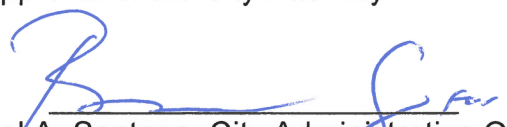


TRANSMITTAL

TO The City Council	DATE 10/27/16	COUNCIL FILE NO. 13-1255
FROM Information Technology Oversight Committee	COUNCIL DISTRICT	

At the October 27, 2016 meeting of the Information Technology Oversight Committee, the Committee considered a request from the Information Technology Agency to execute licensing and long-term support contract amendments to contracts with CGI Technology Solutions, Inc. to continue maintenance for FMS Financial and Performance Budgeting and to add maintenance for FMS Procurement, Inventory, Vendor Self Service, and eProcurement.

It is therefore recommended that the Council authorize the General Manager of the Information Technology Agency to a) execute the First Restated and Fifth Amended Contract C-114342 with CGI Technology Solutions Inc., for Proprietary Software Maintenance totaling \$12.3 million for a term of 18 years effective July 1, 2008 through June 30, 2026 and b) execute the Fourth Amendment to the Amended and Restated Proprietary License Contract C-11431 with CGI Technology Solutions Inc, to add third-party Software Licenses with no change to the term or compensation, subject to the approval of the City Attorney.

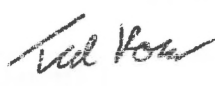

Miguel A. Santana, City Administrative Officer
Chair, Information Technology Oversight Committee

MAS:CEA:11170022

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: October 26, 2016 EXE-226-16

TO: Information Technology Oversight Committee

FROM: Ted Ross, General Manager
Information Technology Agency 

SUBJECT: **FINANCIAL MANAGEMENT SYSTEM (FMS) LICENSING AND LONG-TERM SUPPORT CONTRACT AMENDMENTS**

RECOMMENDATIONS

That the Information Technology Oversight Committee (ITOC) approve and forward the following recommendations to City Council for approval:

1. Authorize the General Manager of the Information Technology Agency (ITA), or his designee, to execute the First Restated and Fifth Amended Contract C-114342 with CGI Technology Solutions Inc., for Proprietary Software Maintenance to a) continue maintenance for FMS Financial and Performance Budgeting; and, (b) add maintenance for FMS Procurement, Inventory, Vendor Self Service, and eProcurement totaling \$12.3 million for a term of ten years effective July 1, 2016 through June 30, 2026.
2. Authorize the General Manager of the ITA, or his designee, to execute the Fourth Amendment to the Amended and Restated Proprietary Software License Contract No. C-114341 with CGI Technologies and Solutions Inc. to add additional 3rd Party Software Licenses.

SUMMARY

The City's Financial Management System (FMS) is the City's system of record for accounting transactions, financial reporting, and budget development for all Council-controlled departments. The City is currently replacing the Supply Management System (SMS) as part of the FMS 2.0 Project to implement the FMS Procurement, Inventory, Vendor Self Service (VSS), and eProcurement Modules.

The current FMS maintenance contract (Software Maintenance C-114342) expired on June 30, 2016, and must be extended to provide vendor support for this proprietary system. Additionally, Contract C-114341 which includes all FMS and related third-party software licenses must be amended to include software products related to implementation of the VSS and eProcurement modules.

BACKGROUND

FMS: History and Scope

In July 2011, the City implemented the FMS General Ledger, Cost Accounting, Accounts Payable, Accounts Receivable, and infoAdvantage (reporting) modules. In

November 2014, the City implemented the Performance Budgeting module. The City is currently implementing the Procurement, Inventory, and VSS modules of FMS which will be completed by July 2017. The table below shows the timeline, business sponsors, and key uses of each module.

Module	Timeline	Business Sponsor	Key Uses
Financial Management • General Ledger • Cost Accounting • Accounts Payable • Accounts Receivable • infoAdvantage (reporting)	July 2011	Controller	Citywide Financial Operations and Reporting
Performance Budgeting	Nov 2014	City Administrative Officer (CAO)	Budget
Procurement / Inventory / Vendor-Self-Service	July 2017	General Services Department (GSD) / Controller	Citywide Purchasing and Inventory

Current FMS Support Model

FMS is an “off-the-shelf” system provided by vendor CGI, a major government Enterprise Resource Planning (ERP) provider. CGI currently provides Standard and Enhanced Maintenance Services (EMS) for FMS via Software Maintenance Contract No. C-114342 (expired June 30, 2016). The support includes baseline software defects, extended support for City customized FMS programming, and after-hours phone support for potential problems that occur during FMS nightly cycle processing. The City provides the first line of support and escalates to CGI when necessary.

The ITA and GSD requested and received Council approval for a fifth amendment to Contract No. C-114342 on September 16, 2014. The amendment added maintenance support for the eProcurement module to take effect July 1, 2016. The City subsequently determined that it was premature to add this module to the maintenance contract and did not execute the amendment.

Therefore, the current First Restated and Fifth Amendment requested replaces that one numerically, but addresses additional authorities required for the inclusion of the new modules, as well as providing favorable maintenance pricing in consideration for a ten year term. Agreeing to a ten year contract enables the City to take advantage of \$1.2M in savings over the ten year period, versus the pricing if the contract were for two five year periods. Moreover, the City has the option to terminate the contract for convenience without penalty, though in practicality, doing so would require multiple years of preparation to transition to a new financial management and purchasing system.

AMENDMENT PROVISIONS

First Restated and Fifth Amended Contract C-114342 for Proprietary Software Maintenance

This Contract is amended to reflect the following terms:

1. Extend Standard Maintenance Services for CGI Advantage Financial and CGI Advantage Performance Budgeting for a term of ten years effective July 1, 2016 through June 30, 2026 (\$7.45 million).
2. Add Standard Maintenance Services for CGI Advantage Procurement, CGI Advantage Inventory, and CGI Advantage Vendor Self Service for a term of nine years effective July 1, 2017 through June 30, 2026 (\$2.89 million).
3. Add CGI Advantage eProcurement services for a term of ten years effective July 1, 2016 through June 30, 2026 (\$1.58 million).
4. Extend Enhanced Maintenance Services for CGI Advantage Financial for a term of one year effective July 1, 2016 through June 30, 2017 (\$0.36 million).
5. Increase the contract authority by \$12,300,000.

The total contractual services cost is \$12.3 million over the ten year period. The table below shows the projected cost year-over-year:

	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	TOTAL
Contractual Services	\$1.25 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$1.22 million	\$12.3 million

Fourth Amendment to the Amended and Restated Proprietary Software License Agreement Contract No. C-114341

Contract C-114341 enumerates all the CGI AMS Advantage licenses, as well as all the third party software licenses that the City has rights to use as part of the Financial Management System. On September 19, 2014 Council approved Amendment No.4 to the Amended and Restated Proprietary Software License Agreement C-114341 to add third party licenses to reflect a product addition that CGI planned to implement. However, CGI subsequently elected to use open source software for their system enhancement instead of licensed software, negating the need for the contract amendment. Since that amendment was never executed, the current amendment requested is the fourth amendment to this Restated contract.

Contract Amendment No. 4 provides for additional 3rd party licenses for IBM Websphere to accommodate additional users anticipated with implementation of the VSS and SMS

replacement project. This amendment updates and re-states the 3rd party licenses that the City owns as part of this contract; there is no funding or cost associated with this amendment.

CGI has previously complied with, and maintains compliance with, all City administrative requirements. The affidavits in BAVN have been verified by Office of Contract Compliance at Public Works/Bureau of Contract Administration. CGI has uploaded current certificate of insurance in the Office of Risk Management track4la system.

FISCAL IMPACT STATEMENT

Approval of these recommendations will result in General Fund expenditures for Fiscal Years 2016 – 2026 with a cumulative total of \$12.3 million. Funding for FY16-17 is already part of the adopted budget. Funding for future fiscal years is subject to appropriation in the City's annual budgetary process. As funds are available for current year expenditures, and future fiscal year expenditures are subject to the availability of budgeted funds, the recommendations of this report are in compliance with the City's Financial Policies.

- Attachment A: First Restated and Fifth Amended Contract C-114342 for Proprietary Software Maintenance
Attachment B: Fourth Amendment to the Amended and Restated Proprietary Software License Agreement C-114341

cc: Karen Kalfayan, Office of the Chief Legislative Analyst
Mandana Khatibshahidi, Office of the Chief Legislative Analyst
Jody Yoxsimer, Office of the City Administrative Officer
Claudia Aguilar, Office of the City Administrative Officer
Georgia Mattera, Office of the Controller
Matthew Crawford, Office of the Controller
Rashad Mfume, Office of the Controller
Laurel Lightner, Office of the City Attorney
Deborah Ramos, General Services Department
John Trevgoda, General Services Department
Joyce Edson, Information Technology Agency
Laura Ito, Information Technology Agency
Jose Alvarez, Information Technology Agency
Alma Guerrero, Mayor's Office

**FOURTH AMENDMENT TO THE AMENDED AND RESTATED PROPRIETARY
SOFTWARE LICENCE AGREEMENT C-114341
BETWEEN THE CITY OF LOS ANGELES
AND
CGI TECHNOLOGIES AND SOLUTIONS INC.**

This Fourth Amendment to Contract C-114341 is entered into between the City of Los Angeles, California, a municipal corporation (hereinafter referred to as the "City" or "Client") and CGI Technologies and Solutions Inc., a Delaware corporation (hereinafter referred to as "Contractor" or "CGI") with reference to the following facts:

WHEREAS, pursuant to the agreement dated on or about September 28, 1991 ("Original License Agreement"), the City licensed the software, now known as the AMS Advantage® software from CGI (formerly, American Management Systems, Incorporated); and

WHEREAS, on or about September 1, 2008, the City and Contractor entered into a Proprietary Software License Agreement ("License Agreement") (City Contract No. C-114341) whereby Contractor agreed to provide CGI Advantage® software; and

WHEREAS, the City (CFs 07-2186-S1 and S2) authorized the Controller to execute the contract on behalf of the City; and

WHEREAS, CFs 07-2186-S1 and S2 transferred the City Project Management Office and the project management function from the Controller to the Information of Technology Agency; and

WHEREAS, pursuant to the First Amendment to this License Agreement on or about September 9, 2008, this contract recognizes the project structure approved in the above Council files; and

WHEREAS, pursuant to the Second Amendment to this License Amendment on or about April 30, 2010, in order to add a 3rd year of Back Maintenance and an additional year of 3rd Party Products Software Maintenance due to the new revised Go-Live date of 07/01/11; and,

WHEREAS, pursuant to the Third Amendment of the License Agreement on or about June 16, 2014, in order to upgrade the City's BRASS license to Performance Budgeting; and,

WHEREAS, the Parties desire to enter into this Fourth Amendment pursuant to Paragraph 9.C (entire agreement and written amendments) of the License Agreement in order to add 3rd Party Software Licenses.

NOW THEREFORE, in consideration of the premises and of the covenants, representations and agreement set forth herein, the Parties hereby covenant, represent and agree to amend the License Agreement as follows:

1. Section 6 (THIRD-PARTY PRODUCTS LICENSED BY CGI) of Exhibit A of this License Agreement is hereby deleted in its entirety and replaced by the following:

"6. Third-Party Products Licensed By CGI.

Included in the License Fee set forth in Section 3 of Exhibit A are the license fees for certain third-party products (the "Third-Party Products") required to be used in connection with the CGI Advantage software. CGI is providing the following Third-Party Products to the City:

- Versata Logic Server v. 5.5 (1 site license)
- Versata Designer Studio (Java/ XML) (4 named user/workstation licenses)
- IBM WebSphere Application Server Network Deployment (2660* IBM Processor Value Units Sub-capacity) (formerly *IBM WebSphere Application Server (AIX) (2660 PVU)*)
*560 licenses added by Amendment No. 4
- IBM WebSphere Application Server Processor (600 IBM Processor Value Units Sub-capacity) (formerly *IBM WebSphere Application Server (Windows) (600 PVU)*)
 - *[See attached for additional IBM Terms]*
- Pervasive Data Integrator Pro Engine™ - Production (1 license – dual core) (formerly *Pervasive Data Integrator Pro Engine Prod (2 x2 cpu production server license)*)
- Pervasive Data Integrator Pro Engine™ - Non Production (2 licenses - single threaded) (formerly *Pervasive Data Integrator Pro Engine Non Prod (1 x2 cpu non-prod server license)*)
- Pervasive Data Integrator Pro Engine™ (1 license single threaded) (formerly *Pervasive Data Integrator Pro Engine (1 x 2 cpu DR server license)*)
- Pervasive Data Integrator Pro Developer™ (6 named user licenses)
 - *[The End User Agreement ("EULA") for Pervasive is attached to the original License Agreement]*
- Adobe Present Central Pro – production (1 server license)
- Adobe Present Central Pro – non-production (1 server license)
- Adobe Present Output Designer (1 named user license)
- Adobe RoboHelp® Office (1 named user license) (formerly *Adobe Robo Help Office X5 (1 user license)*)
 - *[The End User Agreements ("EULA") for Adobe products are attached to the original License Agreement]*

- Monsell EDM DeltaXML (1 site license) (formerly *Delta XML Limited DeltaXML (1 user license)*)
- Convey 1099 (6 users based on 10,000 documents created) (*[annual service]* (formerly *Convey Compliance Systems 1099 (Network C)*)
- Business Objects Ent Professional Application Specific for QRA & WebIntelligence NUL (50 User Restricted)
- Business Objects Ent Professional Application Specific for QRA & WebIntelligence (6 CPU Restricted)

The above Third Party Software has been updated as of the date of this Amendment to reflect current naming conventions.

Each "user license" referenced above refers to the restrictions for the corresponding third-party software provided by CGI to the City, but not less than one concurrent user.

All rights of the City in and to the Third-Party Products will be governed by the suppliers' license terms accompanying the Third-Party Products, some of which are attached hereto as Appendix 3. Those Third-Party Products whose licenses are not attached are either governed by the shrink-wrap license or by the terms and conditions of this License Agreement, as the case may be. CGI does not itself give or make any warranty of any kind with respect to the Third-Party Products. Changes in the CGI Advantage software, which CGI may make from time to time as part of a CGI Advantage Upgrade Release (i.e., a new Minor Release or Major Release), may make it necessary for the City to acquire, at its own expense, updated versions of the Third-Party Products or additional third-party products.

Changes in Third-Party Products that are *required* by CGI in order to ensure the Third-Party Products are compatible or operate correctly with the *currently implemented version (including any Service Release or FixPack)* of CGI Advantage will be at the expense of CGI through Final Acceptance.

The City may use the Third-Party Products to support a Disaster Recovery (DR) site for no additional licensing fee as long as the DR site is not used to increase system capacity."

2. Except as amended herein, all other terms and conditions of the License Agreement shall remain in full force and effect.

IN WITNESS THEREOF, the Parties hereto have caused this Fourth Amendment to be executed by their duly authorized representatives.

THE CITY OF LOS ANGELES
A Municipal Corporation

CGI Technologies and Solutions Inc.

By: _____
TED ROSS
General Manager
Information Technology Agency

By: _____
DANIEL A. KEENE
Senior Vice President

Date: _____

Date: _____

APPROVED AS TO FORM:

Michael N. Feuer, City Attorney

Attest: Holly L. Wolcott, City Clerk

By: _____
LAUREL L. LIGHTNER
Assistant City Attorney

By: _____
Deputy

Date: _____

**FIRST RESTATED AND FIFTH AMENDED CONTRACT C-114342
FOR PROPRIETARY SOFTWARE MAINTENANCE
BETWEEN
CITY OF LOS ANGELES
AND
CGI TECHNOLOGIES AND SOLUTIONS INC.**

This First Restatement of Contract C-114342 as amended ("Restatement") is entered into between the City of Los Angeles, California (hereinafter referred to as "City" or "Customer") a municipal corporation and CGI Technologies and Solutions Inc. (hereinafter referred to as "Contractor" or "CGI"), a Delaware corporation with reference to the following facts:

WHEREAS, on or about September 1, 2008, the City and Contractor entered into a Proprietary Software Maintenance Agreement (City Contract No. C-114342) ("Agreement") whereby Contractor agreed to provide CGI Advantage®, now CGI Advantage® software standard support and maintenance services ("Standard Maintenance Services"); and

WHEREAS, the City (CFs 07-2186-S1 and S2) authorized the Controller to execute the Agreement on behalf of the City; and

WHEREAS, the City Council (CFs 07-2186-S1 and S2) transferred the City Project Management Office and the project management function from the Controller to the Information Technology Agency on or about September 9, 2008; and

WHEREAS, pursuant to the First Amendment to the Agreement, dated September 9, 2008, the Agreement recognizes the project structure approved in the above Council files; and

WHEREAS, the parties entered into a Second Amendment to the Agreement, dated April 7, 2010, in order to update the Due Dates for Standard Maintenance Services fees for the initial Maintenance Period to reflect the new revised Go-Live date of July 1, 2011;

WHEREAS, the parties entered into a Third Amendment to the Agreement, dated June 10, 2013 in order to provide Enhanced Maintenance Services for CGI Advantage Financial, as more particularly specified in Statement of Work No. 1, attached to the Third Amendment; and

WHEREAS, the Parties entered into a Fourth Amendment, dated June 16, 2014, in order to add Standard Maintenance Services for CGI Advantage Performance Budgeting; and

WHEREAS, under the Agreement as previously amended Standard Maintenance Services for CGI Advantage Financial and CGI Advantage Performance Budgeting are to expire on June 30, 2016; and

WHEREAS, under the Agreement as previously amended Enhanced Maintenance Services for CGI Advantage Financial are to expire on June 30, 2016, and Statement of Work No. 1 specifying those Enhanced Maintenance Services is to expire on June 30, 2016; and

WHEREAS, the parties desire to enter into this Restatement to reflect the Fifth Amendment pursuant to Paragraph 8.C (Change Notices and Amendments) of the Agreement to authorize expenditure of additional funds by the City in an amount not to exceed Twelve Million, Two Hundred Sixty Eight Thousand, Nine Hundred Dollars (\$12,268,900) and to replace Exhibit A in its entirety in order to (i) extend Standard Maintenance Services for CGI Advantage Financial and CGI Advantage Performance Budgeting through June 30, 2026; (ii) add Standard Maintenance Services for CGI Advantage Procurement, CGI Advantage Inventory, and CGI Advantage Vendor Self Service commencing July 1, 2017, and continuing through June 30, 2026; (iii) extend Enhanced Maintenance Services for CGI Advantage Financial through June 30, 2017; (iv) provide CGI Advantage eProcurement services on a subscription basis commencing on July 1, 2016, and continuing through June 30, 2026.

NOW THEREFORE, in consideration of the premises and of the covenants, representations and agreements set forth herein, the parties hereby covenant, represent and agree as follows:

1. DEFINITIONS

Capitalized terms used in this Agreement will have the meanings given below or in the context in which the term is used, as the case may be.

- A. "CGI Advantage software" means the software specified in *Exhibit A*.
- B. "Documentation" means the documentation provided by CGI for the Software pursuant to the License Agreement.
- C. "Enhancements" means changes or additions to the CGI Advantage software which CGI develops and makes available at no additional charge to all licensees of the CGI Advantage software who are under then-current maintenance agreements.
- D. "Software incident" means a material deviation of the CGI Advantage software from the specifications for the CGI Advantage software identified in the License Agreement.
- E. "License Agreement" means the license agreement specified in *Exhibit A* pursuant to which CGI licensed the CGI Advantage software to City.
- F. "Maintenance Period" means the initial term of this Agreement or any subsequent renewal period. The initial term and each renewal period is a

separate Maintenance Period. The initial Maintenance Period is specified in *Exhibit A*. Each renewal Maintenance Period, if any, will be a period of twelve (12) months.

- G. "Party": Shall mean the City and/or CGI, as the context requires.
- H. "Force Majeure Event": Shall mean fire, flood, earthquake, elements of nature or acts of God; acts of war, terrorism, riots, civil disorders, rebellions or revolutions; strikes, lockouts, or labor difficulties, equipment failures, computer viruses, malicious acts of third parties, interruption of telecommunications service; or any other similar cause, provided that such cause is beyond the reasonable control of the affected Party, that could not have been prevented by reasonable precautions of the kind ordinarily taken by well-managed firms engaged in such Party's line of business (such as, by way of illustration and not limitation, regular software backups and regular use of commercial anti-virus software, but not including duplicate or parallel computer systems or on or off-site backup or disaster recovery equipment).
- I. "All defined terms not otherwise defined in this Agreement shall have the meanings ascribed to them in the Services Agreement."
- J. "Major Release" - A Major Release occurs infrequently and contains significant functional enhancements that span the application modules and are generally accompanied by major changes in technical architecture.
- K. "Minor Release" - A Minor Release occurs more frequently than a Major Release (typically on a 6–12 month cycle) and contains both functional and technical enhancements to the CGI Advantage software. A Minor Release enhances the application's functional and technical capabilities and responds to legislative requirements without introducing a wholesale change in the application. In addition to functional and technical enhancements, a Minor Release also contains corrections for Software Incidents reported from the prior release.
- L. "Service Release" - A Service Release is issued more frequently than a Minor Release (typically on a 3 month cycle) and provides corrections to incidents that exist within a Major or Minor Release. A Service Release is not intended to provide any new functionality or technological improvements.
- M. "FixPack" – FixPacks are small collections of software patches bundled together and regression tested in an environment based on the nature of fixes included in the FixPack. The FixPack program is intended to keep every customer on an identifiable and supportable release level within a minor/service release and to reduce the number of patches delivered to individual clients. FixPacks will be cumulative in nature.

2. MAINTENANCE

A. CGI Standard Support and Maintenance Services provide the City with the required ongoing Enhancements to the Software to address functional and technical changes. Specifically, the Standard Support and Maintenance Services provide these major components:

- Internet access through our secure web site, eAccess (<https://support.cgi-ams.com//advantage/>), to a variety of 24x7 support materials.
- Help Desk Support with direct phone, email, and web support on the baseline software through the CGI Client Support Center. Standard hours of operation are 8 am EST to 9 pm EST Monday-Friday. CGI can be reached at 800-321-0267 via phone and <https://support.cgi-ams.com//advantage/> via our online support website.
- CGI Advantage software incident corrections to the Software.
- CGI Advantage software releases are provided periodically to address technical and functional compatibility with system software and ongoing regulatory changes and changes to business practices. Documentation updates are provided as part of each release. Additional CGI Advantage software incident corrections will be included in releases, as dictated by testing requirements and the magnitude of the required change.
- Enhancements to the CGI Advantage Software are provided in new releases of the CGI Advantage solution.
- Membership to the CGI Advantage User Group. Membership provides the option to participate in various user group activities such as the annual CGI Forum, regional User Group meetings and voting for the User Group Steering Committee that works closely with CGI on a variety of customer issues and concerns. Membership also provides each site the option of proposing a candidate for election to the User Group Steering Committee.

CGI will support the following features of the CGI Advantage software:

- The system components that the City is currently contracted for and is paying maintenance on;
- The third-party software component releases that are compatible with the currently supported version of the CGI Advantage software;
- The documented features of the CGI Advantage software, as listed on the delivered on-line documentation and help files;
- All standard baseline features of the system, including configuration tables (e.g. Required Elements) of the CGI Advantage software, that DO NOT include infrastructure or other

programming code changes. Any City-specific configuration tables will not be supported.

- Prioritizations of all issues and Software incidents according to the following schedule:

Severity	Definition	Response Times
1 - Critical	A problem with CGI supported Software causing critical impact to the City's business operation. No workaround is immediately available and work using the Software can not continue.	15 minutes or less from the time the City notifies Client Support.
2 - Serious	A problem with CGI supported Software causing significant impact to the City's business operation. A workaround is available but is unacceptable on a long term basis.	2 hours or less from the time City notifies Client Support.
3 - Moderate	A problem with CGI supported Software that impairs some functionality, but a practical workaround exists.	2 hours or less from the time City notifies Client Support
4 - Minor	A problem that does not affect any functionality of the Software.	2 hours or less from the time City notifies Client Support

- B. CGI may, at its option, investigate and correct suspected Software incidents at CGI's offices to the extent possible. If CGI personnel are not given the opportunity to investigate and correct Software incidents at CGI's offices and instead travel to the City's place of business at the City's request to perform maintenance services, the City will pay CGI for the travel time and the reasonable travel and other out-of-pocket expenses of CGI's personnel; provided, however, any such travel will be in accordance with the City's then-existing travel policy to the extent reasonable and feasible. If a suspected Software incident is attributable to a cause other than the CGI Advantage software as delivered by CGI, then the City will pay for CGI's work on a time-and-materials basis. If the CGI Advantage software module containing the software incident has been modified by non-CGI personnel or by others not approved by CGI, CGI will charge the City on a time-and-materials basis at CGI's then-current hourly rates for analyzing and fixing the software incident in the City's version, and for any installation assistance the City requires.
- C. At the expiration of the initial Maintenance Period stated in this Agreement, the City may buy maintenance services for the CGI

Advantage software for subsequent Maintenance Periods in which CGI is offering maintenance services, at prices to be mutually agreed to by the parties. The City may obtain such maintenance services only if (i) the City has paid the maintenance fee for all prior Maintenance Periods; and (ii) the City incorporates into the CGI Advantage software all releases, corrections, and Enhancements to the CGI Advantage software that CGI has made available to the City, no less than two minor software releases prior to current release.

- D. All Enhancements and corrections to the CGI Advantage software and Documentation provided by CGI pursuant to this Agreement will become a part of the CGI Advantage software and Documentation for the purposes of the License Agreement at the time they are provided to the City and are hereby licensed to the City as part of the CGI Advantage software and Documentation pursuant to all of the terms and conditions of the License Agreement.

3. PAYMENT TERMS

- A. The City will pay, upon execution of this Agreement, the maintenance fees for the initial Maintenance Period set forth in *Exhibit A*. CGI will provide the City with written notice of and an invoice for the maintenance fees for each subsequent Maintenance Period at least thirty (30) days prior to the expiration of the then-current Maintenance Period. CGI will not be obligated to provide maintenance services in any Maintenance Period (including the initial Maintenance Period) unless the maintenance fees for the Maintenance Period have been paid in full.
- B. All fees and expenses are to be paid to CGI in United States Dollars, by wire transfer of funds to an account designated by CGI or by check sent to CGI at 15038 Collections Center Drive, Chicago, IL 60693. CGI's invoices are due and payable in full within forty-five (45) days from the date the City receives the complete invoice with supporting documentation.
- C. CGI's invoices must include, at a minimum, the following information, where applicable:
 - 1. Name and address of CGI.
 - 2. Date of the invoice and period covered.
 - 3. Reference to City Contract Number for this Agreement.
 - 4. Description of work performed and amount due for each deliverable along with back up documentation for all items where cost reimbursement is sought.
 - 5. Copy of written approval from City authorizing on-site work to be performed.
 - 6. Payment terms, total due and due date.
 - 7. Certification by CGI that all invoiced items are true and correct.

8. Remittance Address (if different from CGI's address).
- D. Invoices are considered complete when appropriate documentation or services provided are signed off as satisfactory by the City.
- E. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of CGI. The City will not compensate CGI for any cost incurred for invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time.
- F. As of the date of this Agreement, the City is a Municipal corporation and is, therefore, a tax exempt entity. As such and as of the Effective Date, all applicable taxes are included in the fees payable under this Agreement. If the City's tax exempt status is modified or revoked during the term of this Agreement, the City agrees to pay directly or reimburse CGI for any taxes arising out of this Agreement or CGI's performance under this Agreement (e.g. sales taxes), excluding taxes personal to CGI and not required to be collected based on the sale of goods and/or services including, but not limited to taxes on CGI's net income, business license taxes and all employer reporting and payment obligations with respect to its personnel.
- G. Due to the need for CGI's services to be provided continuously on an ongoing basis, CGI may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.
- H. This Restatement adds Twelve Million, Two Hundred Sixty Eight Thousand, Nine Hundred Dollars (\$12,268,900) to the City's total obligation under the Agreement subject to available funding. For complete and satisfactory performance of the terms and conditions during the entire term of this Agreement, City shall pay Contractor a total amount not to exceed Fifteen Million, Nine Hundred Sixty Eight Thousand, Nine Hundred and Thirty Dollars (\$15,968,930) subject to available funding. Contractor further understands and agrees that execution of this Agreement does not guarantee that Contractor's personnel will be utilized or that any or all of these funds will be expended. Said amount includes payment for all services performed by Contractor in accordance with the terms and conditions of the Agreement.

4. WARRANTIES AND REMEDIES FOR BREACH OF WARRANTY

- A. CGI warrants that the maintenance services will be performed in a workmanlike manner consistent with industry standards reasonably applicable to the performance of such maintenance services. If the City believes there has been a breach of this warranty and so notifies CGI in writing stating in reasonable detail the nature of the claimed breach within thirty (30) days after the maintenance services are delivered to the City by

CGI, then CGI will promptly investigate the matter. If it is determined that there has been a breach of this warranty, then CGI's sole obligation, and the City's exclusive remedy, will be for CGI to correct or re-perform any affected maintenance services as necessary to cause them to comply with this warranty. There will be no additional charge to the City for the investigation and correction efforts performed by CGI, except as provided in Section 2.B. If CGI is unable to correct a breach of this warranty after repeated efforts, the City will be entitled to recover its actual damages subject to the limitations and exclusions set forth in Section 5.

- B. THE WARRANTIES SET FORTH IN THIS SECTION 4 AND THE WARRANTIES CONTAINED ELSEWHERE IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, INTEGRATION, PERFORMANCE AND ACCURACY AND ANY IMPLIED WARRANTIES ARISING FROM STATUTE.

5. LIMITATION OF LIABILITY

- A. Except as set forth in Section 5.B below, for each Annual Maintenance Period specified in Exhibit A, CGI's total liability for failing to meet its obligations under this Agreement shall be limited to one (1) times the value of the Annual Maintenance Period in which the failure occurs. The applicable limitations of liability for the ten (10) consecutive Annual Maintenance Periods beginning on July 1, 2016, and concluding on June 30, 2026, are specified in Table 5.

Table 5

Annual Maintenance Period	Annual LOL Cap
July 2016 – June 2017	\$1,245,592
July 2017 – June 2018	\$1,224,812
July 2018 – June 2019	\$1,224,812
July 2019 – June 2020	\$1,224,812
July 2020 – June 2021	\$1,224,812
July 2021 – June 2022	\$1,224,812
July 2022 – June 2023	\$1,224,812
July 2023 – June 2024	\$1,224,812
July 2024 – June 2025	\$1,224,812
July 2025 – June 2026	\$1,224,812

- B. Notwithstanding anything to the contrary, the liability limitations set forth in Section 5.A above shall not apply to: (i) losses arising out of the gross negligence or willful misconduct of Contractor or any of its agents or subcontractors; (ii) any injury, death or damage to tangible personal property caused by CGI or any of its agents or subcontractors; or (iii) any claims or demands of third parties related to CGI's infringement indemnification obligations under Section 10.

6. TERMINATION

- A. If a party believes that the other party has materially failed to perform a fundamental obligation under this Agreement (a "Breach"), then that party may provide thirty (30) days written notice directed to the breaching party describing the alleged Breach in reasonable detail and containing a reference to this Section 6. If the breaching party does not, within thirty (30) calendar days after receiving such written notice, either (i) cure the Breach or (ii) if the Breach is not one that can reasonably be cured within thirty (30) calendar days, develop a plan to cure the Breach and diligently proceed according to the plan until the Breach has been cured, then the non-breaching party may terminate this Agreement for cause by written notice to the breaching party. Termination of this Agreement will be in addition to, and not in lieu of, other remedies available to the terminating party under this Agreement.
- B. The City may terminate this Agreement for convenience at any time upon thirty (30) days' prior written notice to CGI. If the City has not paid the maintenance fee for the then current Maintenance Period in full, the City must pay to CGI the remaining balance of the annual maintenance fee prior to terminating this Agreement.
- C. If the City does not appropriate adequate funds for, or to continue, services under this Agreement, the City shall provide written notification to CGI of non-appropriation of funds (the "Non-Appropriation Notice"). In such event, the City shall have no further liability hereunder except with respect to payment for services rendered and products delivered up to the date of CGI's receipt of the Non-Appropriation Notice. This Agreement shall terminate effective as of the date of the Non-Appropriation Notice unless the Non-Appropriation Notice specifically provides otherwise.
- D. Any provision of this Agreement that imposes or contemplates continuing obligations on a party will survive the expiration or termination of this Agreement, including but not limited to Section 5.

7. LAW AND DISPUTES

- A. This Agreement will be governed by the laws of the State of California without regard to any provision of California law that would require or permit the application of the substantive law of any other jurisdiction.

- B. At all times during the term of this Agreement CGI shall comply with all applicable federal, state, and local laws and regulations. During the term of this Agreement, CGI shall comply with all applicable provisions of federal, state and local laws and regulations respecting the privacy and protection of information related to individuals and that all of its employees and contractors comply individually with all such laws and regulations. CGI shall also comply with all applicable federal, state and local environmental laws, rules and regulations and all laws, rules and regulations regarding the handling, storage and disposition of hazardous substances. CGI agrees that it and all CGI personnel shall at all times comply with all security regulations in effect from time to time at City's premises and shall comply with City's security policies and procedures if granted access to City's computer or communications networks.
- C. Both CGI and the City agree to comply fully with all relevant export laws and regulations of the United States to ensure that no information or technical data provided pursuant to this Agreement is exported or re-exported directly or indirectly in violation of law.
- D. At the written request of either party, the parties will attempt to resolve any dispute arising under or relating to this Agreement through the informal means described in this Section 7.D. Each party will appoint a senior management representative who does not devote substantially all of his or her time to performance under this Agreement. The representatives will furnish to each other all non-privileged information with respect to the dispute that the parties believe to be appropriate and germane. The representatives will negotiate in an effort to resolve the dispute without the necessity of any formal proceeding. Formal proceedings for the resolution of the dispute may not be commenced until the earlier of: (i) the designated representatives conclude that resolution through continued negotiation does not appear likely; or (ii) thirty (30) calendar days have passed since the initial request to negotiate the dispute was made; provided, however, that a party may file earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to apply for interim or equitable relief.
- E. No proceeding, regardless of form, arising out of or related to this Agreement may be brought by either party more than two (2) years after the accrual of the cause of action, except that (i) proceedings related to violation of a party's proprietary rights or any duty to protect Confidential Information may be brought at any time within the applicable statute of limitations, and (ii) proceedings for non-payment may be brought up to two (2) years after the date the last payment was due.

8. GENERAL

- A. Any legal notice or other communication required or permitted to be made or given by either party pursuant to this Agreement will be in writing, in English, and will be deemed to have been duly given: (i) five (5) business

days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested; (ii) when transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine and a copy of the notice is promptly sent by another means specified in this section; or (iii) when delivered if delivered personally or sent by express courier service. All notices will be sent to the other party at its address as set forth below or at such other address as the party may specify in a notice given in accordance with this section.

In the case of the City:	with a copy of legal notices to:
City of Los Angeles 200 N. Main St., 14th Floor Los Angeles, CA 90012 Attn: Ted Ross, General Manager, Information Technology Agency Fax: 213.978.3310 Phone: 213.978.3311 E-Mail: ted.ross@lacity.org	City of Los Angeles 200 N. Main St., 14th Floor Los Angeles, CA 90012 Attn: Laura Ito, Director of Finance and Administration, Information Technology Agency Fax: 213.978.3310 Phone: 213.978.3311 E-Mail: laura.ito@lacity.org
In the case of CGI:	with a copy of legal notices to:
CGI Technologies and Solutions Inc. 11325 Random Hills Road Fairfax, Virginia 22033 Attn: Daniel Keene Sr. Vice President Fax: (703) 267-5111	CGI Technologies and Solutions Inc. 11325 Random Hills Road Fairfax, Virginia 22033 Attn: Office of General Counsel Fax: (703) 267-5111

- B. Neither party may assign or otherwise transfer any right or obligation set forth in this Agreement without the other party's prior written consent, except that if the License Agreement is properly assigned pursuant to the provisions of the License Agreement, this Agreement will be deemed to be assigned to the assignee of the License Agreement. Any purported assignment in violation of the preceding sentence will be void and of no effect. This Agreement will be binding upon the parties' respective successors and permitted assigns.
- C. This Agreement constitutes the entire agreement between the parties, and supersedes all other prior or contemporaneous communications between the parties (whether written or oral) relating to the subject matter of this Agreement. This Agreement may be modified or amended solely in a writing signed by both parties.
- D. The provisions of this Agreement will be deemed severable, and the unenforceability of any one or more provisions will not affect the enforceability of any other provisions. In addition, if any provision of this Agreement, for any reason, is declared to be unenforceable, the parties

will substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

- E. No failure or delay by either party in exercising any right, power or remedy will operate as a waiver of such right, power or remedy, and no waiver will be effective unless it is in writing and signed by the waiving party. If either party waives any right, power or remedy, such waiver will not waive any successive or other right, power or remedy the party may have under this Agreement.
- F. Neither Party shall be liable for any delay or failure to perform, to the extent caused by a Force Majeure Event provided that such Party complies with the provisions of this section. Upon occurrence of a Force Majeure Event, the non-performing Party shall be excused from any further performance or observance of the affected obligation(s) for as long as, and to the extent that the Force Majeure Event continues and the non-performing Party (i) continues to perform to the extent practicable; (ii) takes commercially reasonable measures to mitigate the effects of the Force Majeure Event; and (iii) uses commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any Party whose performance is affected by a Force Majeure Event shall immediately notify the other Party by telephone (to be confirmed in writing within ten (10) business days of the inception of such delay) and describe in reasonable detail the circumstances causing such delay.
- G. CGI agrees that without the City's written consent neither it nor any of its employees, agents or contractors shall use the name, service marks, or trademarks of the City or of any Affiliate of the City or reveal the existence or make any public statement regarding of this Agreement, or the terms or conditions hereof or the services provided hereunder, including, but not limited to in any written advertising, publicity, press release, or sales presentation. Either Party shall be entitled to make such reasonable disclosures as are required by law, including without limitation any disclosures required for compliance with the Securities Laws of the United States or any state.
- H. The following attachments are hereby incorporated into and made a part of this Agreement where referred to as though set forth at length.

Exhibit A

Statement of Work No. 1, attached as Attachment No. 1 to Exhibit A

Statement of Work No. 2, attached as Attachment No. 2 to Exhibit A

Statement of Work No. 3, attached as Attachment No. 3 to Exhibit A

Exhibit B

9. TERM OF AGREEMENT

- A. The term of this Agreement commenced on July 1, 2008 and shall terminate on June 30, 2026 or at such time as all funding provided herein has been expended, whichever occurs first. This Contract shall be subject to termination by the City if funds are not appropriated for these services in the ensuing fiscal year commencing July 1.

10. INDEMNITY

- A. In addition to Contractor's indemnification obligations pursuant to PSC 20 (Exhibit B) Contractor will defend and hold harmless, at its own expense, any infringement claim, demand, suit or action ("Action") by any third party against City, its departments, officers, directors, agents, employees, and affiliates for any actual or alleged infringement or violation of any United States patent, copyright, trade secret, trademark, or other proprietary rights, based on, arising out of or in any way related to City's actual or intended use, irrespective of timing of the use, of any Deliverable or the Services or any component or part thereof, any of Contractor's equipment, systems, hardware, software, firmware, device, instrumentation, or matter used, owned or provided by Contractor (collectively, "Contractor Product"), including paying all fees and costs incurred in defending and/or required to defend against such claims, demands, suit or Action, including reasonable attorney's fees (both in house and outside counsel) and cost of litigation. Contractor also shall indemnify City, its departments, officers, directors, agents, employees, and affiliates against any loss, cost, expense, liability, damages, and attorneys' fees finally awarded and through and including any and all appeals against City or settlement as a consequence of such Action. The provisions of this section shall survive expiration of termination of this Agreement.
- B. Further, in the event that an injunction or order is issued by a Court of competent jurisdiction against City's use of any Contractor Deliverable or Services resulting from an infringement Action to which Contractor's defense and indemnity duties apply, Contractor shall, at its own expense either, (i) procure for City's benefit the right to continue using the Contractor Deliverable or Services; or (ii) replace or modify the Deliverable or Services so that it becomes non-infringing unless any such modification or

replacement would adversely affect the specifications for the Contractor Deliverable or Services or its use by City. If neither option (i) nor (ii) is commercially feasible, Contractor shall (a) refund to the City all fees paid by the City for the infringing item, less a reasonable equitable adjustment for prior use and (b) if the City terminates this Agreement due to an injunction resulting from an infringement action. Any such refund, however, will be in addition to Contractor's indemnification obligations under this Agreement.

- C. Contractor is not responsible for any claimed breaches of the foregoing caused by: (i) modifications made to the item in question by anyone other than Contractor and its subcontractors working at Contractor's direction; (ii) the combination, operation or use of the item with other items Contractor did not supply if such combination, operation or use was not reasonably foreseeable by Contractor; or (iii) the City's failure to use any new or corrected versions of the item made available by Contractor pursuant to Section 10.B.ii.
- D. This Section 10 states Contractor's entire obligation to the City and the City's exclusive remedy with respect to any claim of infringement or breach of the intellectual property warranty in PSC 22, and is in lieu of any implied warranties of non-infringement or non-interference with use and enjoyment of information.

11. CITY'S STANDARD PROVISIONS

- A. The City's standard provisions in Exhibit B apply with the exception of PSC 3, 5, 7, 9, 10, 12 (to the extent permitting the City to review, approve and require removal of Contractor personnel or subcontractors providing maintenance support services in support of multiple Contractor clients on a shared services basis and not pursuant to a City-specific Statement of Work), 13, 21, 23 (the Parties' ownership and license rights in and to the CGI Advantage software and the Enhancements are as specified in the License Agreement), 25, 26, 27, 28, 29, 34.

12. DISCOUNTS

- A. Contractor agrees to offer the City any discount terms that are offered to its best comparable government customers for the comparable goods and services under comparable scope and terms, to be provided hereunder and apply such discount to payments made under this Agreement which meet the discount terms.

13. NON-DISCRIMINATION

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Non-discrimination in Employment Ordinance ("NDEO"), Los Angeles Admin Code Sections 10.8 et seq., as amended from time to time. The NDEO requires, among other things, that the Contractor shall

not discriminate in any of its hiring or employment, and shall require Affirmative Action Programs in contracts in accordance with the provisions of the NDEO. The Contractor is required to obtain the compliance of its subcontractors of the NDEO.

14. AFFIRMATIVE ACTION PROGRAM

Every non-construction and construction Contract with or on behalf of the City for which the consideration is \$25,000 or more shall contain the following provisions which shall be designated as the Affirmative Action Program provisions of such Contract:

A. During the performance of this Contract, the Contractor certifies and represents that Contractor and each Subcontractor hereunder will adhere to this 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

1. This section 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. The 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. In all solicitations or advertisements for employees placed by or on behalf of the Contractor, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

C. At the request of the Awarding Authority or the DAA, the Contractor shall certify on an electronic or hard copy form to be supplied, that the Contractor has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

D. The 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 DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program

provisions of Contract and, upon request, to provide evidence that it has or will comply therewith.

E. Contractor's failure to comply with the Affirmative Action Program provisions of this Contract may be deemed to be a material breach of this Contract. The 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 DAA. No finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.

F. Upon a finding duly made that the Contractor has breached the Affirmative Action Program provisions of this 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. The breach may be the basis for a determination by the Awarding Authority or the Board of Public Works that the Contractor is a non-responsible bidder or proposer pursuant to the provisions of LAAC Section 10.40. In the event of such determination, the 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 that the Fair Employment and Housing Commission of the State of California, or the City's Board of Public Works, or any court of competent jurisdiction, finds that the Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or of this Affirmative Action Program, the City may deduct from the amount payable to the Contractor a penalty of \$10.00 for each person for each calendar day on which the violation occurred.

H. Notwithstanding any other provisions of this Contract, the City shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the DAA and provide to the Awarding Authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish this contract compliance program.

J. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. By affixing its signature to this Contract, the Contractor agrees to adhere to the provisions of this Affirmative Action Program of this 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 Program.

1. The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women and other potential employees in a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:

- (a) Recruit and make efforts to obtain employees through:
 - (i) Advertising employment opportunities in minority and other community news media or other publications.
 - (ii) Notifying minority, women and other community organizations of employment opportunities.
 - (iii) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
 - (iv) Encouraging existing employees, including minorities and women, to refer their friends and relatives.
 - (v) Promoting after school and vacation employment opportunities for minority, women and other youth.
 - (vi) Validating all job specifications, selection requirements, tests, etc.
 - (vii) Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.
 - (viii) Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman or other worker.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.
- (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in the training

programs to enhance their skills and advancement.

(d) Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.

(e) Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.

(f) Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State and Federal authorities upon request.

(g) Establish written company policies, rules and procedures which shall be encompassed in a company-wide Affirmative Action Program for all its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions and all others with whom the Contractor may become involved in fulfilling any of its Contracts.

(h) Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:

(i) What steps were taken, how and on what date.

(ii) To whom those efforts were directed.

(iii) The responses received, from whom and when.

(iv) What other steps were taken or will be taken to comply and when.

(v) Why the Contractor has been or will be unable to comply.

2. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

L. The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by 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.

M. Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

N. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by Contractors engaged in the performance of City Contracts.

O. All Contractors subject to the provisions of this article shall include a similar 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.

15. EQUAL EMPLOYMENT PRACTICES

Every non-construction and construction Contract with, or on behalf of, the City of Los Angeles for which the consideration is \$1,000 or more shall contain the following provisions, which shall be designated as the Equal Employment Practices provision of such contract:

A. During the performance of this Contract, the Contractor agrees and represents that it will provide Equal Employment Practices and the 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, color, religion, national origin, ancestry, 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. The 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. The Contractor will, in all solicitations or advertisements for employees placed by, or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

C. At the request of the Awarding Authority or the DAA, the 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

D. The 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 DAA for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City Contracts. Upon request, the 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. The 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 DAA. 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 the Contractor.

F. Upon a finding duly made that the Contractor has failed to comply with the Equal Employment Practices 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 of Los Angeles. In addition thereto, the failure to comply may be the basis for a determination by the Awarding Authority or the DAA that the said Contractor is a non-responsible bidder or proposer pursuant to the provisions of LAAC Section 10.40. In the event of such a determination, the Contractor shall be disqualified from being awarded a Contract with the City of Los Angeles for a period of two years, or until the 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. The Board of Public Works shall promulgate rules and regulations through the DAA, and provide necessary forms and required language to the Awarding Authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this Contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish the contract compliance program.

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. By affixing its signature on this Contract, the Contractor agrees to adhere to the Equal Employment Practices specified herein during the performance this Contract.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with employment practices, including, but not limited to:

1. Hiring practices;
2. Apprenticeships where 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. All Contractors subject to the provisions of this section shall include a similar provision in all subcontracts awarded for work to be performed under this 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. Subcontracts shall follow the same thresholds specified in LAAC Section 10.8.1.1. Contractor's failure 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 this Contract.

[signature page follows]

IN WITNESS THEREOF, the Parties hereto have caused this Restated and Amended Agreement to be executed by their duly authorized representatives.

THE CITY OF LOS ANGELES
A Municipal Corporation

CGI Technologies and Solutions Inc.

By: _____
TED ROSS
General Manager
Information Technology Agency

By: _____
DANIEL A. KEENE
Senior Vice President

Date: _____

Date: _____

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

Attest: Holly L. Wolcott, City Clerk

By: _____
LAUREL L. LIGHTNER
Assistant City Attorney

By: _____
Deputy

Date: _____

Date: _____

EXHIBIT A

CGI TECHNOLOGIES AND SOLUTIONS INC. Proprietary Software Maintenance Agreement

1. Standard Maintenance Services

Standard Maintenance services for the Annual Maintenance Periods commencing on July 1, 2016, and concluding on June 30 2026, are extended and expanded as follows

- a. Standard Maintenance Services for CGI Advantage Financial and CGI Performance Budgeting are extended from July 1, 2016, through June 30, 2026. This includes required bundled 3rd Party software.
- b. Standard Maintenance Services are added for CGI Advantage Procurement, CGI Advantage Inventory, and CGI Advantage Vendor Self Service commencing July 1, 2017, to continue through June 30, 2026.

2. Enhanced Maintenance Services

Enhanced Maintenance Services for CGI Advantage Financial are extended from July 1, 2016, through June 30, 2017 as specified in the attached Statement of Work No. 2.

3. eProcurement Subscription Services

eProcurement Subscription Services as specifically described in the attached Statement of Work (SOW) No. 3 are added to the Agreement, subject to the Hubspan Terms of Service that is included as part of SOW No. 3.

4. Maintenance Fees

The fees associated with the services specified in Sections 1 through 3 above are set forth in the schedule below.

Service (Annual Maintenance Period)	Due Date	Maintenance Fee Amount	Invoice Amount
CGI Advantage Financial Management Annual Standard Maintenance (July 2016 - June 2017)	07/01/16	\$622,527.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2016 - June 2017)	07/01/16	\$130,560.00	
CGI Advantage Enhanced Maintenance Services (July 2016 - June 2017)	07/01/16	\$355,000.00	
CGI eProcurement Annual Subscription (July 2016 – June 2017)**	07/01/16	\$137,505.00	\$1,245,592
CGI Advantage Financial Management Annual Standard Maintenance (July 2017 - June 2018)	07/01/17	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2017 - June 2018)	07/01/17	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2017 - June 2018)	07/01/17	\$320,770.00	
CGI eProcurement Annual Subscription (July 2017 – June 2018)**	07/01/17	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2018 - June 2019)	07/01/18	\$610,853.00	

CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2018 - June 2019)	07/01/18	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2018 - June 2019)	07/01/18	\$320,770.00	
CGI eProcurement Annual Subscription (July 2018 – June 2019)**	07/01/18	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2019 - June 2020)	07/01/19	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2019 - June 2020)	07/01/19	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2019 - June 2020)	07/01/19	\$320,770.00	
CGI eProcurement Annual Subscription (July 2019 – June 2020)**	07/01/19	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2020 - June 2021)	07/01/20	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2020 - June 2021)	07/01/20	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2020 - June 2021)	07/01/20	\$320,770.00	
CGI eProcurement Annual Subscription (July 2020 – June 2021)**	07/01/20	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2021 - June 2022)	07/01/21	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2021 - June 2022)	07/01/21	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2021 - June 2022)	07/01/21	\$320,770.00	
CGI eProcurement Annual Subscription (July 2021 – June 2022)**	07/01/21	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2022 - June 2023)	07/01/22	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2022 - June 2023)	07/01/22	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2022 - June 2023)	07/01/22	\$320,770.00	
CGI eProcurement Annual Subscription (July 2022 – June 2023)**	07/01/22	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2023 - June 2024)	07/01/23	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2023 - June 2024)	07/01/23	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2023 - June 2024)	07/01/23	\$320,770.00	
CGI eProcurement Annual Subscription (July 2023 – June 2024)**	07/01/23	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2024 - June 2025)	07/01/24	\$610,853.00	
CGI Advantage Performance Budgeting Annual	07/01/24	\$133,318.00	

Standard Maintenance (July 2024 - June 2025)			
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2024 - June 2025)	07/01/24	\$320,770.00	
CGI eProcurement Annual Subscription (July 2024 – June 2025)**	07/01/24	\$159,871.00	\$1,224,812
CGI Advantage Financial Management Annual Standard Maintenance (July 2025 - June 2026)	07/01/25	\$610,853.00	
CGI Advantage Performance Budgeting Annual Standard Maintenance (July 2025 - June 2026)	07/01/25	\$133,318.00	
CGI Advantage Procurement, Inventory, and Vendor Self Service Annual Standard Maintenance (July 2025 - June 2026)	07/01/25	\$320,770.00	
CGI eProcurement Annual Subscription (July 2025 – June 2026)**	07/01/25	\$159,871.00	\$1,224,812
Total Fees for Software Maintenance			\$12,268,900

**Annual fee includes eProcurement services for up to 40 Suppliers.

The City may buy maintenance services for the Licensed Software for subsequent Maintenance Periods in which CGI is offering maintenance services, at prices to be mutually agreed by the parties.

5. **Pre-Acceptance Maintenance Period.** The Pre-Acceptance Maintenance Period shall be the period beginning upon execution of this Agreement and continuing until Go-Live.
6. **Software.** The maintenance services under this Agreement are provided with respect to the CGI Advantage software provided to the Customer pursuant to the License Agreement.
7. **License Agreement.** The CGI Advantage software and certain Third Party Products are provided to Customer pursuant to the terms and conditions of that certain License Agreement between CGI and Customer made effective as of the date of this Agreement.

Agreed to and initialed for identification by:

(Customer)

(CGI)

Attachment 1

STATEMENT OF WORK No. 1 – ENHANCED MAINTENANCE SERVICES

Effective Date of this Work Request:

This Work Request is effective as of July 1, 2013 through June 30, 2016.

Services to be Performed and Schedule of Performance:

The scope of the work will be limited to:

A. Enhanced Maintenance Services (EMS) - Patch Set Services:

- Maintain a copy of the City's Advantage Financial and infoAdvantage production code base and representative City data (sensitive data elements scrubbed prior to transfer) at CGI facilities. CGI will provide a hard drive and data scrubbing scripts for the City to revise, execute, load data, and ship back to CGI
- Issue and resolution support for the City's Advantage Financial and infoAdvantage customizations
- Ready-to-run City-specific code merges (Patch Sets) for City requested Advantage Financial and infoAdvantage defect resolutions
- Patch Set content documentation and Patch Set testing guidelines documentation
- Patch Set Delivery – A total of four (4) Patch Sets per year for the next three years. Additional Patch Sets may be requested for critical issues.
 - Baseline Advantage Financial resolutions (limited to 35 per year) and Custom Advantage Financial resolutions (limited to 15 per year) will be included. The City and CGI will mutually agree on which resolutions are considered custom.
 - Baseline infoAdvantage resolutions (limited to 10 per year) and Custom infoAdvantage resolutions (limited to 8 per year) will be included. The City and CGI will mutually agree on which resolutions are considered custom.
 - Mandatory Patches will be included at no additional costs.

B. Additional resolutions (over the above limits) will be covered at rate of \$1,500 / resolution. Enhanced Maintenance Services (EMS) – Extended Phone Support Services:

- The City will be provided with a toll free number for CGI to report any urgent production application issue believed to be a software defect involving Advantage Financial or infoAdvantage.

- This hotline is staffed 24x365 for issue submission and discussion of client provided artifacts. These artifacts will be used to initiate the issue resolution process, which will occur during EMS extended support hours.
- EMS extended support hours for issue resolution are generally Monday thru Friday 24 hours per day excluding major holidays observed by CGI, the list of which CGI will provide at the outset of each contract year.
- This service will be in effect starting with the effective date of the Agreement.

C. Enhanced Maintenance Services (EMS) – Discretionary Services

- CGI will expend up to 260 hours per year of services to provide the City with functional and technical support.
- These discretionary hours are available to the City effective with the effective date of the Agreement and do not rollover year over year. The Service hours will be performed remotely.

Deliverables and Schedule of Performance:

- Patch Set Delivery: A total of four Patch Sets annually.
 - Tentative Patch Delivery Dates
 - Patch Set 1 – September 2013
 - Patch Set 2 – December 2013
 - Patch Set 3 – March 2014
 - Patch Set 4 – June 2014
 - Patch Set 5 – September 2014
 - Patch Set 6 – December 2014
 - Patch Set 7 – March 2015
 - Patch Set 8 – June 2015
 - Patch Set 9 – September 2015
 - Patch Set 10 – December 2015
 - Patch Set 11 – March 2016
 - Patch Set 12 – June 2016

Compensation:

EMS fees shall be payable based on the following schedule:

Term		Fee
Year		\$
1	July 1, 2013 - June 30, 2014	325,000
Year		\$
2	July 1, 2014 - June 30, 2015	325,000
Year		\$
3	July 1, 2015 - June 30, 2016	325,000

Payment Terms:

CGI will invoice on July 1 of each year of the three year term for the annual amount specified above, beginning July 1, 2013. Each invoice will be in the amount specified above. Payment is due within thirty (30) days of invoice date.

Work Request Manager.

The Work Request Manager is:

Jose Alvarez (Information Systems Manager, Financial Management Systems)

Resources and Responsibilities of the City:

The City will provide the following resources and has the following responsibilities in supporting CGI's performance of the Services:

Services or Support: The City is responsible for the following tasks according to the project schedule above in "Deliverables and Schedule of Performance". If the City fails to perform its responsibilities in a commercially reasonable time for the respective City activity, prevents CGI from or delays CGI in performing the Services, CGI will be entitled to an equitable adjustment in the schedule for performance and the compensation otherwise payable to it under this work request. In such event, the parties will mutually agree upon a Change Order documenting the adjustments.

- List of patch requests from available resolutions for each Patch Set at least eight (8) weeks prior to the Patch Set delivery date
- Code Installation – The City will be responsible for installing the code delivered by CGI to their test environment(s) and production environment. The City should only make updates to Advantage Financial and infoAdvantage application code via EMS Patch Sets.
- Acceptance Test – The City will be responsible for developing the acceptance test plan, populating the databases for acceptance test and

conducting the acceptance tests in their environment. Upon receipt of a Patch Set, the City will install and test the contents of the Patch Set within 45 days reporting any issues to CGI via the standard Advantage Support Center issue submission portal.

Facilities and Equipment: N/A

Environments: The City will test all patches in a test environment prior to moving them into production. The City will also make available the City's Advantage Financial and infoAdvantage production application code and scrubbed data after the migration of each Patch Set to production for CGI to update their environment.

Proprietary Materials: N/A

Other Provisions:

Enhanced Maintenance Services are provided under the provisions of the Agreement. The City is required to remain current on standard CGI Advantage Maintenance in order to receive Enhanced Maintenance Services.

Attachment

STATEMENT OF WORK No. 2 – ENHANCED MAINTENANCE SERVICES

1. Effective Date of this Statement of Work

This SOW is effective as of July 1, 2016, through June 30, 2017.

2. Services to be Performed and Schedule of Performance

The scope of the work will be limited to:

A. Enhanced Maintenance Services (EMS) - Patch Set Services:

- Maintain a copy of the City's Advantage Financial and infoAdvantage production code base and representative City data (sensitive data elements scrubbed prior to transfer) at CGI facilities. CGI will provide a hard drive and data scrubbing scripts for the City to revise, execute, load data, and ship back to CGI
- Issue and resolution support for the City's Advantage Financial and infoAdvantage customizations
- Ready-to-run City-specific code merges (Patch Sets) for City requested Advantage Financial and infoAdvantage defect resolutions
- Patch Set content documentation and Patch Set testing guidelines documentation
- Patch Set Delivery – A total of four (4) Patch Sets per year for the next three years. Additional Patch Sets may be requested for critical issues.
 - Baseline Advantage Financial resolutions (limited to 35 per year) and Custom Advantage Financial resolutions (limited to 15 per year) will be included. The City and CGI will mutually agree on which resolutions are considered custom.
 - Baseline infoAdvantage resolutions (limited to 10 per year) and Custom infoAdvantage resolutions (limited to 8 per year) will be included. The City and CGI will mutually agree on which resolutions are considered custom.
 - Mandatory Patches will be included at no additional costs and may occur outside of the patch delivery schedule.
 - Additional resolutions (over the above limits) will be covered at rate of \$1,500 / resolution.

B. Enhanced Maintenance Services (EMS) – Extended Phone Support Services:

- The City will be provided with a toll free number for CGI to report any urgent production application issue believed to be a software defect involving Advantage Financial or infoAdvantage.
- This hotline is staffed 24x365 for issue submission and discussion of client provided artifacts. These artifacts will be used to initiate the issue resolution process, which will occur during EMS extended support hours.
- EMS extended support hours for issue resolution are generally Monday thru Friday 24 hours per day excluding major holidays observed by CGI, the list of which CGI will provide at the outset of each contract year.
- This service will be in effect starting with the effective date of the Agreement.

C. Enhanced Maintenance Services (EMS) – Discretionary Services

- CGI will expend up to 260 hours during Year 4 of services to provide the City with functional and technical support.
- These discretionary hours are available to the City effective with the effective date of the Agreement and do not rollover year over year. The Service hours will be performed remotely.

3. Deliverables and Schedule of Performance

- Patch Set Delivery: A total of four Patch Sets during Year 4 of EMS Services.
 - Tentative Patch Delivery Dates
 - Patch Set 13 – September 2016
 - Patch Set 14 – December 2016
 - Patch Set 15 – March 2017
 - Patch Set 16 – June 2017
 - All delivery dates will be mutually agreed upon by City and CGI

4. Compensation

See Exhibit A, Paragraph 4 of this Agreement for the fee for the Enhanced Maintenance Services.

CGI will invoice on the date this Agreement is attested by the City Clerk for the annual amount specified in Exhibit A, Paragraph 4. The invoice will be in the amount specified above. Payment is due within thirty (30) days of invoice date.

5. Work Request Manager

The Work Request Manager is:

Jose Alvarez (Information Systems Manager,
Financial Management Systems)

6. Resources and Responsibilities of the City

The City will provide the following resources and has the following responsibilities in supporting CGI's performance of the Services:

Services or Support: The City is responsible for the following tasks according to the project schedule above in "Deliverables and Schedule of Performance". If the City fails to perform its responsibilities in a commercially reasonable time for the respective City activity, prevents CGI from or delays CGI in performing the Services, CGI will be entitled to an equitable adjustment in the schedule for performance under this work request. In such event, the parties will mutually agree upon a Change Order documenting the adjustments.

- List of patch requests from available resolutions for each Patch Set at least eight (8) weeks prior to the Patch Set delivery date
- Code Installation – The City will be responsible for installing the code delivered by CGI to their test environment(s) and production environment. The City should only make updates to Advantage Financial and infoAdvantage application code via EMS Patch Sets.
- Acceptance Test – The City will be responsible for developing the acceptance test plan, populating the databases for acceptance test and conducting the acceptance tests in their environment. Upon receipt of a Patch Set, the City will install and test the contents of the Patch Set within 60 days reporting any issues to CGI via the standard Advantage Support Center issue submission portal. Any delay in acceptance testing may have an impact on future patch set schedules.

Facilities and Equipment: N/A

Environments: The City will test all patches in a test environment prior to moving them into production. The City will also make available the City's Advantage Financial and infoAdvantage production application code and scrubbed data after the migration of each Patch Set to production for CGI to update their environment.

Proprietary Materials: N/A

7. Other Provisions

- i. Enhanced Maintenance Services are provided under the provisions of the Agreement. The City is required to remain current on standard CGI Advantage Maintenance in order to receive Enhanced Maintenance Services.

Attachment 3

STATEMENT OF WORK No. 3 – ePROCUREMENT SUBSCRIPTION SERVICES

1. Effective Date of this Work Request

This Work Request is effective as of July 1, 2016 through June 30, 2026.

2. Services to be Performed

Commencing on the Effective Date, CGI will provide CGI Advantage PunchOut services on a hosted, annual renewable basis for up to forty (40) suppliers pursuant to the terms of this SOW. CGI will support up to one (1) PunchOut and one (1) Purchase Order connection per supplier.

3. Fees

The services specified in Section 2 of this SOW are granted for up to forty (40) suppliers and will be invoiced according to the schedule in Exhibit A, Paragraph 4 of this Agreement. All maintenance services after June 30, 2026 are subject to future agreements and escalation pricing.

CGI will invoice the City annually in advance, and the City will pay such invoice within thirty (30) days of invoice date.

4. Third Party Services

The eProcurement subscription services specified in Section 2 of this SOW are provided through a contractual agreement between CGI and third party supplier Liaison Technologies d/b/a Hubspan, Inc. ("Hubspan") and are subject to the Hubspan Terms of Service attached to the Amendment as Attachment 3. CGI does not itself give or make any warranty or indemnity of any kind with respect to the third party services.

HUBSPAN TERMS OF SERVICE

These Terms of Service (Terms) apply to the Hubspan Service provided to CGI Technologies and Solutions Inc. ("CGI") on behalf of the City of Los Angeles, California ("Customer"), under the Proprietary Software Maintenance Agreement No. C-114342 ("Agreement").

1. Service and Software.

(a) License. Hubspan hereby grants Customer a limited, non-exclusive, non-transferable license to use any software that is provided as a standard part of the Hubspan Service or is custom developed for Customer (Hubspan Software) solely for Customer's internal use of the Hubspan Service. Hubspan hereby grants to Customer a limited, non-exclusive, non-transferable license to use the Hubspan Service solely for its internal business purposes. Customer hereby grants to Hubspan a limited, non-exclusive, royalty free license to use Customer's data, information, text and other relevant information provided by Customer (Content) solely for the purposes of fulfilling Hubspan's obligations under this Agreement.

(b) Ownership. As between Hubspan and Customer, Hubspan has sole ownership of all right, title and interest in and to any Hubspan Software, the Hubspan Service, Hubspan's trademarks, all Hubspan supplied material and know-how developed for use in connection with this Agreement or generated by provision of the Hubspan Service generally, and any templates provided by Hubspan in connection with the Hubspan Service, and Customer has sole ownership of all right, title, and interest to the Customer's Content.

(c) Restrictions. Customer may not lease, loan, rent, resell, sublicense or distribute the Hubspan Service to any third party, use the Hubspan Service for the benefit of any third party or otherwise use the Hubspan Service on a service bureau basis. Customer shall not modify, alter, copy (except as necessary to maintain Customer's web site), create derivative works of, disassemble, reverse engineer, distribute, rent, resell, sublicense, sell, loan, or lease the Hubspan Software. Customer shall not remove any proprietary notices or branding from the Hubspan Software or any other materials provided to Customer by Hubspan under this Agreement.

(d) Infrastructure. Customer shall bear all hardware and infrastructure-related costs for the systems in Customer-operated facilities. Any costs incurred by Hubspan for Customer's site not identified in this Agreement will be passed through to Customer without markup. Hubspan will provide written estimates and obtain Customer's written approval prior to incurring any such costs.

(e) Service Level. Hubspan Services will be provided in accordance with the Service Level Agreement attached hereto.

2. Project Plan. Hubspan will make good faith efforts to complete implementation of Trading Partners within Customer's timing objectives. Upon mutual agreement of any Project Plan, it shall become the basis for evaluating project status. All changes to the Project Plan require written acceptance by CGI, Customer and Hubspan and must include impact on the Project Plan and this Agreement.

3. Sales and Marketing. Intentionally Left Blank

4. Fees and Payment. Intentionally Left Blank

5. Warranty; Disclaimer.

(a) Warranty. Hubspan warrants that it will provide the Hubspan Service in a manner consistent with industry standards and in accordance with the Terms of this Agreement. Hubspan

represents and warrants that Hubspan has the right to license the Hubspan Software and other materials provided to Customer under this Agreement.

(b) Disclaimer of Other Warranties. EXCEPT AS OTHERWISE PROVIDED IN SECTION 5(a), HUBSPAN MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR

IMPLIED, WITH RESPECT TO THE HUBSPAN SERVICE, HUBSPAN SOFTWARE OR THE FUNCTIONALITY, PERFORMANCE OR RESULTS OF USE OF IT. WITHOUT LIMITING THE FOREGOING, HUBSPAN DOES NOT WARRANT THAT THE HUBSPAN SERVICE OR THE HUBSPAN SOFTWARE IS OR WILL BE ACCURATE, ERROR-FREE OR UNINTERRUPTED OR MEETS OR WILL MEET CUSTOMER'S REQUIREMENTS. HUBSPAN MAKES NO IMPLIED WARRANTIES OF ANY KIND, INCLUDING BUT NOT LIMITED TO MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR NONINFRINGEMENT.

(c) Disclaimer of Actions Caused by and/or Under the Control of Third Parties. HUBSPAN DOES NOT AND CANNOT CONTROL THE FLOW OF DATA TO OR FROM HUBSPAN'S INTERNET HOSTS AND OTHER PORTIONS OF THE INTERNET. SUCH FLOW DEPENDS IN LARGE PART ON THE PERFORMANCE OF INTERNET SERVICES PROVIDED OR CONTROLLED BY THIRD PARTIES. AT TIMES, ACTIONS OR INACTIONS CAUSED BY THESE THIRD PARTIES OR ACTS OF GOD CAN PRODUCE SITUATIONS IN WHICH HUBSPAN'S OR CUSTOMER'S CONNECTIONS TO THE INTERNET (OR PORTIONS OF IT) MAY BE IMPAIRED OR DISRUPTED. EXCEPT TO THE EXTENT CAUSED BY HUBSPAN, HUBSPAN DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATED TO SUCH EVENTS.

6. Indemnification. Hubspan will defend, at its expense, any action brought against Customer based upon a claim that the Hubspan Service or the Hubspan Software used within the scope of Customer's license directly infringes a patent, trade secret, trademark or copyright of a third party. Customer will not be liable for any action based upon a claim that the Hubspan Service or the Hubspan Software used within the scope of Customer's license directly infringes a patent, trade secret, trademark or copyright of a third party. Customer will defend, at its expense, any action brought against Hubspan that the Content directly infringes a patent, trade secret, or copyright of a third party. The indemnified party must notify the indemnifying party promptly in writing of such claim and give the indemnifying party all authority, information and assistance, at the indemnifying party's expense, reasonably necessary to settle or defend such claim, and the indemnifying party shall have sole control of any such action or settlement negotiations. Each party further agrees to pay all damages and costs finally awarded against the indemnified party attributable to such claim. If the Hubspan Service or the Hubspan Software becomes, or in the opinion of Hubspan may become, the subject of a claim of infringement, Hubspan may procure for Customer the right to use the Hubspan Service or the Hubspan Software free of any liability to replace or modify the Hubspan Service or the Hubspan Software to make its use non-infringing, or if neither of these alternatives are commercially reasonable, terminate Customer's use of the Hubspan Service or the Hubspan Software. THE FOREGOING STATES THE SOLE AND EXCLUSIVE LIABILITY OF EACH PARTY FOR THIRD PARTY INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS.

7. Confidentiality. Confidential Information means any proprietary information, technical data, trade secrets or know-how of the disclosing party, including, but not limited to, research, product plans, products, services, suppliers, customer lists, prices and costs, markets, or other business or technical information of the disclosing party that is designated to be confidential or proprietary or which reasonably appears to be confidential or proprietary. Confidential Information will not include anything that is already in the possession of the receiving party without obligation of confidence, is independently developed by the receiving party without use of Confidential Information, becomes available to the general public without breach of these Terms, or is rightfully received by the receiving party from a third party without obligation of confidence. Each party agrees that for a period of 3 years following the date of such party's receipt of Confidential Information from the other party, the receiving party will hold all Confidential Information in strict confidence and not disclose it to others or use it in any way except in performing the receiving party's obligations under these Terms, and take all action reasonably necessary to protect the confidentiality of the Confidential Information. Upon request, the receiving party agrees to promptly return or destroy all Confidential Information provided by the disclosing.

8. Termination. Intentionally Left Blank.

9. LIMITATION ON LIABILITY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL THEORY, TORT, CONTRACT OR OTHERWISE, SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER OR ANY OTHER THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY CHARACTER INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF GOODWILL, COMPUTER FAILURE, OR ANY AND ALL OTHER DAMAGES OR LOSSES. EXCEPT FOR INDEMNIFICATION OBLIGATIONS ARISING UNDER SECTION 6, IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY DAMAGES IN EXCESS OF TOTAL PAYMENTS MADE BY CUSTOMER DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT OR CIRCUMSTANCES GIVING RISE TO SUCH LIABILITY, EVEN IF EITHER PARTY SHALL HAVE BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY.

10. Miscellaneous. Any notices must be given in writing to the other party at the address on the Order Form, and shall be deemed given immediately upon personal delivery, 3 days after deposit in the United States mail by certified or registered mail, 1 day after overnight express courier; or 1 day after transmission by fax. This Agreement constitutes the full and complete understanding of the parties and supersedes all prior understanding and agreements. Any waiver, modification or amendment of any provision of this Agreement shall be effective only if in writing and signed by the parties. In the event of a conflict between these Terms and the Service Agreement, the Service Agreement terms shall control. The parties' relationship is that of independent contractors and not that of employer-employee, partner, agent or otherwise. The obligations of Sections 1(b), 5(b-c), 7, 9, and 10 will survive any termination of this Agreement. Neither party may assign its rights or duties in this Agreement without the prior written consent of the other party, except that either party may assign such rights or duties without such consent in connection with any transaction in which more than 50% of such party's voting securities are transferred or substantially all of such party's assets are purchased. All terms and provisions in this Agreement shall be binding upon and inure to the benefit of the parties and their permitted assigns. Any dispute between the parties shall be settled by binding arbitration in King County,

Washington under the Commercial Rules of the American Arbitration Association. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington, except for its conflict of laws provisions.

11. Data Archiving. Hubspan reserves the right to archive certain data beginning 60 days after transaction date.

Hubspan Service Level Agreement

This Service Level Agreement provides definitions used throughout the document, defines Priority Levels relative to Technical Support, and includes details relative to Technical Support Services. In addition, this document defines exclusions to Hubspan's Service.

I. Definitions

Downtime — Loss of service availability for 15 consecutive minutes.

Emergency Maintenance — Unscheduled maintenance to remedy any

Level 1 Issue, if necessary. Hubspan will provide no advance notice in the case of Emergency Maintenance issues.

External Causes — Causes beyond the control of Hubspan, including, but not limited to fire, acts of God, strike, riot, war, terrorism, weather, interruption or failure of telecommunication or digital transmission links and Internet slow-downs or failure.

Level 1 Issue (High) — Any condition that renders the Hubspan Application Service inaccessible, unusable or inoperative, and there is no immediate Work Around. Level 1 Issues include loss of all transaction processing capability.

Level 2 Issue (Medium) — Any condition in the Hubspan Application Service that is not a Level 1 Issue, but that affects the availability, operation or performance of the Hubspan Service.

Level 3 Issue (Low) — Any malfunctioning defect that causes a departure from expected behavior of the Hubspan Application Service but does not affect the availability or performance condition of the Application Service.

Technical Production Support — Support required to maintain production functionality.

Updates — Additional or replacement code or documentation that is provided by Hubspan to remedy an Issue or minor bug.

Work Around — A temporary resolution that restores the service and operation of the Hubspan Service without significant loss of functionality.

II. Technical Support Services

a) Standard Technical Support Services means that Hubspan will provide phone support 24 hours a day, 7 days a week, 365 days a year. Hubspan will reply to all production support calls received via telephone within 30 minutes to confirm issues.

b) Exclusions from Technical Support Services. Hubspan has no obligation to provide support services for any hardware used by Customer in connection with use of the Hubspan Service or for any defect or failure to the Hubspan Service caused by the improper use of the Hubspan Service by Customer or other unauthorized personnel.

III. Updates

a) Provided Customer is current on all fees under this Agreement, Hubspan shall provide Customer with Updates for

the Hubspan Service at no additional cost. Hubspan shall notify and make the Updates electronically available to Customer upon commercial release.

b) Hubspan shall provide at least 48 hours advance notice for any Scheduled Maintenance. Hubspan will make all commercially reasonable efforts to schedule maintenance during off business hours, Pacific Time.

c) Hubspan may schedule maintenance to remedy any Level 1 Issue (Emergency Maintenance) with no advance notice. All commercially reasonable efforts will be made to minimize impact of any Emergency Maintenance on the Hubspan Service and Customer.

IV. Issue Reporting

a) For each request by Customer for Technical Support from Hubspan, Hubspan may request Customer provide a description (Issue Report) of the Issues encountered, including a description of how to repeat the condition that brought about the issue.

b) Hubspan shall identify each outstanding Issue relating to an Issue Report with a unique "Case Number" for tracking purposes. Case Numbers shall be communicated to the Customer promptly after receipt of the Issue Report.

V. Technical Support Priority Levels a) Level 1 Issues — Hubspan shall work continuously, and shall use all reasonable commercial efforts to diagnose and provide an estimated correction time for a Level 1 Issue within 2 hours of notification by Customer. If the cause of the Level 1 Issue is due to substantial non-conformance of the Service described in the section titled Service Level Objectives, Hubspan shall work continuously, and shall use all reasonable commercial efforts to implement a Work Around or a Permanent Solution.

b) Level 2 Issues — Hubspan shall diagnose and provide an estimated correction time for a Level 2 Issue within 12 hours of notification by Customer. c) Level 3 Issues — Hubspan shall provide a correction estimate within 20 business days of notification by Customer.

d) Downtime — Downtime shall be categorized as a Level 1 Issue.

VI. Service Level Objective a) Technical Support — Hubspan shall use reasonable commercial efforts to attempt to resolve any Issues within the times described in the section titled Technical Support Priority Levels, for the relevant Priority Level, and without causing Downtime. b) Service Availability — Hubspan shall use reasonable commercial efforts to keep the Hubspan Service available 99.5% of the time, excluding scheduled maintenance outages and any loss or interruption of the Hubspan Service due to External Causes.

VII. Term and Termination

Provided that Customer is current on all fees under the Service Agreement, Hubspan shall provide Technical Support for the Hubspan Service starting on the Effective Date of the Agreement and continuing so long as Customer is subscribing to the Hubspan Service.

STANDARD PROVISIONS FOR CITY CONTRACTS

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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, right 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 work force 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 work force or replacement of those employees who leave the work force 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.

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-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: CGI Technologies And Solutions, IncDate: 10/04/2016Agreement/Reference: First Restated & Fifth Amended Contract C-114342 for Proprietary Software Maintenance

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

☒ **Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)**

 WC Statutory
 EL \$1,000,000
☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act

☒ **General Liability**
\$1,000,000☒ Products/Completed Operations☐ Sexual Misconduct☐ Fire Legal Liability☐

 _____ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

☒ **Professional Liability** (Errors and Omissions)
\$10,000,000Discovery Period 12 Months After Completion of Work or Date of Termination

 _____ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Boiler and Machinery☐ Flood☐ Builder's Risk☐ Earthquake☐

 _____ **Pollution Liability**
☐

 _____ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**

100% of the contract price

 _____ **Crime Insurance**
Other: Sent to Laura Ito @ ITA

1) In the absence of imposed auto liability requirements, all contractors using vehicles during the course of their contract must adhere to financial responsibility laws of the State of California.

EXHIBIT B

City of Los Angeles Standard Provisions for City Contracts

