

STANDARD CALIFORNIA JPIA (Authority) CONTRACT TERMS

AUTHORITY MANAGEMENT

Authority's Assistant Executive Officer shall represent Authority in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Vendor, but not including the authority to expand the software services to be provided or change the compensation due to Vendor. Authority's Chief Executive Officer shall be authorized to act on Authority's behalf and to execute all necessary documents which expand the software services to be provided or change Vendor's compensation.

PAYMENT

(a) The Authority agrees to pay Vendor in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit __, attached hereto and incorporated herein by this reference as though set forth in full, based upon satisfactory completion of the above tasks. This amount shall not exceed _____ dollars (\$ ____ .00) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Vendor shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the Authority's Chief Executive Officer. Vendor shall be compensated for any additional services in the amounts and in the manner as agreed to by the Authority's Chief Executive Officer and Vendor at the time Authority's written authorization is given to Vendor for the performance of said services. The Authority's Chief Executive Officer may approve additional work not to exceed ten percent (10%) of the amount of the Agreement, but in no event shall such sum exceed ten-thousand dollars (\$10,000.00). Any additional work in excess of this amount must be approved by the Authority's Executive Committee.

(c) Vendor will submit invoices no more than monthly for deliverables completed and accepted by the Authority. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for deliverables accepted in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the Authority disputes any of Vendor's fees it shall give written notice to Vendor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) The Authority may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Vendor at least ten (10) days prior written notice. Upon receipt of said notice, the Vendor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the Authority suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the Authority shall pay to Vendor the actual value of the work performed up to the time of termination, provided that the work performed is of value to the Authority.

DEFAULT OF VENDOR

(a) The Vendor's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Vendor is in default for cause under the terms of this Agreement, Authority shall have no obligation or duty to continue compensating Vendor for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Vendor. If such failure by the Vendor to make progress in the performance of work hereunder arises out of causes beyond the Vendor's control, and without fault or negligence of the Vendor, it shall not be considered a default.

(b) If the Authority's Chief Executive Officer or his/her delegate determines that the Vendor is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Vendor a written notice of the default. The Vendor shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Vendor fails to cure its default within such period of time, the Authority shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

(c) In the event this Agreement is terminated pursuant to this Section, the Authority shall pay to Vendor the actual value of the work performed up to the time of termination, provided that the work performed is of value to the Authority.

OWNERSHIP OF DOCUMENTS

(a) Vendor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by Authority that relate to the performance of services under this Agreement. Vendor shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Vendor shall provide free access to the representatives of Authority or its designees at reasonable times to such books and records; shall give Authority the right to examine and audit said books and records; shall permit Authority to make transcripts there from as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, custom-developed code, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the Authority and may be used, reused, or otherwise disposed of by the Authority without the permission of the Vendor. With respect to computer files, Vendor shall make available to the Authority, at the Vendor's office and upon reasonable written request by the Authority, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for Vendor's Services, to the fullest extent permitted by law, Vendor shall indemnify, protect, defend and hold harmless Authority and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Vendor, its officers, agents, employees or sub vendors (or any entity or individual that Vendor shall bear the legal liability thereof) in the performance of professional services under this agreement.

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Vendor shall indemnify, defend and hold harmless Authority, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Vendor or by any individual or entity for which Vendor is legally liable, including but not limited to officers, agents, employees or sub vendors of Vendor.

(c) General Indemnification Provisions. Vendor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub vendor or any other person or entity involved by, for, with or on behalf of Vendor in the performance of this agreement. In the event Vendor fails to obtain such indemnity obligations from others as required here, Vendor agrees to be fully responsible according to the terms of this section in the place of sub vendor. Failure of Authority to monitor compliance with these requirements imposes no additional obligations on Authority and will in no way act as a waiver of any rights hereunder.

(d) Successors and Assigns. This obligation to indemnify and defend Authority as set forth here is binding on the successors, assigns or heirs of Vendor and shall survive the termination of this agreement or this section.

INDEPENDENCE

(a) Vendor is and shall at all times remain as to the Authority a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Vendor shall at all times be under Vendor's exclusive direction and control. Neither Authority nor any of its officers, employees, or agents shall have control over the conduct of Vendor or any of Vendor's officers, employees, or agents, except as set forth in this Agreement. Vendor shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the Authority. Vendor shall not incur or have the power to incur any debt, obligation, or liability whatever against Authority, or bind Authority in any manner.

(b) No employee benefits shall be available to Vendor in connection with the performance of this Agreement. Except for the fees paid to Vendor as provided in the Agreement, Authority shall not pay salaries, wages, or other compensation to Vendor for performing services hereunder for Authority. Authority shall not be liable for compensation or indemnification to Vendor for injury or sickness arising out of performing services hereunder.

LEGAL RESPONSIBILITIES

The Vendor shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Vendor shall at all times observe and comply with all such laws and regulations. The Authority, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Vendor to comply with this Section.

UNDUE INFLUENCE

Vendor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the Authority in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the Authority will receive compensation, directly or indirectly, from Vendor, or from any officer, employee or agent of Vendor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the Authority to any and all remedies at law or in equity.

NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of Authority, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or subagreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Vendor in performance of this Agreement shall be considered confidential and shall not be released by Vendor without Authority's prior written authorization. Vendor, its officers, employees, agents, or sub vendors, shall not without written authorization from the Authority's Chief Executive Officer or unless requested by the Authority's Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the Authority. Response to a subpoena or court order shall not be considered "voluntary" provided Vendor gives Authority notice of such court order or subpoena.

(b) Vendor shall promptly notify Authority should Vendor, its officers, employees, agents, or sub vendors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the Authority. Authority retains the right, but has no obligation, to represent Vendor and/or be present at any deposition, hearing, or similar proceeding. Vendor agrees to cooperate fully with Authority and to provide the opportunity to review any response to discovery requests provided by Vendor. However, Authority's right to review any such response does not imply or mean the right by Authority to control, direct, or rewrite said response.

NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To Authority: California Joint Powers Insurance Authority
8081 Moody Street
La Palma, California 90623
Attention: Beth Lyons, AEO

To Vendor: _____

ASSIGNMENT

The Vendor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the Authority. Vendor shall provide Authority fourteen (14) days' notice prior to the departure of _____ from Vendor's employ. Should he/she leave Vendor's employ, the Authority shall have the option to immediately terminate this Agreement, within three (3) days of the close of said notice period. In the event this Agreement is terminated pursuant to this Section, the Authority shall pay to Vendor the actual value of the work performed up to the time of termination, provided that the work performed is of value to the Authority.

LICENSES

At all times during the term of this Agreement, Vendor shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

GOVERNING LAW; ARBITRATION

Any action to enforce or interpret this Agreement, or to resolve disputes with respect to or arising out of this Agreement, shall be settled by arbitration in accordance with California Code of Civil Procedure Sections 1280 through 1294.2 and any successor provisions thereto. The provisions of California Code of Civil Procedure Section 1283.05 regarding the right to take depositions and obtain discovery shall apply to the arbitration. Arbitration shall be the exclusive dispute resolution process. Any party may commence arbitration by sending a written demand for arbitration to the other parties. Such demand shall set forth the nature of the matter to be resolved by arbitration. The place of arbitration shall be Orange County or Los Angeles County, California. The substantive law of the State of California shall be applied by the arbitrator to the resolution of the dispute. The parties shall share equally all initial costs of arbitration. All decisions of the arbitrator shall be final, binding, and conclusive on all parties. Judgment may be entered upon any such decision in accordance with applicable law in any court having jurisdiction thereof. The arbitrator (if permitted under applicable law) or such court may issue a writ of execution to enforce the arbitrator's decision.

ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

CONTENTS OF REQUEST FOR PROPOSAL AND PROPOSAL

Vendor is bound by the contents of Authority's Request for Proposal, Exhibit __ hereto and incorporated herein by this reference, and the contents of the proposal submitted by the Vendor, Exhibit __ hereto. In the event of conflict, the requirements of Authority's Request for Proposals and this Agreement shall take precedence over those contained in the Vendor's proposal.

MISCELLANEOUS PROVISIONS

The invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity or enforceability of any other of its other provisions. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No breach of this Agreement may be waived unless in writing; no waiver of any breach will be deemed as a waiver of any other breach of the same or other provisions. This Agreement shall be governed in all respects by the laws of the State of California. This Agreement may be executed in any number of counterparts and delivered by facsimile, each of which shall be deemed an original and all of which together shall constitute one instrument.

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Vendor will maintain insurance in conformance with the requirements set forth below. Vendor will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Vendor agrees to amend, supplement or endorse the existing coverage to do so. Vendor acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to Authority in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to Authority. In the event the Vendor is able to demonstrate that any of the coverages required below are not reasonably commercially available, the Authority reserves the right to agree to a modification of these requirements.

Vendor shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$2,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Vendor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Vendor or Vendor's employees will use personal autos in any way on this project, Vendor shall provide evidence of personal auto liability coverage for each such person.

Workers' Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to Authority for injury to employees of Vendor, subvendors or others involved in the Work. The scope of coverage provided is subject to approval of Authority following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the vendor and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Vendor. Vendor and Authority agree to the following with respect to insurance provided by Vendor:

1. Vendor agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds Authority, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Vendor also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Vendor, or Vendor's employees, or agents, from waiving the right of subrogation prior to a loss. Vendor agrees to waive subrogation rights against Authority regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the Authority or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Authority and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called “third party action over” claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the Authority, as the need arises. Vendor shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect Authority’s protection without Authority’s prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Vendor’s general liability policy, shall be delivered to Authority at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, Authority has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by Authority shall be charged to and promptly paid by Vendor or deducted from sums due Vendor, at Authority option.
8. Certificate(s) are to reflect that the insurer will provide 30 days notice to Authority of any cancellation of coverage. Vendor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will “endeavor ” (as opposed to being required) to comply with the requirements of the certificate.
9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Vendor or any subcontractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self insurance available to Authority.
10. Vendor agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Vendor, provide the same minimum insurance coverage required of Vendor. Vendor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Vendor agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to Authority for review.
11. Vendor agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to Authority. If Vendor’s existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the Authority. At that time the Authority shall review options with the Vendor, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

12. The Authority reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Vendor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Vendor, the Authority will negotiate additional compensation proportional to the increased benefit to Authority.

13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

14. Vendor acknowledges and agrees that any actual or alleged failure on the part of Authority to inform Vendor of non-compliance with any insurance requirement in no way imposes any additional obligations on Authority nor does it waive any rights hereunder in this or any other regard.

15. Vendor will renew the required coverage annually as long as Authority, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until Authority executes a written statement to that effect.

16. Vendor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Vendor's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to Authority within five days of the expiration of the coverages.

17. The provisions of any workers' compensation or similar act will not limit the obligations of Vendor under this agreement. Vendor expressly agrees not to use any statutory immunity defenses under such laws with respect to Authority, its employees, officials and agents.

18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.

19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.

20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

21. Vendor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge Authority or Vendor for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to Authority. It is not the intent of Authority to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against Authority for payment of premiums or other amounts with respect thereto.

22. Vendor agrees to provide immediate notice to Authority of any claim or loss against Vendor arising out of the work performed under this agreement. Authority assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve Authority.