by City to use City's configuration of the Riskconnect Service and have been issued a unique user identification and password by City's System Administrator (or by Riskconnect at City's request).
- xxi. **"City"** means the customer entity that has contracted to purchase subscriptions to use City configuration of the Riskconnect Service;
- xxii. **"City Data"** means the information or material, including City's Confidential Information that City's Users submit, upload, or transfer to the Riskconnect Service.

[Signature Page to Follow]

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

RISKONNECT, INC.

By *Michael N. Feuer*
MICHAEL N. FEUER
CITY ATTORNEY

By *Patrick Henn*
PATRICK HENN
CHIEF FINANCIAL OFFICER

Date 6/23/16

Date 6/21/2016

By *Miguel A. Santana*
MIGUEL SANTANA
CHIEF ADMINISTRATIVE OFFICER

Date 6/30/16

APPROVED AS TO FORM:

ATTEST:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By *Daniel Kreinbring*
DANIEL KREINBRING
Deputy City Attorney

By *Holly L. Wolcott*
Deputy City Clerk

Date 6/22/16

Date 6-30-16

City Business License Number: 0002913837
Internal Revenue Service Taxpayer Identification Number 26-0842782
Agreement Number 6-12779



Appendix A

STANDARD PROVISIONS FOR CITY CONTRACTS

TABLE OF CONTENTS

PSC-1	<u>CONSTRUCTION OF PROVISIONS AND TITLES HEREIN</u>	1
PSC-2	<u>NUMBER OF ORIGINALS</u>	1
PSC-3	<u>APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT</u>	1
PSC-4	<u>TIME OF EFFECTIVENESS</u>	2
PSC-5	<u>INTEGRATED CONTRACT</u>	2
PSC-6	<u>AMENDMENT</u>	2
PSC-7	<u>EXCUSABLE DELAYS</u>	2
PSC-8	<u>BREACH</u>	2
PSC-9	<u>WAIVER</u>	3
PSC-10	<u>TERMINATION</u>	3
PSC-11	<u>INDEPENDENT CONTRACTOR</u>	4
PSC-12	<u>CONTRACTOR'S PERSONNEL</u>	4
PSC-13	<u>PROHIBITION AGAINST ASSIGNMENT OR DELEGATION</u>	5
PSC-14	<u>PERMITS</u>	5
PSC-15	<u>CLAIMS FOR LABOR AND MATERIALS</u>	5
PSC-16	<u>CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED</u>	5
PSC-17	<u>RETENTION OF RECORDS, AUDIT AND REPORTS</u>	5
PSC-18	<u>FALSE CLAIMS ACT</u>	6
PSC-19	<u>BONDS</u>	6
PSC-20	<u>INDEMNIFICATION</u>	6
PSC-21	<u>INTELLECTUAL PROPERTY INDEMNIFICATION</u>	6

TABLE OF CONTENTS (Continued)

PSC-22	<u>INTELLECTUAL PROPERTY WARRANTY</u>	7
PSC-23	<u>OWNERSHIP AND LICENSE</u>	7
PSC-24	<u>INSURANCE</u>	8
PSC-25	<u>DISCOUNT TERMS</u>	8
PSC-26	<u>WARRANTY AND RESPONSIBILITY OF CONTRACTOR</u>	8
PSC-27	<u>NON-DISCRIMINATION</u>	8
PSC-28	<u>EQUAL EMPLOYMENT PRACTICES</u>	9
PSC-29	<u>AFFIRMATIVE ACTION PROGRAM</u>	11
PSC-30	<u>CHILD SUPPORT ASSIGNMENT ORDERS</u>	15
PSC-31	<u>LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE</u>	16
PSC-32	<u>AMERICANS WITH DISABILITIES ACT</u>	17
PSC-33	<u>CONTRACTOR RESPONSIBILITY ORDINANCE</u>	18
PSC-34	<u>MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM</u>	18
PSC-35	<u>EQUAL BENEFITS ORDINANCE</u>	18
PSC-36	<u>SLAVERY DISCLOSURE ORDINANCE</u>	19
PSC-37	<u>FIRST SOURCE HIRING ORDINANCE</u>	20

STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

PSC-4. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.
3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the

CITY'S lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The CITY has the right to approve **CONTRACTOR'S** subcontractors, and the CITY reserves the right to request replacement of subcontractors. The CITY does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the CITY and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the CITY. These records shall be retained for a period of no less than three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S representative at any time during the term of this Contract or within the three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this Contract. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to CITY requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless the CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by CONTRACTOR or its subcontractors of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-21 shall survive expiration or termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC-32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles’ Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922.”

PSC-36. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

PSC-37. FIRST SOURCE HIRING ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this contract is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 et seq. of the Los Angeles Administrative Code, as amended from time to time.

1. CONTRACTOR/CONSULTANT shall, prior to the execution of the contract, provide to the DAA a list of anticipated employment opportunities that CONTRACTOR/CONSULTANT estimate they will need to fill in order to perform the services under the Contract.
2. CONTRACTOR/CONSULTANT further pledges that it will, during the term of the Contract, shall a) At least seven business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Community Development Department (CDD), which will refer individuals for interview; b) Interview qualified individuals referred by CDD; and c) Prior to filling any employment opportunity, the CONTRACTOR/CONSULTANT shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the CONTRACTOR/CONSULTANT interviewed and the reasons why referred individuals were not hired.
3. Any Subcontract entered into by the CONTRACTOR/CONSULTANT relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
4. CONTRACTOR/CONSULTANT shall comply with all rules, regulations and policies promulgated by the designated administrative agency, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the designated administrative agency has determined that the CONTRACTOR/CONSULTANT intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 et seq., and must be documented in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted under Los Angeles Administrative Code Section 10.40 et seq. This measure does not limit the City's authority to act under this article.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this contract and otherwise pursue legal remedies that may be available if the designated administrative agency determines that the subject CONTRACTOR/CONSULTANT has violated provisions of the FSHO.



DRAFT
EXHIBIT A TO THE AGREEMENT

Statement Of Work For City of Los Angeles

Prepared by: Jon Novales

Exhibit A: Table Of Contents

Exhibit A: Table Of Contents

- [1. SOW Overview](#)
 - [2. Statement of Purpose](#)
 - [2.1 Methodology](#)
 - [2.2 Customer-Defined Scope](#)
 - [2.2.1 Business Scope](#)
 - [3. Riskonnect Service Definition](#)
 - [3.1 RMIS System Components](#)
 - [3.1.1 Product Modules](#)
 - [3.2 Business Process Automation](#)
 - [3.3 Data Interfaces](#)
 - [3.4 Standard Reporting](#)
 - [3.5 Client Specific Reports](#)
 - [3.6 Training](#)
 - [4. Security](#)
 - [4.1 Security Features](#)
 - [5. Project Assumptions & Constraints; City Responsibility](#)
 - [5.1 Assumptions](#)
 - [5.2 Constraints](#)
 - [5.3 City Implementation Team](#)
 - [6. Implementation Stages](#)
 - [7. Project Estimates and Costs](#)
 - [8. Ongoing Annual Fees For Subscriptions and Services](#)
 - [8.1 User Subscription](#)
 - [8.2 System Infrastructure](#)
 - [8.3 Configuration Environments \(Sandboxes\)](#)
 - [8.4 Annual Support for Ongoing Data Interfaces](#)
 - [8.5 Annual Support Hours](#)
 - [9. Annual Ongoing \(Subscription\) Fees; Payment Terms](#)
 - [9.1 Annual Ongoing \(Subscription\) Fees](#)
 - [9.2 Payment Terms](#)
 - [10. Additional Documentation](#)
 - [11. Signatures](#)
- [Attachment 1 to Exhibit A](#)
- [Attachment 2 to Exhibit A Terms of Use of Riskonnect eDocs](#)

1. SOW Overview

This Statement of Work ("SOW") is by and between City of Los Angeles ("You", or "Your") and Riskonnect, Inc. and its Affiliates, (collectively, "Riskonnect"), pursuant to the attached Master Services Agreement by and between the parties ("Agreement"). Capitalized terms used but not defined herein shall have the meanings accorded to them in the Agreement. The effective date of this SOW is the Effective Date of the Agreement.

Riskconnect has been requested by City to provide the Riskconnect Service (as further described below) in accordance with the services and deliverables described herein. City shall be responsible for all costs and expenses for any deliverables not explicitly set forth in this SOW (or any subsequent order forms), provided no such additional deliverables shall be provided unless the parties enter into a separate written agreement setting forth the terms and conditions, including the amounts to be paid by City, for such additional deliverables.

This SOW is governed by the terms and conditions of the Agreement. Where there are terms silent in this SOW, then the terms of the Agreement shall govern. In the event of a conflict between the Agreement and the terms of this SOW, the Agreement shall prevail.

2. Statement of Purpose

2.1 Methodology

To ensure a successful project, Riskconnect's standard Project Implementation, Change Control, Communication, and User Acceptance processes will be followed. City may request copies of this documentation at any time throughout City implementation and for the duration of this Agreement. Riskconnect constantly reviews its operational effectiveness, and these processes are subject to any changes that will improve delivery of service to City and Riskconnect's other clients.

2.2 Customer-Defined Scope

This section identifies what is in or out of scope by the areas that can affect the business.

2.2.1 Business Scope

In Scope
<ol style="list-style-type: none">1. Definition phase to capture details for City requirements.2. Riskconnect implemented for Workers Comp (WC) claims3. Development of inbound WC claims data interface from iVOS4. Riskconnect implemented for General Liability (GL) claims5. Development of inbound GL claims data interface from CityLaw6. Configuration of Riskconnect litigation module7. Configuration of Riskconnect Environmental, Health, and Safety (EHS) Module8. Riskconnect implemented for Root Cause Analysis (RCA)9. Tracking of property and COPE information10. Development of Property Schedule data interface from an Access Database11. Setup of Cognos reporting environment12. OSHA Management and Reporting13. Security to control access to business data14. Setup of Single sign on functionality
Out of Scope
<ol style="list-style-type: none">1. Development of any Incident entry form for collecting information on possible claims2. Development of a portal for collecting property value or exposure value data3. Merging self administered financial transactions with third-party administrator ("TPA")

financial transactions on the same claim record.

4. MMSEA/ Section 111 CMS reporting
5. ISO claim query
6. FROI/SROI and State Regulatory Reporting
7. Medical case management, Medical bill review
8. Check printing or check requests. There is no interface between Riskconnect and any accounts payment or accounting system.
9. Deployment of the Riskconnect Request Center
10. Any scope items not explicitly listed in this SOW is deemed out of scope.

3 Riskconnect Service Definition

The Riskconnect Service is Riskconnect's SaaS-based, risk management information system ("RMIS") that enables a single, integrated platform for managing information and data related to City's risk activities. The scope of this implementation is defined by the deliverables. Items not explicitly stated in this SOW are beyond the scope of this SOW. Additional hours required to complete the configuration/functionality of the following modules will be handled through an addendum to this Agreement unless otherwise specified in this SOW:

3.1 RMIS System Components

Included in base platform, Users with proper license authority have access to tasks and activities, Chatter collaboration, global search, audit of field value changes up to the standard limits, file attachments, document management, platform reports, and dashboards. Configuration of these elements are limited to work expressly identified as part of this SOW.

3.1.1 Product Modules

The following system components are provided as part of City's configuration of the Riskconnect Service at the time of implementation. City's specific configuration of each module will be limited to only those elements identified in this SOW. This includes any module-specific installation settings required for use of the product. Any configuration modifications different from standard product, and not due to a data interface requirement, are specified below. **For clarity, unless otherwise noted in this Section 3.1.1, no customizations to these modules are contemplated.**

A. Claims Administration and Management Claims Management and Administration in the Riskconnect Service includes the ability to track coverage specific data elements and financial transactions either through data services/TPA conversions or through self-administration. Claim related notes, tasks, and document attachments can be tracked on claim records. Claim Administration workflow can include email and letter templates, approval processes, return to work management, and should be itemized in Section 3.2 based on business requirements.

- i. **Claims Management** - The claims management module allows City's users to view the claim records originated from the source, and actively manage all aspects of the claim (other than claim financials and claim status). Claims management does not allow the creation of new claims. For claims management, the following claim coverage types will be loaded into City's

configuration of the Riskconnect Service from the sources specified in section 3.3, Data Interfaces, using the standard page layouts with minimal configuration.

1. General Liability
2. Workers' Compensation

- ii. **Claims Administration** - Claims Administration includes functionality used to self-administer claims. These functions include claims origination, editing and updating claim details, entry of reserve, payment and recovery transactions, entry of adjuster notes, and association of file attachments with the claim. The following coverage types will be configured for claims administration with effort defined in Section 3.2

1. General Liability

- B. **Environmental Health & Safety (EHS)** Track environmental health and safety data from specific program area(s) (e.g., job hazard analysis, sustainability, environmental spills, permitting). Manage pre-loss & post-loss investigations with the ability to connect these investigations with corrective/preventative actions. Manage Root Cause analysis with corrective/preventative actions that can be linked with an incident, claim, or investigation.

- i. Configuration of root cause analysis workflow
- ii. Configuration of the workflows for the EHS module with effort defined in Section 3.2

- C. **Hierarchy Management** Hierarchy Management Module builds and stores City's organizational structure, allowing City's hierarchy to be linked to incidents and claims, properties, policies, and exposures. Track historical exposure values (e.g. labor hours, sales, employee count, miles driven) on any hierarchy record for use in reports and trend analysis.

- i. Configuration of the standard hierarchy management module to support one (1) spreadsheet upload of hierarchy data. Riskconnect will perform one spreadsheet load in the test environment and one spreadsheet load in the production environment.
- ii. Configuration of workflows within this module is not considered in scope for this SOW.

- D. **Litigation Management** Track all legal notes, tasks, legal dates and status, attorney information, and legal transactions on one record, while linking any involved claims to the same legal case.

- i. Configuration of the standard litigation management module to support the input of litigation information from the CityLaw data interface.
- i. Configuration of the workflows for the litigation management module with effort defined in Section 3.2

E. **Policy Management** Standard Policy Management Module allows for the recording of policy information - including Policy Endorsements, Policy Participant, Policy Section and Subsections, and Policy Transactions.

- i. Standard deployment of the policy module
- ii. No customizations to this module are contemplated

F. **Property Management** Riskonnect Property Management enables an organization to track and manage their properties, property values, COPE information, and property recommendations in one place.

- i. Configuration of the standard property module to support the input of property values information from the City of Los Angeles Access Database
- ii. Configuration of custom fields to support tracking property and exposure values

3.2 Business Process Automation

Riskonnect has allocated a total of forty (40) hours, in addition to the training hours, to support City with the following activities covering Workflows, Approvals, and Email Templates. The business automation work that Riskonnect performs during these hours is at City's discretion. If additional support is required, then a change request can be initiated for additional support hours.

Workflows

Some business procedures and processes may be automated by configuring custom workflows in City's configuration of the Riskonnect Service. Workflows consist of criteria for City's configuration of the Riskonnect Service to execute the workflow, immediate actions, or time-dependent actions when the workflow rule executes. These actions may include: email alerts, task assignment, field updates or other outbound messages.

Approvals

An approval process is an automated process that specifies the steps necessary for a record to be approved, and who must approve it at each step. Approval processes also specify the actions to take when a record is approved, rejected, recalled, or first submitted for approval.

Email Templates

Each email template can include text, merge fields, and attached files. Additionally, images may be added to HTML templates.

3.3 Data Interfaces

The following data interfaces are necessary for a successful implementation, as well as ongoing production. In order to support City's data interfaces and to ensure an efficient data load, City's will provide data pursuant to the data transfer protocols ("DTPs") described in Section 9.3.2 of the Agreement, ***and with the understanding that untimely or incomplete receipt of City's Data in accordance with Riskonnect's DTPs, poor data quality, or failure to provide data in a consistent layout and format, will impact project timeline and budget.***

Data Interface Name	Data Flow Direction	Type	Initial Data	Ongoing Data	Frequency
Ventive IVOS	Inbound	Historical Transactions, Snapshot	Claims and Transactions	Claims and Transactions	Daily
CityLaw - GL Claims	Inbound	Historical Transactions, Snapshot	Claims and Transactions	Claims and Transactions	Daily
Access DB - Property Schedule	Inbound	Snapshot	Property information	N/A	Once

3.4 Standard Reporting

As a part of this SOW, Riskconnect will provide its standard set of platform reports and dashboards.

Also as a part of this SOW, Riskconnect will configure a standard Cognos environment to include technical infrastructure, framework, and data tree. Riskconnect will also provide introductory Business Intelligence training to include a review of the configuration of Browser Settings, Cognos Interface & Navigation, Generating (Running, Interacting with Prompts, and Selecting Output Types) implemented standard reports, Creating Report Views, and Scheduling & Distribution of reports.

Note:

- a. If Loss Triangles or OSHA Reporting require special data handling, customizations or parameters not standard within these report templates, these changes will be handled via a Change Order.
- b. Derivatives of these templates will be handled through with an addendum to this SOW.

3.5 Client Specific Reports

As a part of this SOW, Riskconnect has allocated a total of Twenty (20) hours develop and deliver the custom report content using platform reporting/dashboards and/or Cognos. City will prioritize the desired reports and will provide samples/mock-up of the reports, along with business rules or algorithms for the calculations contained therein.

1. No specific custom reports have been identified

3.6 Training

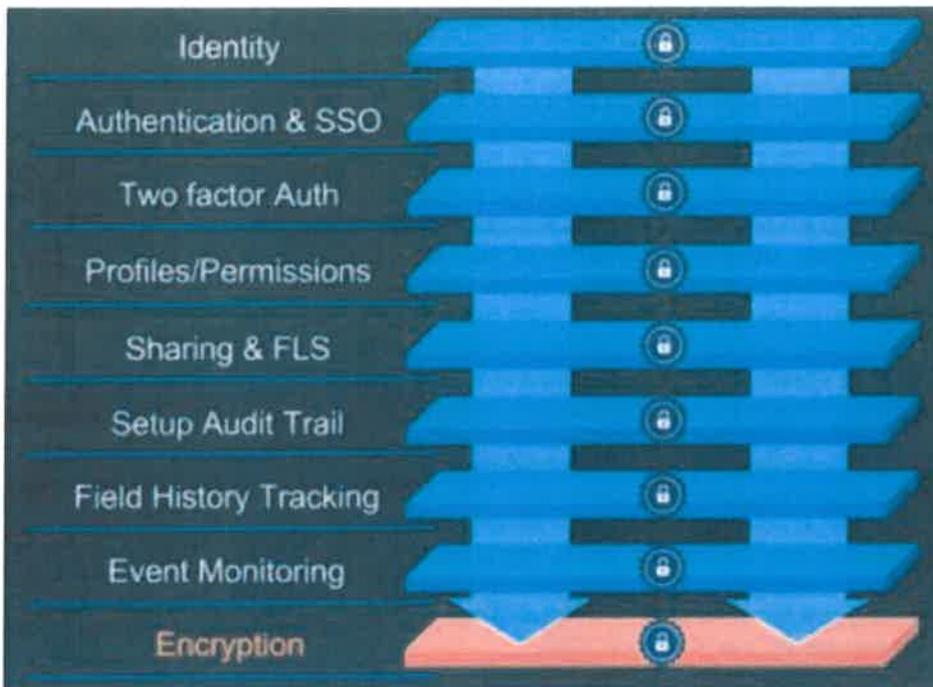
Riskconnect training happens through hands-on client experience during the implementation of the Riskconnect Service. Formalized training is recommended to ensure a good educational foundation. Training is targeted at specific roles, such as system administrators, end-users, and business intelligence experts. Riskconnect has allocated Twenty Four (24) hours to apply toward training tailored to City's

specific needs, and to be offered at the Riskconnect headquarters. For an additional travel fee and travel expenses, the same training can be provided at City of Los Angeles offices.

You may use purchased training hours toward any of the following training offerings:

Training	Training Description	Duration
Administrator Essentials <i>*Max class size: 10</i>	New Administrators will learn how to setup, configure, and maintain City's configuration of the Riskconnect Service. The course covers key features including security, data utilities, and analytics. Using real-world scenarios, learn how to extend the Riskconnect platform with custom objects and apps, manage users, customize fields, security, data quality, chatter, workflows, reporting, and automate business processes to help Users work more efficiently and get the most out of Riskconnect.	16 hours
End-User Training <i>*Max class size: 20</i>	Client specific: This training is developed with City's Users in mind, providing them with the foundational skills needed to use the Riskconnect Service	TBD
Reports and Dashboards (Platform Reports) <i>*Max class size: 10</i>	Explore how Riskconnect platform reports can be used to analyze data. Learn how to modify reports to meet reporting requirements or create custom reports from scratch. Learn how to maximize analysis and use of business data.	8 Hours
Cognos Report Studio Fundamentals <i>*Max class size: 10</i>	This course is designed for report authors to learn report building techniques using relational data models, and methods of enhancing, customizing, and managing professional reports. It is best suited for anyone needing to gain a foundation in Cognos 10 BI reporting.	24 Hours
Cognos Ad Hoc Reporting <i>*Max class size: 10</i>	IBM Cognos Ad-Hoc reporting is a full day instructor-led class designed to provide users with the capabilities to create and share reports and dashboards, perform deeper analysis of the data, and customize the look and feel of a report	8 Hours

4 Security



4.1 Security Features

A. Identity (User)

i. Every user is identified by a username, a password, and a single profile. Together with other settings, the profile determines what tasks users can perform, what data they see, and what they can do with the data. A user license determines the baseline of features that the user can access. Every user must have exactly one user license. City assigns user permissions for data access through a profile and optionally one or more permission sets.

B. Single Sign-On

i. Single Sign-On (SSO) SSO allows You to integrate Your Riskconnect logon process with Your user authentication system.

C. Profiles/Permissions

i. When Users are created, City assigns a profile to each user. Profiles define how users access objects and data, and what they can do within the application.

ii. A permission set is a collection of settings and permissions that give users access to various tools and functions. The settings and permissions in permission sets are also found in profiles, but permission sets extend users' functional access without changing their profiles.

D. Sharing/Field Level Security

i. Field-level security settings: let administrators restrict users' access to view and edit specific fields in:

- Detail and edit web pages
- Related lists
- List views
- Reports
- Email templates
- Imported data

The fields that users see on detail and edit pages are a combination of page layouts and field-level security settings. The most restrictive field access settings of the two always apply.

ii. Sharing model: administrators can control access to data at many different levels. For example, City can control the access your Users have to objects with object permissions. Within objects, City can control the access users have to fields using field-level security. To control access to data at the record level, City may configure the share-access settings.

Organization-Wide Defaults

Your organization-wide default sharing settings give City a baseline level of access for each object and enable City to extend that level of access using sharing rules. For example, City can set the organization-wide default for claims to Private if City only want Users to view and edit the claims they own. Then, City can create claim sharing rules to extend access of claims to particular users or groups.

Sharing Rules

Sharing rules represent the exceptions to your organization-wide default settings. If City have organization-wide sharing defaults of Private, City can define rules that give additional Users access to records they do not own. City can create sharing rules based on record owner or field values in the record.

E. Setup Audit Trail

i. Field Audit Trail: Field Audit Trail lets City define a policy to retain archived field history data up to ten years, independent of field history tracking. This feature helps City comply with industry regulations related to audit capability and data retention.

F. Field History

i. Standard 20 fields: City can select certain fields to track, and display the field history in the History related list of an object

5 Project Assumptions & Constraints; City's Responsibility

This section describes how risk management activities will be structured and performed throughout the implementation project. A project risk is an uncertain event or condition that, if it occurs, has a positive or

negative effect on one or more project objectives. The Riskconnect project manager **will** monitor and control project risks and report updates within the project status reports.

5.1 Assumptions

This section lists and describes the specific assumptions associated with the project. Assumptions are events or actions believed to be true. They are factors in the planning process that are considered to be true, real or certain without proof or demonstration.

1. Riskconnect shall deliver the services described above. Additional services not explicitly identified within this SOW will be addressed by way of an addendum to the Agreement.
2. Discovery and Design workshops are generally more efficient when conducted face to face. City will make allowances to support in-person meetings during the Discovery and Design stages.
3. Global Services:
 - a. Currency: All claim financial values will be recorded in US dollars only
 - b. Language: The portal and platform will be deployed in English.
4. Riskconnect will be responsible for the implementation of the application and will engage a project manager for managing the project.
5. Riskconnect assumes that customer will also assign a project manager, responsible for communication with Riskconnect and also managing the customer tasks.
6. City will not unreasonably delay provisioning of data or access to appropriate people and documentation.
7. For spreadsheet loads, City will prepare City's Data in an acceptable import format, including combining data into one single tab and removing any formatting (subtotals and titles). In the event City's Data in an Excel load is not in an acceptable format, Riskconnect **will** utilize budgeted service hours to correct formatting of City's Data.

5.2 Constraints

This section lists and describes the specific constraints associated with the program scope that limits the team's options. Constraints are a limiting factor that affects the execution of the project.

1. Untimely and/or incomplete receipt of City's Data in accordance with Riskconnect's Data Transfer Protocols (Section 9.3.2 of the Agreement) **will** impact project timeline and budget.
2. Poor data quality, or failure to provide data in a consistent layout and format, **will** impact project timeline and budget.

5.3 City's Implementation Team

City's involvement is critical to the success of any Riskconnect project. We take an enablement approach, so City understands how and why the configuration works as it does. To maximize City's investment, Riskconnect seeks to make City as self-reliant as possible in a production environment. Riskconnect believes user enablement doesn't just happen in a training environment, but begins at the project kick-off and continues throughout the engagement. City should expect City's team to play an active role in the development, configuration, and testing of City's configuration of the Riskconnect Service. As part of this SOW, City will be available for weekly project status meetings, discovery and design meetings, configuration sessions, testing periods, and training. Riskconnect estimates City's team involvement as follows:

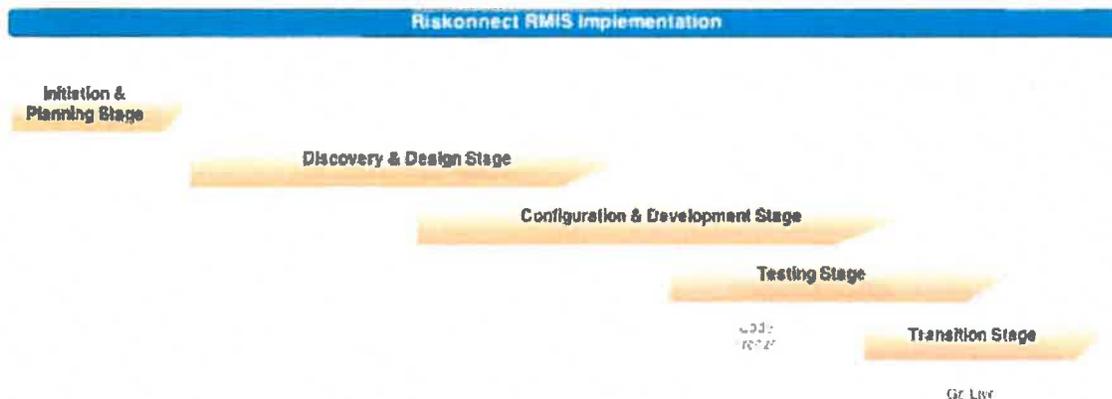
Role	Your Personnel Names	Involvement*
Project Executive (Sponsor)	TBD	TBD
Implementation Project Manager	TBD	TBD
Your System Administrator	TBD	TBD
Risk Management Stakeholder	TBD	TBD

*Involvement as an approximate percentage of time throughout the implementation project.

6 Implementation Stages

Initial Schedule, Project Stages

The initial, high-level schedule of project stages will be elaborated and detailed throughout the Initiation & Planning and Discovery & Design Stages. It will be finalized along with a detailed project schedule prior to commencement of Configuration & Development stage.



Project Status Reporting

Riskconnect shall provide Your weekly project status updates. These status updates consist of 30-minute conference calls and project status documentation.

7 Project Estimates and Costs

This implementation will be conducted on a fixed price basis with a total cost of \$67,437 for the scope defined in this SOW which shall be invoiced upon execution of the SOW. Riskconnect travel and

expenses for completion of this project will be invoiced to the client at actual cost incurred pending the City's approval. Following delivery and project acceptance transition to account management with 50 hours annually for ongoing support of this implementation.

You shall reimburse Riskonnect for all travel expenses necessary for Riskonnect Professional Services team members to complete the deliverables indicated in this SOW. Travel expenses typically include airfare, lodging, ground transportation and meals. Riskonnect will seek pre-approval of all travel prior to booking. All travel expenses will be invoiced at actual cost.

NOTE: Riskonnect estimates a total of 1062** hours of Riskonnect resources to implement this overall project; including both billable (360) and non-billable hours (702). For City of Los Angeles project planning, a good estimate of Your overall time investment to implement this SOW is 25%-33% of Riskonnect's total time necessary to implement this SOW.

**Estimate based on our current understanding.

iVOS, CityLaw, and Property Access db initial conversions will be done on a time and material basis. Upon completion of a two (2) day on-site discovery meeting we will be able to revise this to a fixed fee.

8 Ongoing Annual Fees For Subscriptions and Services

8.1 User Licenses

The number and types of User Licenses to be provisioned to City under this SOW are:

User License Type	Annual Subscription Fee (each user)	Number of User Subscriptions	Annual Subscription Fee (extended)
Platform Administrative User(s)	\$3,200	1	\$3,200
Platform Full User(s)	\$1,950	25	\$48,750
Platform Role-based Users(s)	\$110	50	\$5,500
Riskonnect Cognos Report Consumers	\$525	1	\$525
Total Annual User Licenses			\$57,975

Special Terms and Conditions to Particular User Licenses

Riskonnect eDocs Subscriptions

Together with any other terms set forth in the Agreement, City's license to use the Riskonnect eDocs Service is expressly subject to the conditions of the terms of use set forth in *Attachment 2 to Exhibit A: Riskonnect eDocs Subscription*, which is hereby incorporated as part of the Agreement.

8.2 System Infrastructure Licenses

In light of City's number of record counts and anticipated storage needs for files and attachments at the time of this Agreement's execution, City agrees to subscribe to the following System Infrastructure capabilities:

System Infrastructure Type	Annual Subscription Rate	Volume	Ongoing Annual Fee
Data Infrastructure & Processing (per GB)	\$4,000	1 GB	\$4,000
Additional Infrastructure (per GB)	\$2,400	1 GB	\$2,400
File Storage & Processing (per GB)	\$96	50 GB	\$4,800
Total Annual System Infrastructure Subscription	--	--	\$11,200

Exceeding System Infrastructure Limits

If City exceeds the annual amount of system infrastructure above, then City agrees to subscribe to additional System Infrastructure licenses at the following rates:

Data Infrastructure & Processing: \$3,000 per GB

File Storage & Processing: \$120 per GB

8.3 Configuration Environments (Sandboxes)

The initial configuration includes the following environments:

Environment Type	Annual Subscription Rate	Ongoing Annual Fee
One (1) Full Production Environment	Included	Included
One (1) Full Test Environment	Included	Included
Total Annual Environment Fee	--	

8.4 Annual Support for Ongoing Data Interfaces

The annual cost to City for the ongoing support and maintenance of City's data interfaces detailed above in Section 3.4 is:

Ongoing Data Interface	Ongoing Annual Data Services Fee
Daily iVos Data feed	\$5,250
Daily CityLaw feed	\$5,250
Total Annual Ongoing Data Services Support	\$10,500

The following table details the ongoing support for data services that is included with City's annual data services support fee:

Maintenance of Data Feed Transmission	Standard non-financial data validation	Data provider file archive management
Maintenance of Data Feed Encryption	Custom financial data validation	Standard data interface upgrades

Maintenance of Data provider Data Feed Libraries	Custom non-financial data validation	Data provider FTP server downtime (minor)
Monitoring of Data Feed Dashboards	Maintenance of Standard Data provider field mapping specifications	Data provider system downtime (minor)
Standard financial data validation	Maintenance of Standard Data provider code mapping specifications	

For ongoing data interfaces, support needs resulting from issues outside of Riskconnect's control (e.g.: data provider mistake resulting in interface failure or a load failure caused by lack of data arrival), data services support will be provided using City's subscribed service hours.

8.5 Annual Support Hours

You agree to subscribe to support hours annually as part of this Exhibit A, which shall be available to City's Users each contract year. The annual subscription cost for these support hours is set forth below:

Subscribed Service Hours	Rate/Hour	Annual Services Subscription
Fifty (50)	\$187.50 / Hour	\$9,375
Total Annual Services Subscription		\$9,375

Additional Support Hours

If City exceeds the annual amount of support hours during the same contract year, then City may subscribe to additional support hours per the rates set forth in this Section 7.5.

9 Annual Ongoing License Fees; Payment Terms

9.1 Annual Ongoing License Fees

Upon execution of the Agreement and this Exhibit A, City agrees to pay annual license and support fees as detailed above and summarized below. If the Agreement is renewed pursuant to the Agreement, City agrees to pay the amount below and any changes to this amount pursuant to the Agreement upon each annual anniversary of the Agreement's Effective Date.

Section 8.1	Total Annual User License:	\$57,975
Section 8.2	Total Annual Data Infrastructure License:	\$11,200
Section 8.3	Total Annual Configuration Environment License:	Included
Section 8.4	Total Annual Data Interface Support:	\$10,500
Section 8.5	Total Annual Subscribed Support Hours:	\$9,375
	Total Annual (Ongoing License and Service) Fees:	\$89,050

9.2 Payment Terms

Riskconnect agrees to invoice the City for the full implementation amount (\$67,437) and 25% of the annual ongoing fees (\$22,263) at contract signature. The remaining 75% (\$66,788) will be pro-rated and invoiced once the remaining users have been granted login access and completed training. An example of what this would look like for a three (3) month implementation is shown below:

Milestone	Implementation	Ongoing Fees	Invoiced Amount
Contract Signature (Implementation + 25% of annual fees)	\$67,437	\$22,263	\$89,700
Go-Live (75% of annual fees pro-rated 3 months)	--	\$66,788	\$50,091
Total	\$67,437	\$89,050	\$139,791

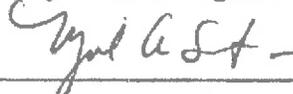
10 Additional Documentation

The following attachment contains additional important project documentation:

- Attachment 1 to SOW: Riskconnect Alerts Service
- Attachment 2 to SOW: Riskconnect eDocs

11 Signatures

The parties, through their authorized representatives, hereby agree to this Exhibit A (Statement of Work No. 01) to the Master Services Agreement and its attachments per the Effective Date of the Agreement by affixing their signatures below.

For: **City of Los Angeles**
Signature: 

For: **Riskconnect, Inc.**
Signature: 

Name: Miguel A. Santana

Name: PATRICK HENN

Title: City Administrative Officer

Title: CHIEF FINANCIAL OFFICER

Date: 6/29/16.

Date: 6/21/2016

Attachment 1 to Exhibit A

Terms of Use of Riskonnect eDocs

1. Subject to the terms and conditions of the Agreement and this attachment to Exhibit A, Riskonnect provides City users a subscription to use Riskonnect eDocs which is based upon the Adobe EchoSign Service (the "EchoSign Service") in City configuration of the Riskonnect Service. As a condition of the subscription of EchoSign Service, City shall abide by the EchoSign Service terms of use ("TOU") as referenced at <http://www.adobe.com/legal/terms.html>. Riskonnect agrees to notify City of any changes to the TOU that have any material negative impact on City relative to City's configuration of the Riskonnect Service as provided under the Agreement. Except for the express limited rights granted under the Agreement, Exhibit A, and the TOU, no right, title or interest in or to any of Adobe intellectual property or products is granted, transferred or otherwise provided by this attachment.

2. By using the electronic signature feature of the EchoSign Service, City agrees to conduct a particular business transaction with electronic documents and electronic signatures instead of paper-based documents and wet ink signatures. City is under no obligation to transact business electronically using the EchoSign Service.

3. As Riskonnect does not have the capability to verify the identity or the authority of a an electronic signatory to a document submitted through the EchoSign Service, City agrees that City is solely responsible for verifying the identity of each other signatory to a document. Riskonnect does not certify the validity, completeness, or enforceability of any document submitted through the EchoSign Service.

4. While the EchoSign Service complies with the United States Electronic Signatures in Global and National Commerce Act ("ESIGN"), City shall be solely responsible for compliance as well as its advice, counsel and recommendations of all laws and regulations concerning City's use of the EchoSign Service regardless of the type of purpose, industry, or country.

5. Except as otherwise required by a court of law having proper jurisdiction over such matters, Riskonnect has no obligation and no duty to become involved in any dispute between City and any third party in connection with City's use of the EchoSign Service. IN THE EVENT RISKONNECT BECOMES INVOLVED IN A DISPUTE (E.G., AS A PARTY OR WITNESS) AS A RESULT OF YOUR USE OF THE ECHOSIGN SERVICE, CITY AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS RISKONNECT FROM ANY CLAIM, SUIT OR PROCEEDING BROUGHT AGAINST RISKONNECT BY A THIRD PARTY IN CONNECTION WITH ANY ACTS OR OMISSIONS WITH REGARDS TO YOUR USE OF THE ECHOSIGN SERVICE. The preceding sentence does not apply to disputes concerning the scope of Riskonnect's authority to sublicense the EchoSign Service to City, or intellectual property disputes related to or involving the EchoSign Service which, like all other disputes, shall be handled in accordance with the Agreement.

6. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THE AGREEMENT, TOU, AND EXHIBIT A, THE ECHOSIGN SERVICE IS PROVIDED AS-IS AND RISKONNECT HEREBY DISCLAIMS AND MAKES NO OTHER REPRESENTATION OR WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY.

EXHIBIT B: RISKONNECT SERVICE; DISASTER RECOVERY & RESTRICTIONS

Riskconnect Service Risk Management Information System Description

The Riskconnect Service is Riskconnect's proprietary, software-as-a-service ("SaaS")-based risk management information system (RMIS) solution. City's configuration of the Riskconnect Service includes modules and features that track risk management information as set forth in a Statement of Work in accordance with the Agreement.

Disaster Recovery

Riskconnect protects its customers' data by running the Riskconnect Service on multiple, geographically dispersed data centers with extensive backup, data archive, and failover capabilities. Disaster recovery plan includes: (1) Data backup procedures that create multiple backup copies of customers' data, in near real time, at the disk level; and (2) A multi-level backup strategy that includes disk-to-disk-to-tape data backup in which tape backups serve as a secondary level of backup, not as the primary disaster-recovery data source. This disk-oriented model ensures maximum recovery speed with a minimum potential for data loss in the event of a disaster. Riskconnect maintains the right to amend this procedure from time to time to maintain industry best practices.

Riskconnect Service Restrictions

1. Only Users with valid User subscriptions may access the Riskconnect Service.
2. The Riskconnect Service is restricted to: the management, administration, and reporting of risk management information; governance, risk and compliance (GRC); and/or environmental, health, & safety (EHS), if and to the extent expressly provided for in a Statement of Work signed by the parties.

EXHIBIT C: UPTIME; SUPPORT SERVICES & UPGRADES

Uptime

The Riskconnect Service shall be available for use by City Users at least 99.7% of the time Monday through Friday. Unavailability of the Riskconnect Service shall not include scheduled maintenance, emergency maintenance or any other agreed-to scheduled downtime activity. Availability of the Riskconnect Service is independently measured by trust.salesforce.com.

Support Services

Response times to service requests are measured once a request is submitted via Riskconnect Request. Riskconnect Request is the best method for ensuring the fastest turnaround time. Other forms of contact may affect Client Service's ability to respond to the requests in a timely fashion. Examples include: direct email to individuals or calls to someone other than the CS Consultant. Client Services is available from 7 a.m. to 7 p.m. EST Monday through Friday (excluding holidays).

Initial Response

Requests for support will be fulfilled based on priorities (Critical, High, Medium, Normal), which are determined by urgency and level of impact. Response is defined as a "good faith" effort to communicate with the customer using the contact information provided by that customer. Response may be via Riskconnect Request, Chatter, phone or voice mail, email, or personal visit.

City may request Riskconnect to re-classify the Status Definition of any issue based on City's good faith determination of the actual or potential impact of the issue on City business requirements and/or needs. Riskconnect also reserves the right to reclassify the Status definition of an issue based on known issues and actual severity in which case the response time definition will be adjusted accordingly.

Status Definitions with Initial Response Times

Critical: Within 1 hour (during regular support hours): Catastrophic inability to access the portal or platform. Users are not able to access the Riskconnect Service, including one or more of the Riskconnect Service modules, for which no immediate workaround exists.

High: Within 2 to 4 business hours (during regular support hours): Loss of a major job function. Example: Users cannot run reports, report data issue is identified, inability to use a portal or platform feature, for which no immediate workaround exists.

Medium: Within 8 business hours (during regular support hours): There is a problem to be solved, but our client is still functional and has other options available.

Low: Within 1 to 2 business days: General requests for enhancements or other tasks that are not time sensitive. Example: a request for help has been made but the customer will not be available to discuss until a later time.

A client communication will also happen as soon as resolution to an issue is in place or an enhancement request is complete.

Change Requests

Change requests that are related to an implementation are handled on a case by case basis, and are typically handled upon completion of the implementation

Upgrades and New Releases

All upgrades and new releases ("Upgrades") are included in the annual subscription fees for the Riskconnect Service set forth in the applicable SOW. Any configuration costs associated with upgrades and new releases shall be handled through existing service hours or via an addendum or purchase order, if required. New versions of the related documentation will be made generally available by Riskconnect to its customers for use with the Riskconnect Service.

Upgrades occur approximately three to four times per year as per Salesforce.com's release scheduling. City must have an active subscription agreement to be afforded all new releases and upgrades as they are included in the annual subscription fee.

EXHIBIT D: PLATFORM CONTINUITY WARRANTY

As an amendment to Riskconnect's Platform Solution Reseller Agreement with Salesforce.com, Inc. ("SFDC"), SFDC has agreed to the following provision as it relates to Riskconnect's agreements with Riskconnect's customers (herein "You" or "Your"):

"Platform Continuity". In the event that SFDC terminates the SFDC Reseller Agreement because Reseller has become the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors or Reseller ceases business in the ordinary course (any of which would be an "End of Operations Event" or "EOE" for Reseller), SFDC will continue to make the Platform available to You and SFDC will take no self-initiated steps to (a) remove the Reseller Application from SFDC's systems or (b) block Your access to the Reseller Application via the Platform for the remainder of Your current order term with Reseller (the "Transition Period"), provided that: (i) You pay to SFDC in advance all fees owed to SFDC with respect to the Platform pursuant to a separate order between You and SFDC; (ii) You remain in compliance with the applicable SFDC terms and conditions in Your agreement with Reseller; (iii) You are legally entitled to continued access to and use of the Reseller Application in combination with the Platform after an EOE through a written agreement with Reseller or its successor in interest in anticipation of or as a consequence of any EOE; and (iv) there are no legal impediments to SFDC continuing to host the Reseller Application (as reasonably determined by SFDC). Notwithstanding SFDC's continued provision of the Platform, You understand and acknowledge that SFDC shall not be responsible for providing (other than hosting "as is" subject to the above conditions), updating, maintaining or supporting the Reseller Application during the Transition Period. For the purposes of this section, "SFDC Reseller Agreement" means Reseller's agreement with SFDC pursuant to which Reseller is providing the Platform as part of the Reseller Application to You, and "Platform" means SFDC's web-based on-demand platform for developing and operating on-demand applications."

Note: As used in this Exhibit D, the following definitions apply:

1. Reseller = Riskconnect, Inc.
2. Reseller Application = The Riskconnect Service

EXHIBIT E: EXAMPLE ORDER FORM



ORDER FORM:

TO: [Client Name/Address]

Sales Executive	Delivery	Payment Terms
	Online Access	Per the Agreement

Qty	Description	Unit Price	Prorated Dates and Total <small>mm/dd/yy-mm/dd/yy</small>	Ongoing Annual Total
	TOTAL DUE UPON INITIAL INVOICE			
	TOTAL DUE UNDER THIS ORDER FORM UPON ANNUAL RENEWAL OF THE AGREEMENT			

1. This Sales Order is subject to all terms and conditions of the Master Services Agreement between Riskconnect, Inc. and _____ with an Effective Date of _____.
2. The effective date of this Sales Order is the later of the dates beneath the parties' signatures below ("Effective Date").
3. Upon execution of this Order Form, Riskconnect will invoice Client and Client shall pay Riskconnect in accordance with the Agreement. If applicable, sales and/or other applicable taxes will be included on the invoice. If required by Client, Client agrees to timely issue a purchase order in connection with this Order Form.

Signature of Client's Authorized Representative: _____

Printed Name/Title: _____

Date: _____

EXHIBIT F

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

Contractor AGREES THAT:

1. Additional Insured/Loss Payee. The City must be included as an Additional Insured in applicable liability policies to cover the City's liability arising out of the acts or omissions of the named insured. The City is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the City has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the City. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the City if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. Contractor will provide coverage that is primary with respect to any insurance or self-insurance of the City. The City's program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The City reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving Contractor ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to Contractor, the City agrees to negotiate additional compensation proportional to the increased benefit to the City.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by Contractor.

Contractor's failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the City may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

6. Workers' Compensation. By signing this Contract, Contractor hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-

insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the City. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, Contractor must give the City written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The City has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the City's protection are allowed without the City's prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit F (Continued)
Required Insurance and Minimum Limits

Name: Riskconnect, Inc.

Date: 06/10/2016

Agreement/Reference: City of Los Angeles Risk Management Information System (RMIS)

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	<u>Limits</u>
<u> x </u> Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u>
	EL <u>\$1,000,000</u>
<input type="checkbox"/> Waiver of Subrogation in favor of City	
<input type="checkbox"/> Longshore & Harbor Workers	
<input type="checkbox"/> Jones Act	

<u> x </u> General Liability	<u>\$1,000,000</u>
<input type="checkbox"/> Products/Completed Operations	<input type="checkbox"/> Sexual Misconduct
<input type="checkbox"/> Fire Legal Liability	
<input type="checkbox"/>	

<u> x </u> Automobile Liability (for any and all vehicles used for this Contract, other than commuting to/from work)	<u>\$1,000,000</u>
---	--------------------

<u> x </u> Professional Liability (Errors and Omissions)	<u>\$10,000,00</u>
---	--------------------

Discovery Period: 12 months discovery period after the completion of agreement or termination of contract

<u> </u> Property Insurance (to cover replacement cost of building - as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage	<input type="checkbox"/> Boiler and Machinery
<input type="checkbox"/> Flood	<input type="checkbox"/> Builder's Risk
<input type="checkbox"/> Earthquake	<input type="checkbox"/>

<u> </u> Pollution Liability	
<input type="checkbox"/>	

<u> </u> Surety Bonds - Performance and Payment (Labor and Materials) Bonds	100 % of Contract Price
<u> </u> Crime Insurance	

Other: 1) Cyber Liability Insurance (\$10 million minimum policy limits).

October 11, 2018

City of Los Angeles
Department of Recreation and Parks
Risk Management
Attention: Mr. Ken Igwebuike

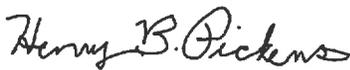
**Re: Agreement for Software As A Service (SAAS) –
Based Risk Management Information System Between The
City of Los Angeles and Riskconnect, Inc. Dated June 29, 2016 (the “Agreement”)**

Dear Mr. Igwebuike:

This letter will serve as approval from Riskconnect, Inc. for the Department of Recreation and Parks of the City of Los Angeles (the “Department”) to use the Agreement to purchase any products and services currently offered by Riskconnect. The Department may also purchase implementation and support under the Agreement for such products and services acquired from Riskconnect.

Please contact me with any inquiries regarding extending the Agreement for the Department’s use.

Very truly yours,



Henry B. Pickens
VP and General Counsel

1701 Barrett Lakes Blvd, Suite 500 | Kennesaw, GA 30144

(o) 770-790-4700

(f) 770-790-4650

www.riskconnect.com

STANDARD PROVISIONS FOR CITY CONTRACTS

TABLE OF CONTENTS

PSC-1	<u>Construction of Provisions and Titles Herein</u>	1
PSC-2	<u>Applicable Law, Interpretation and Enforcement</u>	1
PSC-3	<u>Time of Effectiveness</u>	1
PSC-4	<u>Integrated Contract</u>	2
PSC-5	<u>Amendment</u>	2
PSC-6	<u>Excusable Delays</u>	2
PSC-7	<u>Waiver</u>	2
PSC-8	<u>Suspension</u>	3
PSC-9	<u>Termination</u>	3
PSC-10	<u>Independent Contractor</u>	5
PSC-11	<u>Contractor’s Personnel</u>	5
PSC-12	<u>Assignment and Delegation</u>	6
PSC-13	<u>Permits</u>	6
PSC-14	<u>Claims for Labor and Materials</u>	6
PSC-15	<u>Current Los Angeles City Business Tax Registration Certificate Required</u>	6
PSC-16	<u>Retention of Records, Audit and Reports</u>	6
PSC-17	<u>Bonds</u>	7
PSC-18	<u>Indemnification</u>	7
PSC-19	<u>Intellectual Property Indemnification</u>	7
PSC-20	<u>Intellectual Property Warranty</u>	8
PSC-21	<u>Ownership and License</u>	8
PSC-22	<u>Data Protection</u>	9

TABLE OF CONTENTS (Continued)

PSC-23 Insurance 9

PSC-24 Best Terms..... 9

PSC-25 Warranty and Responsibility of Contractor..... 10

PSC-26 Mandatory Provisions Pertaining to Non-Discrimination in Employment..... 10

PSC-27 Child Support Assignment Orders..... 10

PSC-28 Living Wage Ordinance 11

PSC-29 Service Contractor Worker Retention Ordinance 11

PSC-30 Access and Accommodations 11

PSC-31 Contractor Responsibility Ordinance..... 12

PSC-32 Business Inclusion Program..... 12

PSC-33 Slavery Disclosure Ordinance..... 12

PSC-34 First Source Hiring Ordinance..... 12

PSC-35 Local Business Preference Ordinance 12

PSC-36 Iran Contracting Act 12

PSC-37 Restrictions on Campaign Contributions in City Elections..... 12

PSC-38 Contractors’ Use of Criminal History for Consideration of Employment Applications 13

PSC-39 Limitation of City’s Obligation to Make Payment to Contractor 13

PSC-40 Compliance with Identity Theft Laws and Payment Card Data Security Standards 14

PSC-41 Compliance with California Public Resources Code Section 5164..... 14

PSC-42 Possessory Interests Tax..... 14

PSC-43 Confidentiality..... 15

Exhibit 1 Insurance Contractual Requirements..... 16

STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or 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 perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR’S** discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY’S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY’S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR’S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY’S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR’S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network (“BAVN”) at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’S** principals, and **CONTRACTOR’S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”)

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively “Confidential Information”) are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: _____

Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	Limits
<p>___ Workers' Compensation (WC) and Employer's Liability (EL)</p> <div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div style="width: 45%;"> <p><input type="checkbox"/> Waiver of Subrogation in favor of City</p> </div> <div style="width: 45%;"> <p><input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act</p> </div> </div>	<p>WC _____ Statutory _____ EL _____</p>
<p>___ General Liability</p> <div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div style="width: 45%;"> <p><input type="checkbox"/> Products/Completed Operations</p> <p><input type="checkbox"/> Fire Legal Liability</p> <p><input type="checkbox"/> _____</p> </div> <div style="width: 45%;"> <p><input type="checkbox"/> Sexual Misconduct</p> </div> </div>	<p>_____</p>
<p>___ Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)</p>	<p>_____</p>
<p>___ Professional Liability (Errors and Omissions)</p> <p style="margin-left: 20px;">Discovery Period _____</p>	<p>_____</p>
<p>___ Property Insurance (to cover replacement cost of building - as determined by insurance company)</p> <div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div style="width: 45%;"> <p><input type="checkbox"/> All Risk Coverage</p> <p><input type="checkbox"/> Flood _____</p> <p><input type="checkbox"/> Earthquake _____</p> </div> <div style="width: 45%;"> <p><input type="checkbox"/> Boiler and Machinery</p> <p><input type="checkbox"/> Builder's Risk</p> <p><input type="checkbox"/> _____</p> </div> </div>	<p>_____</p>
<p>___ Pollution Liability</p> <p><input type="checkbox"/> _____</p>	<p>_____</p>
<p>___ Surety Bonds - Performance and Payment (Labor and Materials) Bonds</p>	<p>_____</p>
<p>___ Crime Insurance</p>	<p>_____</p>

Other: _____

Contract
Between
The Department of Recreation and Parks
and
Riskonnect, Inc.

AGREEMENT BETWEEN
THE CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS
AND
RISKONNECT, INC.
FOR SOFTWARE AS A SERVICE (SAAS) – BASED
RISK MANAGEMENT INFORMATION SYSTEM (RMIS)

This Agreement (“Agreement” or “Contract”) is entered into this ____ day of _____, 20____, by and between the City of Los Angeles, (herein referred to as “CITY”) a municipal corporation, Department of Recreation and Parks (hereinafter referred to as “RAP”), acting by and through its Board of Recreation and Park Commissioners (hereinafter referred to as “BOARD”), and Riskonnect, Inc. (hereinafter referred to as “Riskonnect” or “CONTRACTOR”). CITY and CONTRACTOR shall be referred to hereinafter as the “Parties”.

WHEREAS, in October, 2015, the Office of the City Attorney in conjunction with the Office of the Chief Administrative Officer (CAO) conducted a competitive process, seeking proposals from vendors capable of providing the CITY with a Risk Management Information System (RMIS); and

WHEREAS, CONTRACTOR responded to the competitive process with a proposal indicating that it has the requisite experience and competence to perform the professional services sought by the City; and

WHEREAS, the CONTRACTOR was selected based on such competitive process and awarded a competitively bid contract (Contract No. C-127779) between the Office of the Chief Administrative Officer and Riskonnect, Inc., (attached hereto and incorporated herein by reference as Appendix A) to provide RMIS for the purpose of managing claims, litigation management, and analysis of exposures and claims; and

WHEREAS, the BOARD has determined, pursuant to Charter Section 371(e)(8), that the CITY may utilize Contract C-127779, between the Office of the Chief Administrative Officer and CONTRACTOR, because contracts for cooperative arrangements with other governmental agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts of those agencies and any implementing agreements, are an exception to the City’s competitive bidding requirements; and

WHEREAS, the BOARD has determined, pursuant to Charter Section 371(e)(10), that the services to be provided by CONTRACTOR are for the performance of professional, scientific, expert or technical services and the use of competitive bidding would be undesirable, impractical or impossible or is otherwise excused by common law; and

WHEREAS, CONTRACTOR is experienced in providing the services of the type required, is willing to perform such services, and can provide such services to RAP; and

WHEREAS, it is in RAP’s best interest to secure these services from CONTRACTOR.

NOW THEREFORE, RAP and the CONTRACTOR hereby agrees as follows:

SECTION 1 – PARTIES TO THE AGREEMENT, REPRESENTATIVES AND NOTIFICATION.

1.1 Parties

The Parties to this Agreement are:

CITY – The City of Los Angeles, a municipal corporation, acting by and through its BOARD OF RECREATION AND PARK COMMISSIONERS on behalf of RAP, having its principal office at 221 North Figueroa Street, Suite 300, Los Angeles, CA 90012.

CONTRACTOR – Riskconnect, Inc., a Delaware corporation, having its principal office located at 1701 Barrett Lakes Boulevard, Suite 500, Kennesaw, Georgia 30144.

1.2 Representatives

The City's representative will be (or any other RAP Management or City designee):

Michael A. Shull, General Manager
City of Los Angeles, Department of Recreation and Parks
221 N. Figueroa Street, Suite 350
Los Angeles, CA 90012

With Additional Copies to:

Kenneth Igwebuike, Risk Manager II
City of Los Angeles, Department of Recreation and Parks
Human Resources Branch
221 N. Figueroa Street, Suite 380
Los Angeles, CA 90012

Email: kenneth.igwebuike@lacity.org
Telephone Number (213) 202 - 3227
FAX Number (213) 202 - 3249

With Additional Copies to:

Alex Yee, Director of Systems
City of Los Angeles, Department of Recreation and Parks
Finance Division
221 North Figueroa Avenue, Suite 450
Los Angeles, CA 90012

Email: Alex.Yee@lacity.org
Telephone Number: (213) 202-3290
Fax Number: (213) 202-4310

The Contractors representative will be:

Henry B. Pickens, Vice President and General Counsel
Riskonnect, Inc.,
1701 Barrett Lakes Boulevard, Suite 500
Kennesaw, Georgia 30144

With copies to: legal@riskonnect.com

1.3 Notices

Formal notices, demands and communications to be given hereunder by either party will be made in writing and may be effected by personal delivery or by certified mail, return receipt requested, and will be deemed communicated as of the date of receipt.

If the person designated to receive the notices, demands or communications or if the address of such person is changed, written notice of such changes shall be given, in accordance with the Section, within five (5) working days of the change.

CONTRACTOR shall address all questions and correspondence concerning plans to (or any other RAP Management designee):

Kenneth Igwebuike, Risk Manager II
City of Los Angeles, Department of Recreation and Parks
Human Resources Branch
221 N. Figueroa Street, Suite 380
Los Angeles, CA 90012

Email: kenneth.igwebuike@lacity.org
Telephone Number (213) 202 - 3227
FAX Number (213) 202 – 3249

or

Alex Yee, Director of Systems
City of Los Angeles, Department of Recreation and Parks
Finance Division
221 North Figueroa Avenue, Suite 450
Los Angeles, CA 90012

Email: Alex.Yee@lacity.org
Telephone Number: (213) 202-3290
Fax Number: (213) 202-4310

SECTION 2 – TERMS OF THE AGREEMENT

The term of this Agreement shall commence on the last date of execution of the Parties and expire June 29, 2019, the expiration date of Contract No. C-127779, between the Office of the Chief Administrative Officer and CONTRACTOR.

All terms and conditions of Contract No. C-127779 is hereby incorporated into this Agreement and made a part hereof by this reference, and the Parties shall be bound by such terms and conditions as part of this Agreement. For purposes of this Agreement, all references to the City of Los Angeles in Contract No. C-127779 shall mean the CITY acting by and through its BOARD for RAP. To the extent they do not conflict with the provisions of Contract No. C-127779, Riskonnect must comply with the requirements of the Standard Provisions for City Contracts (Rev. 10/17)[v.3] attached hereto and incorporated herein by reference as Attachment 1.

RAP shall have the right to terminate this Agreement for its convenience, in accordance with Section 7.1 of Contract No. C-127779.

SECTION 3 - SCOPE OF SERVICES

3.1 Services to be provided by CONTRACTOR

Upon receipt from RAP of a Notice to Proceed (NTP) with specified work, the CONTRACTOR has agreed by letter dated October 11, 2018 (attached hereto and incorporated by reference herein as Appendix B), to develop, implement, and provide licenses for a RMIS in accordance with the specifications articulated by the CITY during the competitive process resulting in Contract No. C-127779 and in such contract, to RAP, on an occasional and as-needed basis on the same terms and conditions as Contract No. C-127779.

3.2 Services to Be Provided by CITY

RAP's authorized agent (or other RAP management designee) will issue a Notice to Proceed (NTP) to the CONTRACTOR prior the start of any work.

RAP personnel will work cooperatively with CONTRACTOR to ensure timely review of all services provided by CONTRACTOR under this Agreement.

RAP will promptly act, review and make decisions as necessary to permit the orderly progress of CONTRACTOR's work under this Agreement.

SECTION 4 – COMPENSATION AND INVOICING

4.1 Compensation

CITY will pay CONTRACTOR an amount for services outlined in the NTP for each individual project. The total amount for this CONTRACT will not exceed One Hundred Fifty Thousand Dollars (\$150,000.00). The Contract amount is an estimate, and RAP does not guarantee that the Contract maximum amount will be reached. The professional services that RAP are requesting shall be on an occasional and as-needed basis and the CITY, by entering into this Contract, guarantees no minimum amount of business or compensation. RAP staff will monitor this not-to-exceed aggregate total.

4.2 Invoicing

Prior to the start of any work, CONTRACTOR must receive a NTP from an authorized agent of RAP. CONTRACTOR shall submit invoices to RAP for all work performed. Once work has been completed to the satisfaction of RAP, CONTRACTOR may submit an invoice for the agreed amount on the CONTRACTOR'S original proposal, as stated on the NTP, such amount to be consistent with the prices set forth in the terms and conditions in Contract No. C-127779 (attached hereto and incorporated by reference herein as Appendix A). Invoices must include the CONTRACTOR'S name, date, address, contact phone number, summary of work completed, address/location of work completed, dollar amount originally proposed and the agreed on by RAP.

Invoices must be submitted to (or other RAP management designee):

Alex Yee, Director of Systems
City of Los Angeles, Department of Recreation and Parks
Finance Division
221 North Figueroa Avenue, Suite 450
Los Angeles, CA 90012

Email: Alex.Yee@lacity.org
Telephone Number: (213) 202-3290
Fax Number: (213) 202-4310

4.3 Compensation and schedule of payments

The CONTRACTOR's invoice will be reviewed and approved for payment by RAP's designated Project Manager (PM). Once signed off by the PM, payment will be processed by RAP'S Accounting Section for payment. RAP may take up to thirty (30) days for payment of invoice properly submitted, unless CONTRACTOR offers a discount for an early processed payment.

SECTION 5 - NON-EXCLUSIVITY

RAP and the CONTRACTOR understand and agree that this is a non-exclusive Agreement to provide services to RAP and that RAP may contract with other contractors to provide similar services during the term of this Agreement.

SECTION 6 – CONTRACT COMPLIANCE DOCUMENTS

CONTRACTOR is required to complete and submit City's Contract Compliance Documents (attached hereto and incorporated by reference herein as Attachment 2). Included within the scope of the laws, referred to in this paragraph but in no way to operate as a limitation, are all forms of Federal, State, and City laws, regulations policies and ordinances. Any breach by CONTRACTOR of the laws, regulations, policies and ordinances shall constitute a breach of this Contract.

SECTION 7 - RATIFICATION

At the request of RAP, and because of the urgent need therefore, CONTRACTOR may have commenced performance of services required hereunder prior to the execution of this Agreement. By its execution hereof, RAP hereby accepts such services from CONTRACTOR subject to all of the terms, covenants and conditions of this Agreement, and CONTRACTOR's performance of such services.

SECTION 8 - INCORPORATION OF DOCUMENTS

This Agreement, appendices, attachments and incorporated documents represents the entire agreement of the Parties and supersedes all prior written or oral representations, discussions, and agreements. This Agreement may not be changed or modified in any manner except by formal, written amendment fully executed by both CITY and CONTRACTOR. The following documents are incorporated and made a part hereof by reference:

- Appendix A. CONTRACT No. C-127779 awarded on June 29, 2016 between the Office of the Chief Administrative Officer and Riskconnect, Inc.
- Appendix B. Letter dated October 11, 2018 from Riskconnect, Inc. authorizing RAP to utilize Contract No. C-127779 between the Office of the Chief Administrative Officer and Riskconnect, Inc.
- Attachment 1 Standard Provisions for City Contracts. (Rev. 10/17)[v.3]
- Attachment 2 CITY's Contract Compliance Documents including Insurance Contractual Requirements

The order of precedence in resolving conflicting language, if any, in the documents shall be: (1) This Agreement, incorporating Attachment 1 and (2) Appendix A.

IN WITNESS THEREOF, the parties hereto have executed this Agreement to be executed by their duly authorized representatives on the dates indicated:

Executed this _____ day
of _____, 20__

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners

By _____
PRESIDENT

By _____
SECRETARY

Executed this _____ day
of _____, 20__

RISKCONNECT, INC.

By _____
CHIEF FINANCIAL OFFICER

Print Name

Approved as to Form:

Date: _____

Michael N. Feuer
City Attorney

By _____
DEPUTY CITY ATTORNEY
Steven Hong