



COUNTY OF LOS ANGELES

REGISTRAR-RECORDER/COUNTY CLERK

12400 Imperial Highway – P.O. Box 1024, Norwalk, California 90651-1024 – www.lavote.net

DEAN C. LOGAN

Registrar-Recorder/County Clerk

March 17, 2009

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

Dear Supervisors:

**APPROVAL OF AGREEMENT WITH VITALCHEK NETWORK, INC.
FOR RECORDS PAYMENT AND PROCESSING SYSTEM
AND RELATED SERVICES
(All Supervisorial Districts) (3 Votes)**

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

SUBJECT

Agreement to provide a records payment and processing system and related services to facilitate and expedite customer requests for copies of recorded documents.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign the attached agreement ("Agreement") with VitalChek Network, Inc. ("VitalChek") (Attachment III) to provide a records payment and processing system and related services (collectively "Services") for the Registrar-Recorder/County Clerk ("RR/CC") to be effective April 10, 2009 and run consecutively for four years with four optional one-year extensions and six optional month to month extensions for a maximum term of eight years and six months. The Services allow RR/CC customers to purchase copies of recorded documents over the internet, via fax and phone using a credit/debit card and in person using a debit card, and also provide RR/CC customers with the option of requesting expedited mail services. The Services are fully funded by transaction fees charged by VitalChek to RR/CC customers, which are \$6.00 per internet transaction, and \$1.75 per fax, phone, and in person transactions. There is no cost to the County.

2. Delegate authority to the Registrar-Recorder/County Clerk or such person's designee to prepare and execute amendments to exercise the four optional one-year extensions and six optional month to month extensions under the term of the Agreement.
3. Delegate authority to the Registrar-Recorder/County Clerk or such person's designee to prepare and execute amendments which either (a) implement an increase or decrease in transaction fees to the extent permitted under Paragraphs 5.5, 5.6 and 5.10 of the Agreement or (b) do not materially affect the Agreement provided that County Counsel has approved each such amendment as to form prior to executing any such amendment.
4. Delegate authority to the Registrar-Recorder/County Clerk or such person's designee to prepare and execute amendments to the Agreement (a) to incorporate or change any contracting provision required by the Board of Supervisors, Chief Executive Officer or designee and (b) to update Exhibit C (RR/CC Fees) as is described under Paragraph 18.1.5 of the Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Approval of the recommended Agreement will allow the RR/CC to continue to provide customers with additional payment options when purchasing copies of recorded documents; provide customers with the flexibility to request expedited mail services; and enhance customer services at the public service counters at RR/CC headquarters and district offices. Without the Agreement to provide the Services, the RR/CC would revert back to accepting only cash, check, or money order as payment for copies of recorded documents. Customers would also lose the availability of expedited mail services.

Implementation of Strategic Plan Goals:

This request supports the County Strategic Plan as follows:

Goal No. 1: Service Excellence: Provide the public with easy access to quality information and services that are both beneficial and responsive. The Services provide the customer with easy access, convenience, and additional options to purchase copies of recorded documents.

Goal No. 2: Organizational Effectiveness: Ensure that service delivery systems are efficient, effective and goal-oriented. The Services provide the customer with additional options to expedite their purchase of recorded documents and benefits the County by providing ensured payments and quicker deposits of County fees.

Goal No. 3: Fiscal Responsibility: Provide enhanced quality services to the public at no additional cost to the County.

FISCAL IMPACT/FINANCING:

Under the Agreement, VitalChek supplies all equipment, supplies, material (except paper), communication lines, internet connection, etc. needed to perform the Services. Customers choosing to use credit/debit card payment options are charged a transaction fee of \$6.00 for orders submitted over the internet and \$1.75 for orders submitted via fax, phone, or in person. VitalChek may additionally charge expedited shipping fees to any customer requesting an expedited shipping option. VitalChek is solely responsible for collection of all transaction fees and expedited shipping fees, as well as all fees due to the County in respect of the recorded documents (collectively, "recorded document fees"). VitalChek assumes all risks of non-collection, chargebacks, and any other card adjustments. VitalChek forwards all recorded document fees to the RR/CC via Automated Clearing House transfer, on the next business day following the day on which VitalChek is permitted charge the customer's credit/debit card in association with applicable credit/debit card rules (irrespective of whether VitalChek actually collects those recorded document fees) and retains the transaction fees and expedited shipping fees. The transaction fees and expedited shipping fees are the sole amounts payable to VitalChek for performance of the Services. There is no cost to the County.

Under the recommended Agreement, VitalChek cannot increase the transaction fees charged to customers without approval from the RR/CC. VitalChek is permitted to request that it be able to increase transaction fees as follows: (1) the transaction fees associated with orders submitted over the internet and in person are capped at \$6.00/order and \$1.75/order, respectively, during the initial term of the recommended Agreement; (2) VitalChek may request that it be able to increase the transaction fee associated with orders submitted via phone or facsimile on a semi-annual basis during the initial term of the recommended Agreement, in the event that the average dollar amount per order increases significantly from \$13.00/order, which is the average dollar amount per order the RR/CC specified in the RFP; (3) VitalChek may request that it be able to increase each transaction fee on a semi-annual basis following the initial term. In its written request that it be able to increase any transaction fee, VitalChek must include supporting documentation to justify such transaction fee increase. In addition, for each transaction fee, the cumulative increase which may be granted under the Agreement without approval by your Board shall not exceed \$2.00.

In addition to the foregoing, on a semi-annual basis during the term of the recommended Agreement, VitalChek is required to provide detailed documentation supporting the then-current transaction fees for RR/CC's review. If at any time the RR/CC reasonably determines that a then-current transaction fee is not supported by

the applicable detailed documentation, then VitalChek is required to reduce such transaction fee accordingly.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On July 20, 1989, Registrar-Recorder/County Clerk Charles Weissburd submitted a request to the Board to approve a pilot project for use of a call-in credit card service to obtain vital record copies and recommended that the Pilot Agreement be awarded to Vital Record Permit Check (now VitalChek Network, Inc.). The Pilot Agreement was approved by the Board and became effective August 1, 1989 with a term of one year with two one-year extensions. Under the Pilot Agreement, VitalChek provided equipment and services that offered RR/CC customers the flexibility to call in a request for copies of vital records and to use a credit card for payment. The customer paid a flat per-transaction service fee of \$4.50 as well as the fee(s) due to the County in respect of the vital record(s). VitalChek processed and forwarded the request and payment to RR/CC to generate the certified copy of the vital record and mail it directly to the customer. At no time did VitalChek have access to the official records or to the RR/CC records database.

On December 19, 2007 RR/CC notified your Board (Attachment II) of the oversight in the continuation of the Pilot Agreement with VitalChek beyond the term described above without the approval of the Board. Additionally, upon detection of the oversight, RR/CC undertook corrective actions, including requesting Internal Services Department ("ISD"), at County Counsel's recommendation, to issue an interim no-cost Purchase Order ("PO") and accompanying License and Service Agreement ("LSA") to VitalChek, and developing a Request for Proposals ("RFP") solicitation to competitively bid the services. The PO and LSA, which were issued on April 10, 2008 for six months and extended for the six optional one-month periods to allow completion of contract negotiation, will expire on April 9, 2009.

As your Board approved Agreement No. 75621 with Link2Gov Corporation and Metavante Corporation (successor by assignment to Marshall & Ilsley Corporation) (collectively "County's Payment Processor") on March 21, 2006, for credit/debit card processing services, in 2007 the RR/CC attended the E-Commerce Readiness Group ("ERG") meeting to explore the viability of replacing VitalChek by obtaining credit/debit card payment processing services under this agreement. The RR/CC determined that because VitalChek provides a number of services that are not available under the agreement with County's Payment Processor, it would be more costly for the RR/CC to obtain credit/debit card processing services under this agreement, as it would require the RR/CC to absorb the cost of the following: 1) to develop a front-end website to replace what is currently provided by VitalChek; 2) to develop an interface from the front-end website to County's Payment Processor; 3) to provide both technical and customer support with respect to the front-end website; and 4) to provide additional

Finance staff to process the increased workload to handle refunds, chargebacks, and other related issues to the electronic payment service.

Accordingly, RR/CC worked closely with County Counsel, Chief Information Office ("CIO") (including Chief Information Security Office ("CISO")), Treasurer & Tax Collector ("TTC") and other members of the ERG to obtain the requisite approvals to release the RFP on March 20, 2008. Among the requirements of the ERG was that the RR/CC ask proposers to provide a price using County's Payment Processor for the credit/debit card processing services. VitalChek provided a separate pricing structure using the County's Payment Processor for each service Package. However, the pricing structure VitalChek proposed using a subcontractor, Global Payments Direct, Inc., to provide credit/debit card processing services was the lower of its two proposed pricing structures. The recommended Agreement is the direct result of the competitive solicitation process.

Your Board's approval of the attached Agreement will allow RR/CC to continue the existing services and implement service enhancements with significant customer service delivery outcomes. At no time does VitalChek have access to the official records or to the RR/CC records database. VitalChek will supply the RR/CC with the required request data via an XML data file sent from the VitalCheck database system to RR/CC for orders submitted over the internet. For all orders, whether submitted over the internet, via phone or fax, or in person, RR/CC's staff will have access of the official record to print the request for customer.

VitalChek represents and warrants in the recommended Agreement that it is certified by, and in compliance with, the Visa U.S.A. Cardholder Information Security Program, the Payment Card Industry Data Security Standard, and with Visa Payment Card Industry: PIN Security Requirements. VitalChek has also agreed to comply with all applicable County information technology policies included in Chapter 6 of County's Policy Manual and County's information technology standards published by County's Chief Information Security Officer.

The Agreement contains all required County contracting terms and conditions with the exception of the provision requiring the contractor to notify the County when 75% of the maximum contract sum has been expended as there is no cost to the County under this Agreement.

The Auditor-Controller has reviewed the recommended credit card program to ensure it conforms to County Fiscal policy. As is required by Board Policy No. 3.015 (Credit/Debit Card Payment Acceptance Policy), the Auditor-Controller has additionally approved the inclusion of credit/debit transaction costs and other application costs in fees described above, which will be charge by VitalChek to RR/CC customers to purchase copies of recorded documents over the internet, via fax, phone and in person using a credit/debit card.

The Chief Executive Office has reviewed and approved this Board letter. County Counsel has reviewed this Board letter and approved as to form the attached Agreement.

As is required under Board Policy No. 3.015 (Credit/Debit Card Payment Acceptance Policy), the RR/CC has worked with TTC to implement the applications under the Agreement to accept credit/debit cards. In addition, the RR/CC has worked with TTC, and will continue to work with TTC on an as-needed basis, to ensure that the RR/CC complies with credit/debit card acceptance rules and regulations of the credit card companies and/or associations.

CONTRACTING PROCESS:

In 2007, as described above the RR/CC presented the project to the ERG and received approval to move forward with the solicitation after the RR/CC explored the viability of providing the card payment services through the agreement with County's Payment Processor, as recommended by ERG. The RFP was developed with the assistance of County Counsel, CIO, CISO and TTC and released on March 20, 2008. The RFP comprised of three distinct service Packages (as defined in the recommended Agreement). Package 1 – Online Transactions ("Package 1"): vital record orders requested via the internet and paid by credit card. RR/CC website will link to contractor-hosted website for accepting vital record orders and credit card information. Package 2 – Card Present Transactions ("Package 2"): vital record and real property record orders requested in person and paid by debit card. Package 3 – Other Card Not Present Transactions ("Package 3"): real property record orders requested through fax and telephone and paid by credit card. Prospective providers had the option to bid on one or more of the three service Packages required by the County.

The solicitation notice was sent to 40 prospective providers listed on the internet or registered with ISD as performing like services. An advertisement was published on two dates in the Los Angeles Times, Daily Breeze, Long Beach Press Telegram, and the Orange County Register. It was also published one date with the San Gabriel Valley Tribune and posted on the County's website as required by Board policy. Five prospective providers attended the mandatory bidder's conference and two firms submitted proposals for all three service Packages. The proposals submitted by Merchants Group, Inc. were determined to be unresponsive and were therefore eliminated from further consideration in accordance with the RFP proposal submission instructions. The Merchants Group, Inc. was notified and provided the opportunity for a debriefing.

The proposals submitted by VitalChek passed the initial screening and advanced to the evaluation committee. VitalChek's proposal for each Package was evaluated by a separate evaluation committee comprising of staff from RR/CC and TTC. Committee

members independently reviewed their respective service Package utilizing the selection process and evaluation criteria set forth in the RFP. The evaluation committee members reviewed and scored proposals based upon the following areas: 1) plan for providing required services; 2) experience and capability; 3) references; 4) quality control plan; and 5) proposed cost.

The proposals submitted by VitalChek Package 1, Package 2 and Package 3 were reviewed separately. Each Package met the requirements specified in the RFP and reflected an excellent understanding of the services to be provided, a quality control plan guaranteeing 100% accuracy, demonstrated experience and capability of providing the required services and contained a firm commitment to comply with all contract requirements.

As required in the RFP, VitalChek disclosed in their proposal the pending acquisition of their parent company, ChoicePoint Inc. by Reed Elsevier Group, which is an international company. The acquisition was subject to regulatory approval and was completed during the course of the contract negotiation process. The RR/CC requested documentation under Board Policy No. 9.041 (Evaluation of Vendors/Contractors Engaged in Mergers or Acquisitions) on the Reed Elsevier Group to investigate the company's economic standing. Because the Reed Elsevier Group financials are in accordance with International Financials Reporting Standards, the RR/CC, in consultation with CEO's Risk Management Operations, requested a security bond in the amount of \$50,000 from VitalChek to help protect the County from financial losses. VitalChek has represented to RR/CC that the acquisition of the parent company will not affect the recommended Agreement with VitalChek or the Services provided therein.

A summary of the Community Business Enterprise (CBE) Information provided by the recommended vendor is attached (Attachment I). On final consideration, the selection was made without regard to gender, race, creed, color, or national origin.

RR/CC has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended Agreement.

IMPACT ON CURRENT SERVICES:

Approval of the recommended Agreement will allow the RR/CC to continue to provide RR/CC customers with payment options and the flexibility to request expedited mail services when ordering copies of vital records and real property records over the internet, fax, or phone. Approval of the recommended Agreement will also enhance customer services at the public counter by allowing customers the option to pay for their copies of vital records or real property records by using a debit card.

The Honorable Board of Supervisors
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CONCLUSION

Upon approval and execution of the recommended Agreement, it is requested that the Executive Officer/Clerk of the Board, return one adopted stamped copy of the approved Board letter and two originally signed copies of the Agreement to:

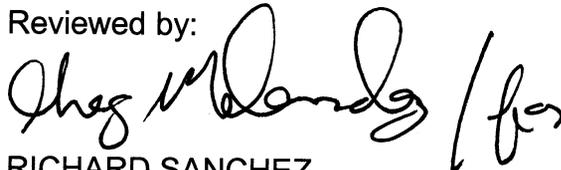
County of Los Angeles
Registrar-Recorder/County Clerk
12400 Imperial Highway, Room 5203
Norwalk, CA 90650
Attention: Ngozi Ume, Manager
Finance and Management Division

Respectfully submitted,



DEAN C. LOGAN
Registrar-Recorder/County Clerk

Reviewed by:



RICHARD SANCHEZ
Acting Chief Information Officer

DCL:RS:NU:co

Attachments (3)

c: Chief Executive Officer
County Counsel
Chief Information Officer
Chief Information Security Officer
Treasurer & Tax Collector
Auditor-Controller

<p style="text-align: center;">CONTRACTING WITH COMMUNITY BUSINESS ENTERPRISE (CBE FIRMS)</p>
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I. **The process used for identifying CBE vendors:**

The Registrar-Recorder/County Clerk distributed the solicitation notices to vendors listed on the Internet and on ISD contractor website as performing like services. Advertisements of the proposal solicitations were published on two dates with the following newspapers: Los Angeles Times, Daily Breeze, Long Beach Telegram, Orange County Register, and one date with San Gabriel Valley Tribune and listed on the County's Web Site is attached.

II **A list of firms from which the Department solicited offers:**

The Registrar-Recorder/County Clerk's Records Payment and Processing System and Related Services proposer's list is attached.

III **CBE participation (i.e. partners, associate partners, staff, etc. and percentage of minority women-ownership in each firm):**

A "Community Business Enterprise Firm Information" form, which is used for statistical information on minority/women participation and ownership, partnership and business certification is attached for the recommended contractor.

IV **A comparison of minority participation of competing contractors**

The comparison is not applicable due to proposals evaluated were from one firm.

A "Community Business Enterprise" chart with the total numbers for each category breakdown is attached.

V **Stipulation that, on final analysis and consideration of award, contractor was selected without regard to race, creed, or color:**

Stipulated in Board Letter.

List of Prospective Proposers For Records Payment and Processing System and Related Services

Aamonte Bamkard
42580 Caroline Court, Suite B
Palm Desert, CA 92211

Merchants Group Incxpress Services
8303 South West Freeway, Suite 855
Houston, TX 7704

LINK2GOV CORP
1 Burton Hills Boulevard, Ste 300
Nashville, TN 37215

Argent Healthcare Financial
Services
3800 N. Central Ave., Suite 1000
Phoenix, AZ 85012-1918

Moran & Associates AA Computers
P.O. Box 1371
Torrance, CAA 90503

VitalChek Network, Inc.
Six Cadillac Drive, Suite 400
Brentwood, TN 37027

Bottom Line Consulting Inc.
10940 Wilshire Blvd., Suite 1600
Los Angeles, CA 90024

National Link, Inc
678 Cliffside Drive.
San Dimas, CA 91773

First Data Corporation
Headquarters
6200 South Quebec Street
Greenwood Village, CO 80111

Card Integrators
3625 Serpentine
Los Alamitos, CA 90720

NCO Financial Systems, Inc.
507 Prudential Road
Horsham, PA 19044-2308

Electronic Clearing House, Inc.
730 Paseo Camarillo
Camarillo, CA 93010

Data Impact
5432 Bolsa Ave., Suite A
Huntington Beach, CA 92649

Netresell Incorporated
3875 Wilshire Blvd., Suite 709
Los Angeles, CA 90010-3213

VeriSign Worldwide Headquarters
487 East Middlefield Road
Mountain View, CA 94043

Efunds Corporation
11100 Liberty Drive, Suite 100
Milwaukee, WI 53224-3626

Professional Staffing
950 Fulton Ave., Suite 230
Sacramento, CA 95825-4518

Authorize.Net
915 South 500 East, Suite 200
American Fork, UT 84003

Jasec Inc.
1720 Flectcher Ave.
South Pasadena, CA 91030

Secure-Tech Peripherals, Inc.
336 N. Gaffey Street, 2nd Floor
San Pedro, CA 90731

CyberSource Corporation
Headquarters
1295 Charleston Rd.
Mountain View, CA 94043

Joseph R. Smith & Associates
23361 El Toro Rd., Suite 201
Lake Forest, CA 92630-6921

Sonok Systems LLC
6151 W. Century Blvd., Suite 909
Los Angels, CA 90045-5320

Shipjack Financial Services
2230 Park Avenue
Cincinnati, Ohio 45206

Mellon Bank N.A.
500 Grant Street, Suite 154-1360
Pittsburg, PA 15258

System Innovators, Inc.
10550 Deerwood Park Blvd., Suite
700
Jacksonville, FL 32256

Global Processing Systems
417 West Allen, #105
San Dimas, CA 91773

TECHRP
750 Old Hickory Blvd., Suite 110
Brentwood, TN 37027-4509

U.S. Bank National Association
2890 N. Main St., Suite 100
Walnut Creek, CA 94597-2748

AmeriValue
11661 San Vicente Blvd.
Los Angeles, CA 90049

Heartland Payment Systems
11569 Shipton Pl.
Gold River, CA 95670-7613

Computer Sciences Corporation
2100 E. Grand Ave.
El Segundo, CA 90245-5024

Century Bankcard Services
20 Fairbanks
Irvine, CA 92618

Cardservices Links
5655 Lindero Canyon Rd.
Westlake Village, CA 91362

Alliance Payment Technologies, Inc.
302 S. Milliken Ave., Suite #G 1
Ontario, CA 91761

Credit Card Transactions, Inc.
17337 Ventura Blvd, Suite 112
Encino, CA 91316

National Merchant Center
3194 Airport Loop Drive
Costa Mesa, CA 92626

David J. Bartone
Solution Card Service
25322 Rye Canyon Road, Suite 206
Valencia, CA 91355

Secure Payment Systems, Inc.
10650 Scripps Ranch blvd., #109
San Diego, CA 92131-2471

2000Charge
260 S. Lake Ave., #115
Pasadena, CA 91101

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Bid Detail Information

Bid Number : 07-002
Bid Title : Records Payment and Processing System and Related Services
Bid Type : Service
Department : Registrar-Recorder
Commodity : CREDIT CARD, CHARGE CARD SERVICES
Open Date : 3/20/2008
Closing Date : 4/24/2008 12:00 PM
Bid Amount : \$ 00,000
Bid Download : [Available](#)
Bid Description : The Registrar-Recorder/County Clerk is releasing a Request for Proposals (RFP) to solicit contractors that can provide a System, including System Software, System Hardware and Services to accept payment by debit or credit card for certain records ordered. Interested parties may download a copy of the RFP from this site or obtain a copy by contacting Cristina Ortiz, Contract Analyst at (562) 462-2902 or email cortiz@mcc.lacounty.gov. A mandatory pre-bid conference is scheduled for 10:00 a.m. on April 3, 2008 and proposals are due by 12:00 p.m. on April 24, 2008.
Contact Name : Cristina Ortiz
Contact Phone# : (562) 462-2902
Contact Email : cortiz@mcc.lacounty.gov
Last Changed On : 3/20/2008 2:34:39 PM

[Back to Last Window](#)

Request for Local SBE Preference Program Consideration and
CBE Firm/Organization Information Form

INSTRUCTIONS: All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

1. **LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

FIRM NAME: VitalChek Network, Inc.

- I AM NOT** A Local SBE certified by the County of Los Angeles Office of Affirmative Action
 I AM Compliance as of the date of this proposal/bid's submission.
 As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number: 14364001

II. **FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to gender, race, creed, or color.

Business Structure: Sole Proprietorship Partnership Corporation Non-Profit
 Franchise Other (Please Specify)

Total Number of Employees (including owners):

Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:

Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American	N/A	N/A	3	4	2	8
Hispanic/Latino	N/A	N/A	3	2	5	1
Asian or Pacific Islander	N/A	N/A	0	0	0	0
American Indian/Alaskan Native	N/A	N/A	0	0	0	0
Filipino American	N/A	N/A	0	0	0	0
White	N/A	N/A	16	15	35	41

III. **PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership is distributed.

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian/Alaskan Native	Filipino American	White
Men	N/A	N/A	N/A	N/A	N/A	N/A
Women	N/A	N/A	N/A	N/A	N/A	N/A

IV. **CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:** If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)

Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	Expiration Date

V. **DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.**

Authorized Signature: Jeffrey B. Piefke signature on file	Title: Vice President and General Manager	Date: April 23, 2008
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COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION SUMMARY

Contractor	VITALCHEK NETWORK, INC.	COMPARISION NOT APPLICABLE
Total Number of Employees in Firm	129 (based on information below)	
Owners/Partner/Assoc. Partners	N/A	
Black/African American		
Hispanic/Latino		
Asian or Pacific Islander		
American Indian		
Filipino		
White		
Total		
Women (Should be included in counts above and also reported here separately)		
Managers		
Black/African American	7	
Hispanic/Latino	5	
Asian or Pacific Islander	0	
American Indian	0	
Filipino	0	
White	31	
Total	43	
Women (Should be included in counts above and also reported here separately)	15	
Staff		
Black/African American	10	
Hispanic/Latino	6	
Asian or Pacific Islander	0	
American Indian	0	
Filipino	0	
White	76	
Total	86	
Women (Should be included in counts above and also reported here separately)	41	
Percentage of Ownership	N/A	
Black/African American		
Hispanic/Latino		
Asian or Pacific Islander		
American Indian		
Filipino		
White		
Total		
Women (Should be included in counts above and also reported here separately)		
Current Certification as Minority/Women-Owned Firm	NONE INDICATED	
State of California		
City of Los Angeles		
Federal Government		
U.S. Small Business Administration		
County of Los Angeles		

NOTE: Figures are based on information received from the bidders on their proposals.

12/27/07

EXCOM

c: Lambertson/Tindall



COUNTY OF LOS ANGELES

REGISTRAR-RECORDER/COUNTY CLERK

12400 IMPERIAL HWY. - P.O. BOX 1024, NORWALK, CALIFORNIA 90651-1024

CONNOR B. McCORMACK
Registrar-Recorder/County Clerk

December 19, 2007

TO EACH SUPERVISOR

FROM: Conny B. McCormack, Registrar-Recorder/County Clerk 

AGREEMENT FOR CALL-IN CREDIT CARD SERVICE FOR PUBLIC TO OBTAIN VITAL RECORD COPIES

This is to notify you that the Registrar-Recorder/County Clerk ("RR/CC") has identified that our current electronic payment option for telephone, facsimile and on-line vital record copy requests by the public is not covered by a Board-approved service agreement. This appears to have resulted from a continuation and expansion of a Board-approved Agreement without further Board authorization. The Agreement, Number 61890 ("Pilot Agreement") with VitalChek Network, Inc. (formerly Vital Record Permit Chek) ("VitalChek") was for a pilot project enabling RR/CC customers to call in to request copies of birth, death, and marriage records (collectively, "Vital Records") and to utilize a credit card to pay for those copies. This memorandum describes the nature of the problem and RR/CC's corrective action.

Background

Prior to obtaining Board approval for the Pilot Agreement, the RR/CC interviewed three vendors with experience in credit card services and reviewed their written documentation. VitalChek was selected due to its unique experience in credit card services specifically for Vital Records. On July 20, 1989, Registrar-Recorder/County Clerk Charles Weissburd submitted a request to the Board to approve a pilot project for use of a call-in credit card service to obtain vital record copies and recommended that the Pilot Agreement be awarded to VitalChek. The Pilot Agreement was approved by the Board and became effective August 1, 1989, with a term of one year with two one-year extensions.

Under the Pilot Agreement, VitalChek provided equipment and services that offered RR/CC customers the flexibility to call in a request for copies of vital records and to use a credit card for payment. The customer paid a flat per-transaction service fee of \$4.50 as well as the applicable RR/CC vital record fee(s). VitalChek processes the request and forwards the request and payment to RR/CC. The RR/CC then generates the certified copy of the vital record and mails it directly to the customer. At no time does

Each Supervisor
December 19, 2007
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VitalChek have access to the official record or to the RR/CC vital records database. VitalChek recovers its operating expenses through the service fee paid by the customers. There is no cost to the County.

Description of Problem

RR/CC continued the Pilot Agreement with VitalChek beyond the term described above without the approval of the Board. Additionally, over time, the scope of equipment and services provided by VitalChek grew to include online copy requests for vital records and call-in and facsimile orders of real property records maintained by RR/CC ("Real Property Records"). The current per-transaction service fee paid by the customer is \$6.00.

Upon discovery of this isolated situation, RR/CC reviewed the available files and found incomplete documentation as to the evaluation and assessment of the pilot project as called for in the July 20, 1989 Board letter. Additionally, documents pertaining to amendments to the Pilot Agreement exercising either of the two optional extensions are not on file nor are there any other amendments on file expanding the program. RR/CC is unable to provide an accurate and complete history and analysis of this situation as most of the staff involved in initiating this project have since retired from County service.

Why the Problem Was Not Detected

Due to the lack of available documentation, apparently the oversight occurred based on prior management's assumption that Board action was not required since there was no cost to the County for providing the electronic payment option.

Summary and Action to be Taken

Since the detection of the oversight, RR/CC has consulted with County Counsel, CEO, CIO, and the County's E-Commerce Readiness Group on the most viable solution to rectify this situation. All agreed that a new contract is required for these services.

Accordingly, RR/CC has commenced the development of an RFP to competitively re-solicit the equipment and services. RR/CC is working with County Counsel, CIO, and other members of the E-Commerce Readiness Group to obtain the requisite approvals to release the RFP. At the end of this solicitation process, the RR/CC expects to bring before your Board a contract for equipment and services.

For thousands of out-of-state customers, this is the only method to expedite obtaining necessary certified copies of birth certificates required for passport applications and other similar official business transactions. The electronic payment services are widely used by RR/CC customers (both out-of-state and County residents) for ordering vital records quickly, including the option of express mailing their documents. It is imperative

Each Supervisor
December 19, 2007
Page 3

that the RR/CC continues to offer these services during the solicitation process as any disruption would be a disservice to customers who have time-sensitive needs for obtaining important vital records.

Because the solicitation process will take time, County Counsel has recommended that VitalChek be required to enter into a modified version of ISD's standard software license agreement in order to minimize County liability. The CEO is in agreement with this recommendation. As such, at the request of County Counsel, ISD has agreed to issue a Purchase Order to VitalChek for a period not to exceed six months, with six one-month extensions, allowing the RR/CC to finish the solicitation process and bring a contract before your Board for approval.

The Department regrets this oversight and, as noted above, has initiated both immediate and long-term corrective actions to rectify the situation. Please contact Chief Deputy Registrar-Recorder/County Clerk Dean Logan at (562) 462-2883 if you have questions.

CBM:DCL:NU:rl

c: Chief Executive Officer
County Counsel
Chief Information Officer
Internal Services Department Director

ATTACHMENT III

**RECORDS PAYMENT AND PROCESSING SYSTEM
AND RELATED SERVICES AGREEMENT**



AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

VITALCHEK NETWORK, INC.

FOR

**RECORDS PAYMENT AND PROCESSING
SYSTEM AND RELATED SERVICES**

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Exhibit O - Performance Requirements Summary Chart

Exhibit P - Office Locations for Packages 2 and 3

Exhibit Q - Global Payments Direct Subcontract

/

**AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND
VITALCHEK NETWORK, INC.
FOR
RECORDS PAYMENT AND PROCESSING SYSTEM
AND RELATED SERVICES**

This Agreement for Records Payment Processing System and Related Services is made and entered into as of this 10th day of April, 2009 (as further defined below, "Effective Date") by and between the County of Los Angeles, hereinafter referred to as "County", and VitalChek Network Inc., a Tennessee corporation, located at One Creekside Crossing, 6 Cadillac Drive, Suite 400, Brentwood, TN 37027, hereinafter referred to as "Contractor", a wholly owned subsidiary of ChoicePoint Services Inc., a Georgia corporation. County and Contractor are sometimes hereinafter referred to collectively as the "Parties" and each individually as a "Party."

RECITALS

WHEREAS, the County's Department of Registrar-Recorder/County Clerk ("Department" or "RR/CC") requires a software and hardware system and related services to allow for purchases of certain records and payment of certain filing fees using (a) credit cards over the Internet as described in Package 1 (Online Transactions) of the Statement of Work (as defined below), (b) debit cards in person as described in Package 2 (Card Present Transactions) of the Statement of Work (as defined below) and, (c) credit cards over the telephone and facsimile as described in Package 3 (Other Card Not Present Transactions) of the Statement of Work (as defined below) in order to carry out its mission efficiently and effectively;

WHEREAS, Contractor is in the business of providing such system and services; and

WHEREAS, the County may contract with private businesses for goods and services when certain requirements are met.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the Parties agree to the following:

1.0 APPLICABLE DOCUMENTS

- 1.1. Agreement. This base document, together with Exhibits A through P, all Packages, appendices, attachments and schedules attached hereto and/or thereto, and all Amendments collectively constitute and are collectively referred to herein as this "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the Parties relating to the subject matter of this Agreement.
- 1.2. Interpretation. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any Task, Deliverable, good, Service, or other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits according to the following priority:

Exhibit A - Statement of Work

Package 1 – Online Transactions

- Attachment 1-A – Functional Requirements
- Attachment 1-B – Business Requirements
- Attachment 1-C – System Software
- Attachment 1-D – System Hardware
- Attachment 1-E – Point of Sale System Interface

Package 2 – Card Present Transactions

- Attachment 2-A – Functional Requirements
- Attachment 2-B – Business Requirements
- Attachment 2-C – System Software
- Attachment 2-D – System Hardware
- Attachment 2-E – Point of Sale System Interface

Package 3 – Other Card Not Present Transactions

- Attachment 3-A – Functional Requirements
- Attachment 3-B – Business Requirements
- Attachment 3-C – System Software
- Attachment 3-D – System Hardware
- Attachment 3-E – Point of Sale System Interface

Exhibit B - Pricing Matrix

Exhibit C - RR/CC Fees

Exhibit D - County's RFP *[Incorporated by reference]*

Exhibit E - Contractor's Proposal *[Incorporated by reference]*

Exhibit F - County's Administration

- Exhibit G - Contractor's Administration
- Exhibit H - Certificate of Completion
- Exhibit I - Acknowledgement, Confidentiality and Assignment Agreement
- Exhibit J - Contractor's EEO Certification
- Exhibit K - Jury Service Ordinance
- Exhibit L - Safely Surrendered Baby Law
- Exhibit M - Notice to Employees Regarding the Federal Earned Income Credit (IRS Notice 1015)
- Exhibit N - Custom Programming Modification Request
- Exhibit O - Performance Requirements Summary Chart
- Exhibit P - Office Locations for Packages 2 and 3
- Exhibit Q- Global Payments Direct Subcontract

1.3. Construction. The words "herein", "hereof", and "hereunder" and words of similar import used in this Agreement refer to this Agreement, including all Exhibits, Packages, appendices, attachments, and schedules as the context may require. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words "including", "for example", "e.g.", "such as", "etc.", or any derivation of such words, such examples are intended to be illustrative and not limiting. No change to this Agreement shall be valid unless entered into in accordance with Paragraph 18.1 (Amendments).

2.0 DEFINITIONS

The following initial capitalized terms as used herein shall be construed to have the following meanings.

- 2.1 "ACH" as used herein is the acronym for Automated Clearing House.
- 2.2 "Acceptance" as used herein shall mean County's written approval of any Tasks, Deliverables, goods, Services or other Work provided by or on behalf of Contractor to County, as indicated by the applicable County Project Director's execution of the Certificate of Completion, except that the phrase "Acceptance of the System" additionally includes the items set forth Paragraph 12.0 (System Tests and Acceptance by County).
- 2.3 "Acceptance Tests" as used herein shall have the same meaning as set forth in Paragraph 12.2 (Acceptance Tests).

- 2.4 "Adhoc Reports" as used herein shall mean on demand requests for various System reports, including reports described in the Specifications.
- 2.5 "Agreement" as used herein shall have the same meaning as set forth in Paragraph 1.1 (Agreement).
- 2.6 "Amendment" as used herein shall mean a written change to this Agreement entered into in accordance with Paragraph 18.1 (Amendments).
- 2.7 "Association" as used herein shall mean any entity formed to administer and promote the use of Cards, including Visa U.S.A. Inc. and MasterCard International, Incorporated.
- 2.8 "Association Rules" as used herein shall mean the bylaws, rules and regulations of each Association, as they exist from time to time.
- 2.9 "Authorization" as used herein shall mean, with respect to each Transaction, the approval by or on behalf of the Card Issuer of a Cardholder's use of a Card to pay for all fees applicable to such Transaction, including the Transaction Fee, all RR/CC Fees and all shipping charges permitted under Paragraph 5.8.
- 2.10 "Authorization Server" as used herein shall mean the Authorization server meeting the Specifications described in Package 3 to the SOW.
- 2.11 "Board" as used herein shall mean County's Board of Supervisors.
- 2.12 "Budget" as used herein shall mean the County's fiscal year spending authority as approved by the Board.
- 2.13 "Business Day" or "Business Days", whether or not capitalized, as used herein shall mean 7:00 a.m. to 6:00 p.m. Pacific Time, Monday through Friday, excluding County holidays.
- 2.14 "CISO" as used herein is the acronym of County's Chief Information Security Officer.
- 2.15 "CISP" as used herein is the acronym for the Visa U.S.A. Cardholder Information Security Program.
- 2.16 "Card" as used herein shall mean the plastic card or other evidence of credit or debit account, as applicable, and

corresponding account number, issued by a Card Issuer to a Cardholder, and accepted by Contractor under this Agreement for payment of the RR/CC Fees. For purposes of this Agreement, credit accounts are at a minimum limited to Visa, MasterCard, and Discover and if applicable include American Express.

- 2.17 "Cardholder" as used herein shall mean the person or entity issued a Card and a corresponding account number by a Card Issuer and which person or entity is entitled to use the Card. For purposes of this Agreement, Cardholders are limited to those Cardholders from time to time using the System (or, in the case of Card Present Transactions and Other Card Not Present Transactions, those Cardholders for which the Department from time to time uses the System) to pay RR/CC Fees.
- 2.18 "Card Issuer" as used herein shall mean any financial institution which is a member bank of the Association or its agents, Discover and if applicable American Express. For purposes of this Agreement, Card Issuers are limited to those issuing Cards.
- 2.19 "Card Present Transaction" as used herein shall mean, with respect to the Department's use of the System on behalf of a Cardholder to pay one or more RR/CC Fees by Card where the Card is physically presented to the Department, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer. The Work to be provided by or on behalf of Contractor specific to this type of Transaction is described in Package 2 to the SOW.
- 2.20 "Certificate of Completion" as used herein shall mean each certificate substantially in the form attached hereto as Exhibit H (Certificate of Completion), which, when executed by County's Project Director(s), indicates County's Acceptance of the Work identified in such certificate.
- 2.21 "Confidential Information" as used herein shall have the same meaning as set forth in Paragraph 7.7 (Confidentiality).
- 2.22 "Contractor" as used herein shall have the same meaning as set forth in the Recitals.
- 2.23 "Contractor Product" as used herein shall have the same meaning as set forth in Paragraph 10.6.

- 2.24 "Contractor's Project Director" as used herein shall have the same meaning as set forth in Paragraph 7.1 (Contractor's Project Director).
- 2.25 "Contractor's Project Manager" as used herein shall have the same meaning as set forth in Paragraph 7.2 (Contractor's Project Manager).
- 2.26 "Contractor's Proposal" as used herein shall mean the Proposal for Records Payment Processing System and Related Services, dated as of April 24, 2008, together with all exhibits, appendices, attachments and schedules thereto, submitted by Contractor in response to County's RFP. Contractor's Proposal is incorporated into this Agreement by reference as Exhibit E (Contractor's Proposal).
- 2.27 "County" as used herein shall have the same meaning as set forth in the Recitals.
- 2.28 "County Indemnitees" as used herein shall have the same meaning as set forth in Paragraph 11.0 (Intellectual Property Indemnification).
- 2.29 "County Product" as used herein, shall have the same meaning as set forth in Paragraph 10.1.
- 2.30 "County's Contract Project Monitor" as used herein shall have the same meaning as set forth in Paragraph 6.3 (County's Contract Project Monitor).
- 2.31 "County's Project Director" as used herein shall have the same meaning as set forth in Paragraph 6.1 (County's Project Director).
- 2.32 "County's Project Manager" as used herein shall have the same meaning as set forth in Paragraph 6.2 (County's Project Manager).
- 2.33 "County's RFP" as used herein shall mean the Request for Proposals for Records Payment Processing System and Related Services, issued by County as of March 20, 2008, together with all exhibits, Packages, appendices, attachments and/or schedules thereto. County's RFP is incorporated into this Agreement by reference as Exhibit D (County's RFP).
- 2.34 "Custom Programming Modification Request" as used herein shall have the same meaning as set forth in Paragraph 8.1 (Maintenance and Support Services).

- 2.35 "Custom Programming Modifications" as used herein shall have the same meaning as set forth in Paragraph 8.1 (Maintenance and Support Services).
- 2.36 "Data Security Guidelines" as used herein shall mean (a) all applicable security standards and guidelines that may be published from time to time by the Association, any Card Issuer, any Card processor or any PIN-Based Debit Network, including the CISP and PCI Data Security Standard and (b) all applicable County information technology and security (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by the CISO and provided by County's Project Director to Contractor.
- 2.37 "Day" or "Days" whether capitalized or not, shall mean calendar day(s), not business days, unless otherwise specified.
- 2.38 "Deficiency(ies)" as used herein shall mean, as applicable to any Work provided by or on behalf of Contractor to County: any malfunction, error, or defect in the design, development, or implementation of Work; any error or omission, or deviation from the applicable Specifications or from published or mutually agreed upon industry standards, or any other malfunction or error, including the provision of negligent or substandard workmanship, which results in System or any part thereof, not performing in accordance with the applicable Specifications or other provisions of this Agreement, including the SOW, as determined by County's Project Director.
- 2.39 "Deliverable" as used herein shall mean, with respect to each Package, the completed Tasks and/or other Work under this Agreement for the type of Transaction described in such Package, including those numbered Deliverables identified in each such Package.
- 2.40 "Department" or "RR/CC" as used herein shall have the same meaning as set forth in the Recitals.
- 2.41 "Dispute Resolution Procedures" as used herein shall have the same meaning as set forth in Paragraph 18.38 (Dispute Resolution Procedure).
- 2.42 "Documentation" as used herein shall mean, with respect to each Package, any and all written materials, including user manuals, operating manuals, quick reference guides, training materials, and

all other user instructions regarding the capabilities, operations, installation for and support of the System for such Package, including this Agreement.

- 2.43 "Effective Date" as used herein shall mean the date identified in the Preamble to this Agreement, which is the date as of which this Agreement has been executed by an authorized representative of the Contractor and has been approved by the Board.
- 2.44 "End User" as used herein shall mean technical and operational staff of the Department.
- 2.45 "Extension Month" as used herein shall have the meaning set forth in Paragraph 4.2.
- 2.46 "Extension Year" as used herein shall have the meaning as set forth in Paragraph 4.2.
- 2.47 "Federal" as used herein shall mean the United States federal government.
- 2.48 "Federal Funds Rate" as used herein shall mean the rate at which private depository institutions lend balances at the Federal Reserve to other depository institutions. The applicable Federal Funds Rate will be obtained from County's Treasurer and Tax Collector.
- 2.49 "Initial Term" as used herein shall have the same meaning as set forth in Paragraph 4.1.
- 2.50 "Interface(s)" as used herein shall mean, with respect to each Package, any software supplied by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package, which allows the transfer of electronic data and/or software commands between computer systems, applications, or modules, together with all Source Code, object code and Documentation. Interfaces include, with respect to each Package, the interfaces described in such Package. References to the Interfaces may include one or more Interfaces in the System or all Interfaces in the System.
- 2.51 "License" as used herein shall have the same meaning as set forth in Paragraph 9.2 (License).
- 2.52 "Maintenance and Support Services" as used herein shall have the same meaning as set forth in Paragraph 8.1 (Maintenance and Support Services).

- 2.53 "Online Transaction" as used herein shall mean, with respect to a Cardholder's use of the System over the Internet to pay one or more RR/CC Fees by Card, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer. The Work to be provided by or on behalf of Contractor specific to this type of Transaction is described in Package 1 to the SOW.
- 2.54 "Operations Services" as used herein shall have the same meaning as set forth in Paragraph 8.2 (Operations Services).
- 2.55 "Other Card Not Present Transaction" as used herein shall mean, with respect to the Department's use of the System on behalf of a Cardholder to pay one or more RR/CC Fees by Card where the Card is not physically presented to the Department, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer. Other Card Not Present Transactions do not include Online Transactions. The Work to be provided by or on behalf of Contractor specific to this type of Transaction is described in Package 3 to the SOW.
- 2.56 "Other Professional Services" as used herein shall have the same meaning as set forth in Paragraph 8.1 (Maintenance and Support Services).
- 2.57 "Other RR/CC Fees" as used herein shall mean the filing fees, search fees, certification fees, and other fees for filings, searches, certifications, and other services performed by the Department, but excluding fees for obtaining certified copies of Vital Records and Real Property Records. A list of the Other RR/CC Fees is set forth on Exhibit C (RR/CC Fees), as updated from time to time under Paragraph 18.1 (Amendments).
- 2.58 "PCI" as used herein is the acronym for Payment Card Industry.
- 2.59 "Package" as used herein shall mean each of Packages 1 (Online Transactions), 2 (Card Present Transactions) and 3 (Other Card Not Present Transactions), together with all appendices, attachments and schedules thereto, attached to the Statement of Work, which describes all of the Work to be provided by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package. "Packages" refers to more than one Package.
- 2.60 "Party" or "Parties" as used herein shall have the same meaning as set forth in the Recitals.

- 2.61 "PIN-Based Debit Network" as used herein shall mean a national or regional on-line debit card network. Each network operates under its own set of operating rules and regulations.
- 2.62 "Production Use" as used herein shall mean, with respect to each Package, the use of System in the production environment to perform County's business operations. For the avoidance of doubt, County's production environment includes use of applicable portions of the System by Cardholder(s) in accordance with this Agreement.
- 2.63 "Real Property Records" as used herein shall mean real estate documents recorded and maintained by the Department. A list of categories of Real Property Records is set forth on Exhibit C (RR/CC Fees), as updated from time to time under Paragraph 18.1 (Amendments).
- 2.64 "Registrar-Recorder/County Clerk" as used herein shall mean the Director or Acting Director of the Department and/or such person's designee.
- 2.65 "RR/CC Fees" as used herein shall mean (a) fees for obtaining one or more certified copies of one or more Vital Records or Real Property Records and (b) Other RR/CC Fees. A list of the RR/CC Fees is set forth on Exhibit C (RR/CC Fees), as updated from time to time under Paragraph 18.1 (Amendments).
- 2.66 "Services" as used herein shall mean, with respect to each Package, any development, installation, configuration, implementation, Operations Services, Maintenance and Support Services, and other services performed by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package.
- 2.67 "Source Code" as used herein shall mean computer programming code in human readable form that is not suitable for machine execution without the intervening steps of interpretation or compilation.
- 2.68 "Specifications" as used herein shall mean, with respect to each Package, all functional, operational, technical and/or business specifications, requirements, features, standards and Deliverables for the System, all as set forth in the Documentation and/or this Agreement for such Package, including the County's RFP, the Contractor's Proposal, the SOW and/or any Custom Programming Modification Request.

- 2.69 "State" as used herein shall mean the State of California.
- 2.70 "Statement of Work" or "SOW" as used herein shall mean Exhibit A attached to this Agreement, together with all Packages, appendices, attachments and schedules thereto, as amended from time to time by any Amendment.
- 2.71 "Subcontractor" or "Subcontractors" as used herein shall mean any person, entity, or organization to which Contractor proposes to delegate or has delegated any of its obligations hereunder in accordance with Paragraph 18.37 (Subcontracting).
- 2.72 "System" as used herein shall mean, with respect to each Package, the System Software, System Hardware and Services for such Package. References to the System may include one or more components or modules thereof or the System as a whole.
- 2.73 "System Hardware" as used herein shall mean, with respect to each Package, all hardware supplied by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package, including, as applicable, the Workstations, the Terminals, the Authorization Server, and the other hardware described in such Package. References to the System Hardware may include one or more components or modules thereof or all System Hardware in the System.
- 2.74 "System Software" as used herein shall mean, with respect to each Package, all computer programs conceived, created, developed or otherwise supplied by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package, together with all Source Code, object code and Documentation. System Software includes, with respect to each Package, the programs described in such Package, and the Interfaces, the Updates, and the Custom Programming Modifications for such Package. References to the System Software may include one or more components or modules thereof or all System Software in the System.
- 2.75 "Task" as used herein shall mean, with respect to each Package, one or more major areas of Work to be performed under this Agreement for the type of Transaction described in such Package, including those areas identified as a numbered Task or Subtask in each such Package, and all subtasks thereunder.
- 2.76 "Term" as used herein shall have the same meaning as set forth in Paragraph 4.0 (Term of Agreement).

- 2.77 "Terminal" as used herein shall mean the equipment including separate keypad used to read Cards, transmit all information necessary to fully process Card Present Transactions and print Transaction receipts, and meeting the other Specifications described in Package 2 to the SOW.
- 2.78 "Third Party Software" as used herein shall have the mean as set forth in Paragraph 13.0 (Third Party Software).
- 2.79 "Transaction" as used herein shall mean an Online Transaction, a Card Present Transaction, or an Other Card Not Present Transaction, as the case may be. "Transactions" refers to more than one Online Transaction, Card Not Present Transaction, and/or Other Card Not Present Transaction.
- 2.80 "Transaction Fee" as used herein shall have the same meaning as set forth in Paragraph 5.1.
- 2.81 "Updates" as used herein shall have the same meaning as set forth in Paragraph 8.1(Maintenance and Support Services).
- 2.82 "User" as used herein shall mean any person or entity authorized by the Department to access or use any portion of the System Software.
- 2.83 "Vital Records" as used herein shall mean records of birth, death and marriage recorded and maintained by the Department. A list of categories of Vital Records is set forth on Exhibit C (RR/CC Fees), as updated from time to time under Paragraph 18.1 (Amendments).
- 2.84 "Work" as used herein shall mean, with respect to each Package, any and all Tasks, Deliverables, goods, Services and other work performed by or on behalf of Contractor (including by Subcontractors, if any) pursuant to this Agreement for the type of Transaction described in such Package. Without limiting the foregoing, Work includes, with respect to each Package, provision of the System, including all System Software, System Hardware, and Services, and all equipment, labor, and other supplies required to perform the Services. Additionally, without limiting the foregoing, Work includes, with respect to each Package, provision of all packing materials for expedited shipping, but does not include paper, which shall be provided by the Department.

- 2.85 "Workstation" as used herein shall mean, with respect to each Package, a personal computer (including monitor, central processing unit, operating software, application software, keyboard and printer) meeting at least the Specifications in such Package.

3.0 WORK

- 3.1 The Contractor shall fully perform, complete and deliver on time, all Work in accordance with the terms and conditions of this Agreement, including the Work described in each Package to the Statement of Work.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than the Work specified in this Agreement, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

4.0 TERM OF AGREEMENT

- 4.1 The term of this Agreement shall commence upon the Effective Date and shall continue until April 9, 2013 ("Initial Term"), unless sooner terminated, in whole or in part, as provided in this Agreement.
- 4.2 At the expiration of the Initial Term and thereafter upon the expiration of each Extension Year or Extension Month, as the case may be, the County shall have the sole option to extend the term of this Agreement for (a) first, up to four (4) additional one-year periods (each an "Extension Year") and (b) second, up to six (6) month to month extensions (each a "Extension Month"), for a maximum total term of eight (8) years and six (6) months. Each such Extension Year and Extension Month, as the case may be, shall be exercised at the sole discretion of the Registrar-Recorder/County Clerk. The Initial Term and all exercised Extension Years and Extension Months are collectively referred to herein as the "Term".
- 4.3 The Registrar-Recorder/County Clerk shall notify Contractor of any determination to exercise any Extension Year and/or Extension Month not less than thirty (30) days before the applicable Extension Year or Extension Month, as the case may be, is to begin.
- 4.4 The Contractor shall notify the Department when this Agreement is within six (6) months from the expiration of the Term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the County's Contract Project Monitor at the address herein provided in Exhibit F (County's Administration).

5.0 CONTRACTOR FEES AND PAYMENTS

- 5.1 For each Transaction processed by or on behalf of Contractor under this Agreement, the Contractor shall charge the Cardholder the applicable flat-rate fee set forth on Exhibit B (Pricing Matrix) (each a "Transaction Fee"). Other than RR/CC Fees and shipping charges permitted under Paragraph 5.8, the applicable Transaction Fee is the maximum amount chargeable by Contractor to each Cardholder for processing such Cardholder's Transaction. Other than shipping charges permitted under Paragraph 5.8, each Transaction Fee includes (a) all Contractor costs associated with providing all Work under this Agreement for the applicable type of Transaction, including the System Software, System Hardware and Services for such type of Transaction, and all other equipment, labor, and other supplies (including packing materials for expedited shipping, but excluding paper), required to perform the Services for such type of Transaction, and (b) all sales and other taxes applicable to such type of Transaction. No other amount shall be due and payable by the County (or any Cardholder) to the Contractor for providing Work under this Agreement.
- 5.2 Contractor is responsible for obtaining Authorization for all Transactions and for collecting all fees connected with the Services, including Transaction Fees, RR/CC Fees, and shipping charges permitted under Paragraph 5.8. Contractor shall abide by all applicable Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and PIN-Based Network rules and regulations when obtaining Authorizations and collecting all fees. Contractor assumes all risk of monetary loss for any failure to obtain any of the aforementioned Authorizations, any failure to collect any of the aforementioned fees, any chargebacks and/or any other Card adjustments. County shall not be responsible or suffer any monetary loss for any failure to obtain any of the aforementioned Authorizations, any failure to collect any of the aforementioned fees, any chargebacks and/or any other Card adjustments.
- 5.3 Contractor shall remit by ACH transfer in immediately available funds to such bank account(s) as designated by County, all RR/CC Fees for each Transaction by 4:00 p.m. Pacific Time on the next Business Day (excluding weekends and County holidays, for which reimbursement of RR/CC Fees shall be made by 4:00 p.m. Pacific Time the following Business Day) following the Day on which the Contractor is permitted to charge the Card for such Transaction in accordance with the applicable Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and PIN-Based Network rules and regulations, regardless if funds have been collected/secured by or on behalf of the Contractor. On each such Business Day, Contractor shall issue a

separate ACH transfer for each service area as identified by County, such separate ACH transfer to include all RR/CC Fees required for such service area under this Paragraph 5.3.

- 5.4 In the event Contractor fails to remit any RR/CC Fees due on any Business Day in accordance with the terms set forth herein, Contractor shall be charged and liable to the County for interest on such RR/CC Fees at the Federal Funds Rate per Day prorated based upon a 360 Day year for each Day (or portion thereof) delay in County receiving said remittance. The interest charges provided herein may be waived whenever the Registrar-Recorder/County Clerk finds, in such person's sole discretion, that late remittances were excusable by under Paragraph 18.18 (Force Majeure). Such interest shall be due and payable upon Contractor's receipt of written notice of the delayed remittance.
- 5.5 The Transaction Fees are not subject to increase during the Initial Term, except as expressly described in Paragraph 5.6 and 5.10. Ninety (90) days prior to each anniversary of the Effective Date (commencing with the fourth anniversary), the Contractor may submit a written request to the Registrar-Recorder/County Clerk for an increase in each Transaction Fee based upon a commensurate (and demonstrable) increase in applicable Card discount rates or other expenses of the Contractor which are permitted to be factored into such Transaction Fee under the terms of this Agreement, as identified in Exhibit B (Pricing Matrix). Each written request must include detailed supporting documentation for the increase included in such request. Provided that the Registrar-Recorder/County Clerk is reasonably satisfied with the supporting documentation for the increase, the Registrar-Recorder/County Clerk shall authorize such increase, subject in all respects to execution of an Amendment in accordance with Paragraph 18.1 (Amendments). If authorized, each increase shall remain effective for the subsequent annual period of the Term commencing on the applicable anniversary of the Effective Date. For each Transaction Fee, the cumulative increase granted under this Paragraph 5.5 shall not exceed \$2.00.
- 5.6 Notwithstanding the foregoing, on a semi-annual basis during the Term, the Contractor shall submit detailed documentation to the Registrar-Recorder/County Clerk supporting the then-current Transaction Fees, including a list of all of the applicable Card discount rates and other expenses of the Contractor which are permitted to be factored into the Transaction Fees under the terms of this Agreement, as identified in Exhibit B (Pricing Matrix), as well as a comparison of Contractor's budgeted loss during the period for improper/illegal use of Cards to Contractor's actual loss. If at any time the Registrar-Recorder/County Clerk reasonably determines that a then-current Transaction Fee is not supported by the applicable detailed documentation, the Contractor shall

accordingly reduce such Transaction Fee. If a Transaction Fee is reduced under this Paragraph 5.6 during the Initial Term, the Contractor may obtain an increase in such Transaction Fee up to the Transaction Fee in effect as of the Effective Date if, with respect to any semi-annual period during the Initial Term, the Contractor can demonstrate, to the reasonable satisfaction of the Registrar-Recorder/County Clerk, a commensurate increase in the applicable Card discount rates and/or other expenses of the Contractor which are permitted to be factored into such Transaction Fee under the terms of this Agreement, as identified in Exhibit B (Pricing Matrix), or in the actual loss for improper/illegal use of Cards.

- 5.7 The amounts set forth on Exhibit B (Pricing Matrix) includes all amounts necessary for all applicable California and other state and local taxes for the System and other Work performed by Contractor. County shall not be liable or responsible for reimbursement of any such taxes. Contractor will be solely liable and responsible for, and shall pay such tax directly to the State or other taxing authority.
- 5.8 For each Transaction, the Contractor may charge shipping charges to each Cardholder electing an expedited shipping option. Contractor shall not charge each such Cardholder shipping charges greater than the then current prices offered by the applicable shipping carrier to the general public for the expedited shipping option. County shall not be liable or responsible for reimbursement of any shipping charges. Contractor shall be solely liable and responsible for all such shipping charges, and shall pay such shipping charges directly to the carrier applicable. In the event that shipping charges are increased by Contractor's carrier, Contractor shall notify the Department in writing within five (5) Days of notification and modify the rates charged to Cardholders.
- 5.9 Notwithstanding anything to the contrary in this Agreement, Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any Work provided by Contractor after expiration or termination of this Agreement. Further, Contractor shall not be entitled to charge or collect from Cardholders, Transaction Fees or for any other payment of any money or reimbursement, of any kind whatsoever, for any Work provided by Contractor after expiration or termination of this Agreement.
- 5.10 For Package 3 of the Statement of Work, Contractor on a semi-annual basis will review the Other Card Not Present Transactions during the immediately preceding six months for any significant change on the average transaction amount of \$13.00 as listed on the Exhibit 11 (Pricing Sheet) of the County's RFP. If there is a significant increase, Contractor shall submit a written request to the Registrar-Recorder/County Clerk for an increase in each Transaction Fee based upon such increase. Each

written request must include detailed supporting documentation for the increase included in such request. Provided that the Registrar-Recorder/County Clerk is reasonably satisfied with the supporting documentation for the increase, the Registrar-Recorder/County Clerk shall authorize such increase, subject in all respects to execution of an Amendment in accordance with Paragraph 18.1 (Amendments). If authorized, each increase shall remain effective until Contractor submits the next request and is approved under this Paragraph 5.10. If during the Initial Term, Contractor is not able to demonstrate a significant increase in the average Transaction amount of Other Card Not Present Transaction, then no further requests will be granted under this Paragraph 5.10 and requests shall be limited to those under Paragraph 5.5. For each Transaction Fee, the cumulative increase granted under this Paragraph 5.10 shall not exceed \$2.00.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

A listing of all County Administration referenced in the following Paragraphs are designated in Exhibit F (County's Administration). The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Directors

Responsibilities of the County's Project Directors include:

- (a) confirming that the objectives of this Agreement are met; and
- (b) providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements; and
- (c) reviewing and approving the Contractor's Work on behalf of County.

6.2 County's Project Manager

The responsibilities of the County's Project Managers include:

- (a) meeting with the Contractor's Project Manager on a regular basis; and
- (b) inspecting any and all Work provided by or on behalf of the Contractor and making recommendations to the applicable County Project Director regarding approval thereof.

The County's Project Managers are not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

6.3 County's Contract Project Monitor

The County's Contract Project Monitor is responsible for overseeing the day-to-day administration of this Agreement. The County's Contract Project Monitor reports to the County's Project Manager. The County's Contract Project Monitor is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

6.4 County Personnel

All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County. Contractor hereby represents and warrants that its price, project schedule, and performance hereunder are not based on the use of County personnel except as otherwise expressly provided in this Agreement.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Director

7.1.1 The Contractor's Project Director is designated in Exhibit G (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Director.

7.1.2 Contractor's Project Director shall be responsible for Contractor's full and timely performance of all of Contractor's Work, and ensuring Contractor's compliance with this Agreement.

7.2 Contractor's Project Manager

7.2.1 The Contractor's Project Manager is designated in Exhibit G (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.2.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Agreement and shall meet with County's Project Manager(s) as applicable and County's Contract Project Monitor on a regular basis.

7.3 Additional Staff Qualifications

- 7.3.1 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize, and permit utilization of, only staff fully trained and experienced, and as appropriate, licensed or certified in the technology and Work required by this Agreement.
- 7.3.2 Contractor shall supply sufficient staff to fully and timely discharge its responsibilities hereunder in accordance with this Agreement, including the Statement of Work.
- 7.3.3 All of Contractor's staff performing Work under this Agreement shall be adults who are legally eligible to work under the laws of the United States of America and the State of California.
- 7.3.4 All of Contractor's staff who have direct contact with County and/or Cardholders (either in person, by telephone, or by electronic or other written correspondence) shall be fully fluent in both spoken and written English.

7.4 Approval of Contractor's Staff

- 7.4.1 County has the absolute right to approve or disapprove all of the Contractor's staff performing Work hereunder and any proposed changes in the Contractor's staff, including the Contractor's Project Director and Contractor's Project Manager. County additionally has the absolute right to require removal of any member of the Contractor's staff, including the Contractor's Project Director and Contractor's Project Manager.
- 7.4.2 Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the vacating staff member(s) and those required by this Agreement.
- 7.4.3 Disapproval or removal of any of Contractor's staff under this Paragraph 7.4 shall not relieve the Contractor of its obligation to fully and timely complete all Work in accordance with this Agreement.

7.5 Contractor's Staff Identification

For each member of Contractor's staff entering any County facility to perform Work, Contractor shall provide, at Contractor's expense, such staff with a photo identification badge.

7.6 Background and Security Investigations

- 7.6.1 All Contractor's staff performing Work under this Agreement shall undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to Work under this Agreement. County shall use its discretion in determining the method of background investigation to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background investigation.
- 7.6.2 County will not provide to the Contractor or to the Contractor's staff any information obtained through the County conducted background investigation.
- 7.6.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.
- 7.6.4 Disqualification, if any, of the Contractor's staff, pursuant to this Paragraph 7.6, shall not relieve the Contractor of its obligation to fully and timely complete all Work in accordance with this Agreement.

7.7 Confidentiality

- 7.7.1 The Contractor shall maintain the confidentiality of all County Product and all records, data and other information obtained from the County and/or any Cardholder during the course of performing Work under this Agreement (collectively, "Confidential Information") in accordance with all applicable Federal, State or local laws, ordinances, regulations, directives policies and procedures relating to confidentiality and in accordance with all applicable Association Rules, Card Issuer rules and regulations, Card processor rules and regulations, PIN-Based Network rules and regulations and Data Security Guidelines.
- 7.7.2 The Contractor shall not disclose any Confidential Information to any other person or entity other than (a) its officers, employees, Subcontractors and other agents providing Work hereunder who have executed an Acknowledgement, Confidentiality and Assignment Agreement substantially in the form of Exhibit I hereto, with such changes as are approved in advance by

County's Project Director(s) as applicable and as is necessary to carry out the express terms of this Agreement, (b) Card Issuers, Associations and PIN-Based Debt Networks as is necessary to carry out the express terms of this Agreement, and (c) as required by an order of any court of competent jurisdiction or under a valid subpoena from a government agency. In the case of clause (c), Contractor shall, to the extent legally permitted, provide County notice of receipt of any such court order or subpoena and, to the extent permitted by law, a reasonable opportunity to obtain relief from the obligations of disclosure.

- 7.7.3 The Contractor shall not use any Confidential Information for any reason other than as required to perform Work under this Agreement.
- 7.7.4 The Contractor shall not reproduce, distribute, or disclose to any person or entity any information identifying, characterizing, or relating to any risk, threat, vulnerability, weakness, or problem regarding data security or maintenance in County's computer systems, or to any safeguard, countermeasure, or contingency plan, policy or procedure for data security contemplated or implemented by County.
- 7.7.5 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.7, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.7 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.7.6 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Agreement.

The Contractor shall inform all of its officers, employees, agents and Subcontractors providing Work hereunder of the confidentiality provisions of this Agreement. The Contractor shall obtain from each of its officers, employees, agents and Subcontractors providing Work hereunder an Acknowledgement, Confidentiality and Assignment Agreement substantially in the form of Exhibit I hereto, with such changes as are approved in advance by County's Project Director(s) as applicable.

- 7.7.7 Notwithstanding anything herein to the contrary, the Contractor acknowledges and agrees that it is responsible for any breach of the obligations set forth in this Paragraph 7.7 by any of its officers, employees, agents and Subcontractors providing Work hereunder and any other person or entity to whom the Contractor discloses the Confidential Information.

- 7.7.8 The Contractor acknowledges that a breach of this Paragraph 7.7 may result in irreparable injury to the County that may not be adequately compensated by monetary damages and that, in addition to the County's other rights under this Paragraph 7.7 and at law and in equity, the County shall have the right to seek injunctive relief to enforce the provisions of this Paragraph 7.7.

8.0 MAINTENANCE AND SUPPORT SERVICES; OPERATIONS SERVICES

8.1 Maintenance and Support Services

- 8.1.1 Without limiting Paragraph 3.0 (Work), with respect to each Package, commencing upon the date on which Contractor achieves Acceptance of the System for such Package, Contractor shall provide support and maintenance services for the System described in Task No. 9 of such Package (with respect to each Package, collectively "Maintenance and Support Services") during the Term at no additional cost to the County. Without limiting the foregoing, Maintenance and Support Services shall include, with respect to each Package, the provision of (a) all goods and/or Services necessary to correct any and all Deficiencies that occur during the Term of this Agreement, including reprogramming System Software, repairing or replacing System Hardware and re-performing Services, (b) County-authorized upgrades, updates, enhancements, revisions, improvements, bug fixes, patches, and

modifications, other than Custom Programming Modifications, to the System Software, in whole or in part, including to keep the System performing in accordance with applicable laws, rules and regulations, and to keep the System Software operating in accordance with the Specifications and otherwise with this Agreement (with respect to each Package, collectively "Updates") and (c) commercially reasonable County-requested customizations and modifications to the System designed to revise the System to meet County's evolving business and/or technical requirements (together with all Source Code, object code and Documentation, with respect to each Package, collectively "Custom Programming Modifications").

- 8.1.2 With respect to correcting Deficiencies, the applicable County Project Director shall notify Contractor in writing, or if not practicable, orally (with written notice to follow within three (3) Days) to either Contractor's Project Director or Project Manager (or through other means identified in the applicable Package), of any Deficiency. Upon a notice from County or Contractor's discovery of a Deficiency, Contractor shall commence corrective measures to remedy such Deficiency in accordance with the timeframes set forth in the applicable Package. Contractor shall diligently continue corrective measures until such Deficiency is corrected. Without limiting the generality of Paragraph 8.1.1, Contractor acknowledges that it may be required to repair, replace or reinstall all or any part of the System Software and/or System Hardware in order to correct a Deficiency. No Deficiency shall be deemed corrected until approved in writing by either County Project Director.
- 8.1.3 County's Project Director(s) will initiate any County-requested Custom Programming Modifications by submitting a Custom Programming Modification Request Form substantially in the form of Exhibit N hereto (each a "Custom Programming Modification Request") to Contractor's Project Director. With respect to each County-requested Custom Programming Modification, the Parties thereafter will proceed in accordance with, as applicable, Subtask No. 9.3 of Package 1 and Subtask 9.2 of Packages 2 and 3.
- 8.1.4 With respect to the installation and implementation of any Update or Custom Programming Modification, the Parties shall mutually agree upon acceptance tests for such Update or Custom Programming Modification. The installation and implementation of each Update and Custom Programming Modification shall be subject to the testing and Acceptance procedures outlined in Paragraph 12, including, without limitation, with respect to obtaining Certificates of Completion, except that the Parties shall use the

applicable tests developed pursuant to this Paragraph 8.1.4. Upon Contractor's completion and delivery, and County's Acceptance, of each Update and each Custom Programming Modification, such Update and such Custom Programming Modification shall become part of and be included as the System for all purposes under this Agreement.

8.2 Operations Services

Without limiting Paragraph 3.0 (Work), with respect to each Package, commencing upon the date on which Contractor achieves Acceptance of the System for such Package, Contractor shall provide operations services for the System described in Task No. 11 of such Package (with respect to each Package, collectively "Operations Services") during the Term at no additional cost to the County.

9.0 OWNERSHIP AND LICENSE

9.1 Ownership

The System provided to County pursuant to this Agreement, other than Third Party Software, shall remain the property of Contractor, subject in all respects to the License granted to County pursuant to this Paragraph 9.0. Third Party Software shall remain the property of, and is subject to the licenses granted by, the respective third party owners.

9.2 License

Contractor grants to County an irrevocable license (the "License"):

- (a) To use, run, store and display the System Software (collectively, "Use") on an unlimited number of computers, local area networks and wide area networks;
- (b) To Use and copy the Documentation as necessary or appropriate for County to fully enjoy and exercise the License;
- (c) To make and Use a reasonable number of copies of the System Software for archive and back-up purposes;
- (e) To Use the System Hardware as is necessary or appropriate for County to fully enjoy the Services and to fully enjoy and exercise the License.

The License commences upon the Effective Date and continues for the Term.

9.3 License Restrictions

- (a) No license, right or interest in any trademark, trade name or service mark of Contractor or any third party from whom Contractor has acquired License rights is granted under this Agreement.
- (b) The System Software and/or Documentation developed pursuant to any License and rights granted hereunder may not be sold, licensed or sublicensed, assigned or otherwise transferred, in whole or in part, by County.
- (c) County will not reverse engineer, disassemble, decompile or decode the System Software.

10.0 OTHER PROPRIETARY CONSIDERATIONS

- 10.1 Except for the System and all patent, copyright, trademark, trade secret and other proprietary rights therein, County shall be the sole owner of all rights, title and interest in and to all plans, reports, acceptance test criteria, acceptance test plans, statements of work, departmental procedures and processes, diagrams, facilities, tools, and information developed by County or by Contractor pursuant to and for delivery to County under the Agreement which are originated or created through the Contractor's Work pursuant to this Agreement, and all patent, copyrights, trademark, trade secret and other proprietary rights therein (collectively "County Product").
- 10.2 Notwithstanding the foregoing, during the Term of this Agreement and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Agreement. County shall have the right to inspect, copy and use at any time during, and for five (5) years subsequent to, the Term of this Agreement, any and all such working papers and all information contained therein.
- 10.3 Contractor hereby transfers to County all of Contractor's right, title and interest in and to the County Product. Upon request by either of County's Project Directors, Contractor shall execute all documents requested by County and shall perform all other acts requested by County to assign and transfer to, and vest in, County all Contractor's right, title and interest in and to the County Product. County shall have the right to register all copyrights and patents in the name of County of Los Angeles. Further, County shall have the right to assign, license or otherwise transfer any and all County's right, title and interest in and to the County Product.

- 10.4 As requested in writing by either County's Project Director, Contractor shall affix the following notice to County Product developed under this Agreement: "©Copyright 200_ (or such other date of first publication), County of Los Angeles. All rights reserved". Contractor shall affix such notice as directed by County.
- 10.5 Contractor shall take reasonable steps to protect all such County Product from loss or damage by any cause, including fire and theft.
- 10.6 The System and any other materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Agreement, together with all patent, copyright, trademark, trade secret and other proprietary rights (collectively "Contractor Product"), which the Contractor desires to use hereunder, and which the Contractor considers to be trade secret, proprietary or confidential, must be specifically identified by the Contractor to either County's Project Manager as trade secret, proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Trade Secret", "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 10.7 Subject to Paragraph 10.9 and Paragraph 18.33 (Public Records Act), the County will use reasonable means to ensure that the Contractor Product is safeguarded and held in confidence. Subject to Paragraph 10.9 and Paragraph 18.33 (Public Records Act), the County agrees not to reproduce, distribute or disclose to non-County entities any such Contractor Product without the prior written consent of the Contractor.
- 10.8 Subject to Paragraph 9.0 (Ownership and License), Contractor hereby grants County an irrevocable license to use the Contractor Product for the Term.
- 10.9 Notwithstanding any other provision of this Agreement, the County will not be obligated to the Contractor in any way under Paragraph 10.7 for any of the Contractor Product which is not plainly and prominently marked with restrictive legends as required by Paragraph 10.6 or for any disclosure which the County is required to make under any State or Federal law or order of court.

11.0 INTELLECTUAL PROPERTY INDEMNIFICATION

- 11.1 The Contractor shall indemnify, hold harmless and defend County, its Special Districts, elected and appointed officers, employees and other agents (collectively, "County Indemnitees") from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or

alleged infringement of any third party's patent, copyright or other proprietary right, or any actual or alleged unauthorized trade secret disclosure (collectively in this Paragraph 11.0 "Infringement Claims"), arising from or related to the operation and utilization of all or any portion of the System or other Work under this Agreement. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 11.0 shall be conducted by Contractor and performed by counsel selected by Contractor. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or this Agreement, County shall be entitled to reimbursement for all such costs and expenses.

- 11.2 County shall inform the Contractor as soon as reasonably practicable of any Infringement Claim. Upon such notice by County, Contractor shall, in its reasonable judgment, and at no cost to County, as remedial measures, either (a) procure the right, by license or otherwise, for County to continue to use the System or any infringing component thereof to the same extent of County's License under this Agreement, or (b) to the extent procuring such right to use the System is not commercially practicable, replace or modify the System or any infringing component thereof with another system or component in such a way that the resulting system and each and every one of its components shall have the quality and performance capabilities, at a minimum, equivalent to the quality and performance capabilities of the System and all of the component thereof, until it is determined by County that the System with all of its component has become non-infringing, non-misappropriating, and non-disclosing.

12.0 SYSTEM TESTS AND ACCEPTANCE BY COUNTY

12.1 General

With respect to each Package, Contractor shall achieve Acceptance of the System for such Package when (a) Contractor has fully completed and delivered to County all applicable Deliverable(s), including Deliverables associated with the Acceptance Tests, (b) County has Accepted all such Deliverables, (c) the System has operated thereafter in Production Use in accordance with the Specifications and otherwise with this Agreement for ten (10) consecutive Days with no Deficiencies, as determined in the sole judgment of either County Project Director (d) Contractor has fully completed and delivered to County all other requirements of Deliverable No. 8.3 of such Package, and (e) either County Project Director has Accepted Deliverable No. 8.3 of such Package.

12.2 Acceptance Tests

With respect to each Package, County may conduct any and all tests, at County's sole discretion, to establish System functionality and reliability and verify that the System operates in accordance with the Specifications and otherwise with this Agreement, with the assistance of Contractor. Such tests will be set out in connection with Deliverable No. 8.1 of each Package. Such tests (with respect to each Package, collectively "Acceptance Tests") will include, but is not limited to, the following:

- 12.2.1 With respect to each Package, Initial System component test to determine whether each System component for such Package has been properly installed and is working in accordance with all applicable Specifications and otherwise with this Agreement;
- 12.2.2 With respect to each Package, Integrated System component test to determine whether each System component for such Package interfaces and integrates with other System components for such Package already installed and whether each such System component can be used in the approved operating configuration and operates in accordance with all applicable Specifications and otherwise with this Agreement; and
- 12.2.3 With respect to each Package, Final System Test to ensure that all System components for such Package and of all previous updates and modifications interface and integrate with System and each other in the approved operating configuration and operate in accordance with all applicable Specifications and otherwise with this Agreement.

12.3 Failed Acceptance Testing

With respect to each Package, if County's Project Director(s) makes a good faith determination that a System component has not successfully completed an Acceptance Test, County's Project Director(s) shall promptly notify Contractor in writing of such failure, specifying with as much detail as possible the manner in which the System component or System failed to pass the applicable Acceptance Test. Contractor shall immediately commence efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the System component or the System as will permit the System component and the System to be ready for retesting. Contractor shall notify County's Project Director(s) when such corrections, repairs and modifications have been completed, and the Acceptance Tests shall begin again. If, after the applicable Acceptance

Test has been completed for a second time, County's Project Director(s) makes a good faith determination that the System component or System again fails to pass the applicable Acceptance Test, the applicable County Project Director shall promptly notify Contractor in writing, specifying with as much detail as possible the manner in which the System component or System failed to pass the applicable Acceptance Test. Contractor shall immediately commence efforts to complete such necessary corrections, repairs and modifications to the System component or the System as will permit the System component and the System to be ready for retesting. Such procedure shall continue until such time as County's Project Director(s) notifies Contractor in writing either: (a) of the successful completion of such Acceptance Test or (b) that County has concluded in its sole judgment that satisfactory progress toward such successful completion is not being made, in which latter event County shall have the right, in County's sole judgment, to terminate this Agreement in accordance with Paragraph 18.41 (Termination for Default), as a non-curable default with respect to (i) one or more System components, or (ii) if County believes the failure to pass the applicable Acceptance Test materially affects the function or desirability to County of the System as a whole, the entire Agreement, in each case, without any further obligation owing to Contractor whatsoever.

13.0 THIRD PARTY SOFTWARE

- 13.1 The System Software identified as "Third Party Software" on any of Attachment 1-C to Package 1 of the SOW, Attachment 2-C to Package 2 of the SOW or Attachment 3-C to Package 3 of the SOW (with respect to each Package, collectively "Third Party Software"), is owned by third parties. No other software included in the System Software is owned by third parties other than the Third Party Software. Contractor represents and warrants that it has not modified and will not modify, such Third Party Software. Contractor represents and warrants that such Third Party Software shall, together with the remainder of the System Software, fully satisfy all Specifications and other requirements of this Agreement without the need for any modification of the Third Party Software by Contractor or otherwise.
- 13.2 County acknowledges that it may have to execute certain third party license agreements with respect to all or certain portions of the Third Party Software. These third party license agreements shall be at no cost to County and shall include reasonable terms and conditions as determined by County. To the extent that any such third party license agreement conflicts with this Agreement, including the License, Contractor shall take all necessary action and pay all sums required to provide County with all the rights with respect to the System Software afforded by this Agreement. Contractor warrants that whether or not such third party license

agreements are required of County, County shall receive licenses of all of the Third Party Software that will allow use of the System Software in accordance with all of the terms of this Agreement. Without limiting the foregoing, Contractor shall be responsible for acquiring and delivering to County, at the cost of Contractor, licenses permitting the use of all other Third Party Software in accordance with the License.

- 13.3 In the event it nonetheless becomes necessary to modify any such Third Party Software to satisfy any of the requirements of this Agreement, Contractor shall promptly, at no cost to County, either: (a) obtain a license from the appropriate third party which shall enable Contractor to modify such Third Party Software, and Contractor shall provide all necessary modifications or (b) to the extent that Contractor is unable to obtain such a license, provide an upgrade or alternative solution, which is functionally equivalent, in County's Project Director(s)' reasonable determination, in lieu of modifying such Third Party Software.

14.0 REPRESENTATIONS AND WARRANTIES

Without limiting the other representations and warranties included in this Agreement, Contractor represents and warrants as follows:

- (a) Contractor has full power and authority to grant the License and all other rights granted by this Agreement to County.
- (b) The person executing this Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.
- (c) No consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect.
- (d) During the Term, Contractor shall not subordinate the Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the System, and any part thereof in accordance with the Agreement
- (e) Neither the performance of this Agreement by Contractor, nor the license to, and use by, County and its Users of the System or any part thereof in accordance with this Agreement will any way violate any non-disclosure agreement, nor constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary information, or other rights of any third party.

- (f) With respect to each Package, the System for such Package shall perform in accordance with the Specifications and otherwise with this Agreement.
- (g) All Work shall be performed in a timely and professional manner by qualified personnel.
- (h) With respect to each Package, each component of the System for such Package shall be fully compatible with and shall fully integrate, perform, and function with (i) all other components of the System for such Package and (ii) the technical environment that conforms to the specifications set forth in such Package.
- (i) Contractor shall not cause any unplanned interruption of the operations of, or accessibility to, the System or any component thereof through any device, method or means including the use of any “virus,” “lockup,” “time bomb,” “key lock,” “worm,” device or program, or disabling code, (collectively referred to in this Paragraph 14.0 as “Disabling Device”), which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the accessibility of the System or any component of the System by County or any user or which could alter, destroy, or inhibit the use of the System, any component thereof, or the data contained therein.
- (j) Contractor has not purposely placed, nor is it aware of, any Disabling Device on any component of the System provided to County under the Agreement, nor shall Contractor knowingly permit any subsequently delivered component of the System to contain any Disabling Device.
- (k) With respect to each Package, Contractor shall provide Operations Services and Maintenance and Support Services for the System for the Term.

15.0 NEW TECHNOLOGY

Without limiting Contractor's obligation to provide County Updates as a part of Maintenance and Support Services, Contractor and County acknowledge the probability that the technology of the System (or any portion thereof) provided under the Agreement will change and improve during the Term. County desires the flexibility to incorporate into the System any new technologies, as they may become available. Accordingly, Contractor's Project Manager shall, promptly upon discovery and on a continuing basis, apprise either County's Project Director of all new technologies, methodologies, and techniques, other than Updates, that Contractor considers being applicable to the System (or any portion thereof). Upon County's request, Contractor shall provide, in writing, a description of such new technologies, methodologies, and techniques, and shall

indicate the advantages and disadvantages of incorporating the same into the System, and provide an estimate of the impact such incorporation will have on the performance of the System (or any portion thereof) and any impact on the Service cost. County, at its discretion, may request that the Agreement be amended to incorporate the new technologies, methodologies and techniques into the System (or any portion thereof) pursuant to the provisions of Paragraph 18.1 (Amendments) of this Agreement.

16.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

Contractor shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates required by all Federal, State, and local laws, ordinances, rules and regulations and/or by this Agreement, which are applicable to the Work under the Agreement. Contractor shall further ensure that all of its officers, employees, Subcontractors, and other agents who perform Work hereunder, shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate required by all applicable Federal, State, and local laws, ordinances, rules, regulations, guidelines, and directives, shall be provided, in duplicate, to the County's Contract Project Monitor at the address herein provided in Exhibit F (County's Administration).

17.0 PRODUCTION USE OF THE SYSTEM

With respect to each Package, following System installation by Contractor and prior to Acceptance of the System by County, County shall have the right to use System for such Package in Production Use where County determines it is necessary for County operations. Such Production Use shall not restrict Contractor's performance under this Agreement and shall not be deemed to be County's Acceptance of the System for such Package.

18.0 STANDARD TERMS AND CONDITIONS

18.1 AMENDMENTS

No change to the Agreement shall be valid unless prepared and executed pursuant to this Paragraph 18.1 (Amendments).

18.1.1 Notwithstanding Paragraph 18.1.2, for any change which either (a) implements a change in Transaction Fees under Paragraphs 5.5, 5.6 and 5.10 or (b) does not materially affect the scope of work, Term, or any other term or condition included under this Agreement, an Amendment shall be prepared and executed by

an authorized representative of the Contractor and by Registrar-Recorder/County Clerk.

- 18.1.2 For any change which (a) materially affects the scope of work, Term, or any other term or condition included under this Agreement or (b) affects the Transaction Fees beyond that which is permitted under Paragraphs 5.5, 5.6 and 5.10, an Amendment shall be prepared and executed by an authorized representative of the Contractor and by the Board.
- 18.1.3 Notwithstanding Paragraph 18.1.2, the Board and/or County's Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Agreement during the Term. The County reserves the right to add and/or change such provisions as required by the Board and/or County's Chief Executive Officer. To implement such changes, an Amendment shall be prepared and executed by an authorized representative of the Contractor and by Registrar-Recorder/County Clerk.
- 18.1.4 The Registrar-Recorder/County Clerk may, at his/her sole discretion, exercise the Extension Years and Extension Months as provided in Paragraph 4.0. Additionally, the Registrar-Recorder/County Clerk may, at his/her sole discretion, authorize extensions of time under this Agreement, provided that such extensions of time shall not extend the Term of this Agreement and shall not, individually or in the aggregate, trigger an Amendment under Section 18.1.2.
- 18.1.5 In the event there is a change in the fees and/or categories of documents listed in Exhibit C (RR/CC Fees), Exhibit C (RR/CC Fees) shall be deemed to be updated to reflect such change without any further action by any of the Parties. Promptly following such change, County's Project Director(s) shall provide the Contractor with an updated Exhibit C (RR/CC Fees) including such change.

18.2 ASSIGNMENT AND DELEGATION

- 18.2.1 The Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require an Amendment in accordance with Paragraph 18.1 (Amendments).

- 18.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.
- 18.2.3 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

18.3 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

- 18.3.1 Within ten (10) Business Days after the Effective Date of this Agreement, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 18.3.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 18.3.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) Business Days for County approval.
- 18.3.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

- 18.3.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager(s) of the status of the investigation within five (5) Business Days of receiving the complaint.
- 18.3.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 18.3.7 Copies of all written responses shall be sent to the County's Project Manager(s) within three (3) Business Days of mailing to the complainant.

18.4 COMPLIANCE WITH APPLICABLE LAW, ETC.

- 18.4.1 Contractor, the Work and Contractor's performance of the Work shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.
- 18.4.2 Contractor, the Work, and Contractor's performance thereof, shall comply with all applicable Data Security Guidelines, Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and/or PIN-Based Network rules and regulations in each case, as from time to time in effect. When auditing compliance with this Paragraph 18.4.2, Contractor shall, or shall cause its auditors to, comply with the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 70.
- 18.4.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment and any Data Security Guidelines, Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and/or PIN-Based Network rules. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 18.4 shall be conducted by Contractor and performed by counsel selected by

Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

18.5 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement. The Contractor shall comply with Exhibit J (Contractor's EEO Certification).

18.6 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

18.6.1 Jury Service Program

This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service (in this Paragraph 18.6, "Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit K and incorporated by reference into and made a part of this Agreement.

18.6.2 Written Employee Jury Service Policy

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

no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

- (b) For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County "Contractor" and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Agreement, the Subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
- (c) If the Contractor is not required to comply with the Jury Service Program when the Agreement commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Agreement and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

(d) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

18.7 CONFLICT OF INTEREST

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

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

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

Should the Contractor require additional or replacement personnel after the effective date of this Agreement to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Agreement.

18.9 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

- 18.9.1 Should the Contractor require additional or replacement personnel after the Effective Date of this Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

- 18.9.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

18.10 CONTRACTOR RESPONSIBILITY AND DEBARMENT

18.10.1 Responsible Contractor

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

18.10.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

18.10.3 Non-responsible Contractor

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

18.10.4 Contractor Hearing Board

- (a) If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board (as defined in Chapter 2.202 of the Los Angeles County Code).
- (b) The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.
- (c) After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the

proposed decision and recommendation of the Contractor Hearing Board.

- (d) If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
- (e) The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- (f) The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

18.10.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County contractors.

18.11 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

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

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

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

18.13 COUNTY'S QUALITY ASSURANCE PLAN

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

18.14 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

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

18.14.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

18.15 EMPLOYMENT ELIGIBILITY VERIFICATION

18.15.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

18.15.2 The Contractor shall indemnify, defend, and hold harmless, the County Indemnitees in accordance with Paragraph 18.21 (Indemnification) from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Agreement.

18.16 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile or other electronic representations of original signatures of authorized officers of each Party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 18.1 (Amendments), and received via electronic communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Agreement, such that the parties need not follow up facsimile or other electronic transmissions of such documents with subsequent (non-facsimile or other electronic) transmission of "original" versions of such documents.

18.17 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County Indemnitees in accordance with Paragraph 18.21 (Indemnification) from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for Work performed by the Contractor's employees for which the County may be found jointly or solely liable.

18.18 FORCE MAJEURE

18.18.1 Neither Party shall be liable for such Party's failure to perform its obligations under and in accordance with this Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such Party or any of such Party's Subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any

fault or negligence of such Party (such events are referred to in this Paragraph 18.18 as "force majeure events").

18.18.2 Notwithstanding the foregoing, a default by a Subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such Subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph, the term "Subcontractor" and "Subcontractors" mean Subcontractors at any tier.

18.18.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

18.19 GOVERNING LAW, JURISDICTION, AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Without limiting the foregoing, County and Contractor intend that this Agreement shall be subject to the provisions of the Uniform Commercial Code as enacted in California, and the Parties shall retain all of their rights and remedies thereunder. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

18.20 INDEPENDENT CONTRACTOR STATUS

18.20.1 This Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one Party shall not be, or be construed to be, the employees or agents of the other Party for any purpose whatsoever.

18.20.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits.

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

18.20.3 The Contractor understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Agreement.

18.20.4 The Contractor shall adhere to the provisions stated in Paragraph 7.7 (Confidentiality).

18.21 INDEMNIFICATION

Notwithstanding any other provision of this Agreement, the Contractor shall indemnify, defend and hold harmless the County Indemnitees from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), fines, penalties and/or assessments, arising from or connected with the Contractor's or Contractor's officers', employees', Subcontractor's and/or other agents' acts and/or omissions arising from and/or relating to this Agreement and/or any security incidents under and as defined in each Package.

18.22 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the Term of this Agreement, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

18.22.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to County's Contract Program Monitor at the address set forth on Exhibit F (County Administration) prior to commencing Work

under this Agreement. Such certificates or other evidence shall:

- (a) Specifically identify this Agreement;
- (b) Clearly evidence all coverages required in this Agreement;
- (c) Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- (d) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County Indemnitees as insureds for all activities arising from this Agreement; and
- (e) The County retains the right to require the Contractor to reduce or eliminate any deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

18.22.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

18.22.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Agreement upon which the County may immediately terminate or suspend this Agreement. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

18.22.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- (a) Any accident or incident relating to Work performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- (b) Any third party claim or lawsuit filed against the Contractor arising from or related to Work performed by the Contractor under this Agreement.
- (c) Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to either County Project Manager.
- (d) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Agreement.

18.22.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

18.22.6 Insurance Coverage Requirements for Subcontractors:

The Contractor shall ensure any and all Subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

- (a) The Contractor providing evidence of insurance covering the activities of Subcontractors, or
- (b) The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

18.23 INSURANCE COVERAGE REQUIREMENTS

18.23.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

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

18.23.2 Automobile Liability written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

18.23.3 Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other Federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

18.23.4 Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, and naming the County as loss payee.

Employee Dishonesty:	\$1 million
Theft, Disappearance and Destruction:	\$1 million
Computer Fraud:	\$1 million

18.23.5 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$2 million per occurrence and \$4 million aggregate.

Contractor agrees to maintain the same or similar coverage through the purchase of renewal policies for a period of not less than two years beyond the termination date of this Agreement.

- 18.23.6 Performance Bond: A faithful performance bond applied to the Agreement in an amount of \$50,000 and executed by a corporate surety licensed to transact business in the State of California or

Certificate of Deposit (CD) or Letter of Credit (LOC): A CD or an irrevocable LOC payable to the County upon demand in an amount not less than \$50,000. Such CD or LOC shall comply with minimum criteria and standards established by the County.

Such performance bond, CD or LOC, as the case may be, shall be maintained throughout the term of the Agreement.

18.24 LIQUIDATED DAMAGES

- 18.24.1 If the Registrar-Recorder/County Clerk determines that there are deficiencies in the performance of this Agreement that the Registrar-Recorder/County Clerk deems are correctable by the Contractor over a certain time span, the Registrar-Recorder/County Clerk will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Registrar-Recorder/County Clerk may:

- (a) The Parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The Parties hereby agree that under the current circumstances a reasonable estimate of such damages are as specified in the Exhibit O (Performance Requirements Summary Chart) and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be paid by Contractor upon demand; and/or
- (b) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate

source, whether it be County forces or separate private contractor, will be billed to Contractor for payment on demand, as determined by the County.

18.24.2 The action noted in Paragraph 18.24.1 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Agreement.

18.24.3 This Paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Agreement provided by law or as specified in the PRS or Paragraph 18.24.1, and shall not, in any manner, restrict or limit the County's right to terminate this Agreement as agreed to herein.

18.25 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the Term of this Agreement provide the similar goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to the County customers as well.

18.26 NONDISCRIMINATION AND AFFIRMATIVE ACTION

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

18.26.2 The Contractor shall certify to, and comply with, the provisions of Exhibit J (Contractor's EEO Certification).

18.26.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or

recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 18.26.4 The Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 18.26.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 18.26.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 18.26 when so requested by the County.
- 18.26.7 If the County finds that any provisions of Paragraph 18.26 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.
- 18.26.8 The Parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Agreement, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

18.27 NON EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Agreement shall not restrict County, including the Department, from acquiring similar, equal or like goods and/or services from other entities or sources.

18.28 NOTICE OF DELAYS

Except as otherwise provided under this Agreement, when either Party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that Party shall, within one (1) Business Day, give notice thereof, including all relevant information with respect thereto, to the other Party.

18.29 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, a copy of which is attached hereto as Exhibit M.

18.30 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit L (Safely Surrendered Baby Law) of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

18.31 NOTICES

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the Parties as identified in Exhibits F (County's Administration) and G (Contractor's Administration). Contractor may fax or e-mail notice and must be followed up by mail as indicated above. Notices shall be deemed given (i) at the time of signed receipt or refusal of receipt, in the case of hand delivery or (ii) three (3) days after deposit in the United States mail, in the case of fax, e-mail or mail. Addresses

may be changed by either Party giving ten (10) days' prior written notice thereof to the other Party. The Registrar-Recorder/County Clerk or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Agreement.

18.32 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the Term of this Agreement and for a period of one year thereafter, neither Party shall in any way intentionally induce or persuade any employee of one Party to become an employee or agent of the other Party. No bar exists against any hiring action initiated through a public announcement.

18.33 PUBLIC RECORDS ACT

18.33.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 18.35 (Record Retention and Inspection/Audit Settlement) of this Agreement; as well as those documents submitted in response to County's Proposal, are the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (in this Paragraph 18.33, "Public Records Act") and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

18.33.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County Indemnitees in accordance with Paragraph 18.21 (Indemnification) from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

18.34 PUBLICITY

18.34.1 The Contractor shall not disclose any details in connection with this Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Agreement within the following conditions:

- (a) The Contractor shall develop all publicity material in a professional manner; and
- (b) During the Term of this Agreement, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of either County Project Director.

18.34.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Agreement with the County of Los Angeles, provided that the other requirements of this Paragraph 18.34 shall apply.

18.35 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any of the records described in this Paragraph 18.35. All such records shall be kept and maintained by the Contractor and shall be made available to the County during the Term of this Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such records prior to such time. All such records shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such records is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such records at such other location.

18.35.1 In the event that an audit of the Contractor is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

18.35.2 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 18.35 shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement.

18.36 RECYCLED BOND PAPER

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

18.37 SUBCONTRACTING

18.37.1 The requirements of this Agreement may not be subcontracted by the Contractor without the advance approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Agreement. County hereby consents to a subcontract with Global Payments Direct, Inc. in the form attached hereto as Exhibit Q (Global Payments Direct Subcontract).

18.37.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- (a) A description of the Work to be performed by the Subcontractor;
- (b) A draft copy of the proposed subcontract;
- (c) Evidence that the proposed Subcontractor maintains the insurance programs required by this Agreement; and
- (d) Other pertinent information and/or certifications requested by the County.

- 18.37.3 The Contractor shall indemnify and hold the County Indemnitees harmless in accordance with Paragraph 18.21 (Indemnification) with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 18.37.4 Notwithstanding anything to the contrary set forth in this Agreement, Exhibit Q (Global Payments Direct Subcontract) or any other subcontract from time to time consented to by the County hereunder, and notwithstanding the County's approval of the Contractor's proposed subcontract, the Contractor shall remain fully responsible for all performances required of it under this Agreement, including those that the Contractor has determined to subcontract. Without limiting the generality of the foregoing, the Contractor acknowledges and agrees that although there may be differences (of any kind or nature) between the terms and conditions set forth in one or more subcontracts, including, without limitation, Exhibit Q (Global Payments Direct Subcontract), and the corresponding terms and conditions set forth herein, the Contractor shall be solely and fully responsible for the performance of and/or compliance with the terms and conditions set forth herein.
- 18.37.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Agreement. The Contractor is responsible to notify its Subcontractors of this County right.
- 18.37.6 The County's Project Director(s) is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County's Contract Project Monitor at the address set forth on Exhibit F (County Administration) for County's files.
- 18.37.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through Work performed hereunder, notwithstanding the County's consent to subcontract.

18.38 DISPUTE RESOLUTION PROCEDURE

18.38.1 Contractor and County agree to act immediately to resolve mutually any disputes that may arise with respect to the Agreement. All such disputes shall be subject to the provisions of this Paragraph 18.38 (such provisions are collectively referred to as the "Dispute Resolution Procedures"). Time is of the essence in the resolution of disputes.

18.38.2 Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance that County, in its discretion, determines should be delayed as a result of such dispute.

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

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

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

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

(b) If the Project Managers are unable to resolve the dispute within a reasonable time, not to exceed five (5) Business Days from the date of submission of the dispute, then the

matter immediately shall be submitted to the parties' respective Project Directors for further consideration and discussion to attempt to resolve the dispute.

- (c) If the Project Directors are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute, then the matter shall be immediately submitted to Contractor's Vice President and the Chief Deputy to the Registrar-Recorder/County Clerk.
- (d) If the Chief Deputy to the Registrar-Recorder/County Clerk and Contractor's Vice President are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute, then the matter shall be immediately submitted to Contractor's Chief Operating Officer and the Registrar-Recorder/County Clerk. These persons shall have five (5) Business Days to attempt to resolve the dispute.
- (e) In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under the Agreement and its rights and remedies as provided by law.

18.38.4 All disputes utilizing the Dispute Resolution Procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all levels described in Paragraph 18.38, the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

18.38.5 Notwithstanding any other provision of the Agreement, County's right to terminate the Agreement pursuant to Paragraph 18.43 (Termination for Insolvency), Paragraph 18.41 (Termination for Default), Paragraph 18.40 (Termination for Convenience), or Paragraph 18.42 (Termination for Improper Consideration) of this Agreement, or any other termination provision hereunder, shall not be subject to the Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights, and shall not be deemed to impair any claims that Contractor may have against County or Contractor's rights to assert such claims

after any such termination or such injunctive relief has been obtained.

18.39 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 18.12 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Agreement. Without limiting the rights and remedies available to the County under any other provision of this Agreement, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Agreement pursuant to Paragraph 18.41 (Termination for Default) and pursue debarment of the Contractor, pursuant to Los Angeles County Code Chapter 2.202.

18.40 TERMINATION FOR CONVENIENCE

This Agreement may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

18.41 TERMINATION FOR DEFAULT

18.41.1 The County may, by written notice to the Contractor (1) immediately suspend all Work provided by the Contractor under this Agreement, and (2) following a thirty (30) day time period, unless another period is expressly provided with respect to a particular deficiency, to cure said deficiency, terminate the whole or any part of this Agreement, if, in the sole judgment of either County Project Director:

- (a) Contractor (i) fails to remit, or incorrectly remits, to County any RR/CC Fees and/or any accumulated interest in accordance with the terms of this Agreement or (ii) breaches Paragraph 18.4.2 (Compliance with Applicable Law, Etc.); or

- (b) Contractor fails to timely provide and/or satisfactorily perform any Task, Deliverable, good, Service, or other Work required under this Agreement; or
- (c) Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Agreement, or of any obligations of this Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) business days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure; or
- (d) Contractor fails to adhere to confidentially and/or security provisions set forth in this Agreement, including Paragraph 7.7 (Confidentiality) and Exhibit A (Statement of Work), Task 4 and Attachment 1 (Business Requirements), Section 6 (Confidential Protocols); or
- (e) Contractor otherwise materially breaches this Agreement

Without limiting the County's ability to terminate this Agreement under any other provision of this Agreement, the County will reinstate the Work under this Agreement if at the end of the applicable cure period, in the sole determination of either County's Project Director, the Contractor has cured said deficiency. County shall have no liability or responsibility of any kind or nature to Contractor with respect to any suspension of Work under this Paragraph 18.41.

- 18.41.2 If, after the County has given notice of termination under the provisions of this Paragraph 18.41, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 18.41, or that the default was excusable Paragraph 18.18 (Force Majeure), the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 18.40 (Termination for Convenience).
- 18.41.3 The rights and remedies of the County provided in this Paragraph 18.41 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

18.42 TERMINATION FOR IMPROPER CONSIDERATION

- 18.42.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Agreement. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 18.42.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 18.42.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

18.43 TERMINATION FOR INSOLVENCY

- 18.43.1 The County may terminate this Agreement forthwith in the event of the occurrence of any of the following:
- (a) Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
 - (b) The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
 - (c) The appointment of a Receiver or Trustee for the

Contractor; or

(d) The execution by the Contractor of a general assignment for the benefit of creditors.

18.43.2 The rights and remedies of the County provided in this Paragraph 18.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

18.44 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as defined in the Los Angeles County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Agreement.

18.45 TERMINATION FOR BUDGET REDUCTIONS OR NON-APPROPRIATION OF FUNDS

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

18.45.2 County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Board appropriates funds for this Agreement in County's Budget for

each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed a termination for convenience pursuant to Paragraph 18.40 (Termination for Convenience). County shall endeavor to notify Contractor in writing of any such nonappropriation of funds at the earliest possible date.

18.46 EFFECT OF TERMINATION

18.46.1 In the event that County terminates the Agreement in whole or in part as provided in Paragraph 18.39 (Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program), Paragraph 18.40 (Termination for Convenience), Paragraph 18.41 (Termination for Default), 18.42 (Termination for Improper Consideration), Paragraph 18.43 (Termination for Insolvency), Paragraph 18.44 (Termination for Non-Adherence of County Lobbyist Ordinance) or Paragraph 18.45 (Termination for Budget Reductions or Non-Appropriation of Funds), in each case:

- (a) Contractor shall: (i) stop performing Work under the Agreement on the date specified in, and to the extent specified in, the notice of termination; (ii) continue performing in accordance with this Agreement such Work as shall not have been terminated by such notice; (iii) promptly transfer to County all completed Work and Work in process that relates to that portion of the Agreement or Work terminated by such notice in a media reasonably requested by County; (iv) except as otherwise required by applicable law or regulation promptly return to County or destroy, as determined by County's Project Director(s), any and all Confidential Information that relates to that portion of the Agreement or Work terminated by such notice (County shall have the right to request certifications from Contractor's authorized representatives that no copies of the Confidential Information have been retained by or on behalf of Contractor); (v) tender promptly payment to County of all RR/CC Fees that relate to that portion of the Agreement or Work terminated by such notice; (vi) tender promptly payment to Count, and shall continue to tender payment for the duration, of all accrued interest under Paragraph 5.4 of the Agreement, to the extent

applicable; (vii) tender promptly payment to County, and shall continue to tender payment for the duration, of any liquidated damages levied pursuant to Paragraph 18.24 (Liquidated Damages), of the Agreement, to the extent applicable; and (viii) maintain all material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Agreement in accordance with Paragraph 18.35 (Record Retention and Inspection/Audit Settlement).

- (b) Unless County has terminated the Agreement pursuant to Paragraph 18.40 (Termination for Convenience) or Paragraph 18.45 (Termination for Budget Reductions or Non-Appropriation of Funds), County shall have the right to procure, upon such terms and in such a manner as County may determine appropriate, goods, services, and other Work, similar to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs incurred by County, as determined by County, to procure and furnish such similar goods, services, and other Work.

18.46.2 Contractor agrees that in the event of any termination of the Agreement for any other reason, Contractor shall fully cooperate with County, at no cost to the County, in the transition by County to a new System for each applicable Package, toward the end that there be no interruption of the Department's operations due to the unavailability of the System for each such Package during such transition.

18.46.3 The rights and remedies of County set forth in this Paragraph 18.46 are not exclusive of any other rights and remedies available to County at law or in equity, or under the Agreement.

18.47 VALIDITY

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

18.48 WAIVER

No waiver by the County of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 18.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

18.49 WARRANTY AGAINST CONTINGENT FEES

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

18.49.2 For breach of this warranty, the County shall have the right to terminate this Agreement.

18.50 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

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

18.50.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise (as defined in Chapter 2.204 of the Los Angeles County Code).

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

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

1. Pay to the County any difference between the Agreement amount and what the County's costs would have been if the Agreement had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the Agreement; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

18.51 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

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

18.51.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Employer (as defined in Chapter 2.205 of the Los Angeles County Code).

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

employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Employer.

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

1. Pay to the County any difference between the Agreement amount and what the County's costs would have been if the Agreement had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the Agreement; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

18.52 ARM'S LENGTH NEGOTIATIONS

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

18.53 RIGHTS AND REMEDIES

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

18.54 SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 1.0 (Applicable Documents), 2.0 (Definitions), 5.0 (Contractor Fees and Payments), 7.7 (Confidentiality), 10.2 (Other Proprietary Considerations), 11.0 (Intellectual Property Indemnification), 18.4.3 (Compliance with Applicable Law, Etc.), 18.15.2 (Employment Eligibility Verification), 18.17 (Fair Labor Standards Act), 18.19 (Governing Law, Jurisdiction, and Venue), 18.21 (Indemnification), 18.22 (General Insurance), 18.23 (Insurance Coverage), 18.24 (Liquidated Damages), 18.33.2 (Public Records Act), 18.37.3 (Subcontracting), 18.31 (Notices), 18.35 (Records Retention and Inspection/Audit Settlement), 18.46 (Effect of Termination), 18.47 (Validity), 18.48 (Waiver), 18.52 (Arm's Length Negotiation), 18.53 (Rights and Remedies), 18.54 (Survival).

* * * *

IN WITNESS WHEREOF, Contractor has executed this Agreement, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Agreement to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day, month and year first above written.

VITALCHEK NETWORK, INC.

By Jeffrey B. Piefke
Print Name

Vice President & General Manager
Print Title


Signature

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

ATTEST:

SACHI HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By 
Amanda M.L. Drukker
Senior Deputy County Counsel

EXHIBITS TO THE AGREEMENT

STANDARD EXHIBITS

- Exhibit A - Statement of Work
- Exhibit B - Pricing Matrix
- Exhibit C - RR/CC Fees
- Exhibit D - County's RFP [incorporated by reference]
- Exhibit E - Contractor's Proposal [incorporated by reference]
- Exhibit F - County's Administration
- Exhibit G - Contractor's Administration
- Exhibit H - Certificate of Completion
- Exhibit I - Acknowledgement, Confidentiality and Assignment Agreement
- Exhibit J - Contractor's EEO Certification
- Exhibit K - Jury Service Ordinance
- Exhibit L - Safely Surrendered Baby Law
- Exhibit M - Notice to Employees Regarding the Federal Earned Income Credit (IRS Notice 1015)
- Exhibit N - Custom Programming Modification Request
- Exhibit O - Performance Requirements Summary Chart
- Exhibit P - Office Locations
- Exhibit Q - Global Payments Direct Subcontract

FNL-021809

**STATEMENT OF WORK
PACKAGE 1 – ONLINE TRANSACTIONS**

1. SCOPE OF WORK

This Package and all attachments hereto (collectively, this "Package") describes the project information for Online Transactions. County's expectation is that the resultant Contractor must have the capability to process at least 350 Online Transactions per day and meet all service levels set forth in this Package. The number of Online Transactions per day is an expectation and does not guarantee a certain amount of business. During the Term of the Agreement, Contractor shall ensure its capacity to process increasing volumes of Online Transactions maintaining all the service levels specified in this Package.

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under this Package, including accepting and processing the Card or payments described in this Package, and shall charge a Transaction Fee to customers under this Package for each Transaction. The County expects that no other amounts will be due and payable to the Contractor under this Package for performing the Work under this Package.

Contractor responsibilities with respect to this Package include, but are not limited to: (i) developing a software system to link RR/CC website to a Contractor-hosted Website for accepting Vital Record orders and Card information/payments; (ii) developing an Interface with RR/CC's existing Vital Records System for researching requested Vital Records; (iii) receiving faxed notarized Certificate of Identity form from each customer and securely transmitting said documents to RR/CC in digital format; (iv) providing Workstations with dedicated communication/data lines; (v) securely transmitting completed requests to RR/CC for processing; (vi) arranging for expedited mail services when customers select this option; (vii) providing a toll-free number for customers to obtain a status update for their online order referred herein as the Order Status IVR Service; (viii) verifying customers card and billing information to ensure the information on record matches with the Card Issuer refer herein as the Address Verification Service (AVS); (ix) providing Operations Services and Maintenance and Support Services as described in this Package; (x) providing the level System security described in this Package; (xi) collecting of all fees; (xii) remitting to the County the RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement; and (xii) assuming all risk of chargebacks and/or other Card adjustments.

Contractor shall complete and deliver all software, hardware, other goods, maintenance and support and related project management and other services to accomplish all of the Tasks set forth in this Package including completion and

delivery of the System for this Package to the County's Project Director(s)'s satisfaction. The System for this Package shall include functions that directly support RR/CC's existing website. The System must operate in accordance with the requirements set forth in Attachments 1-A (Functional Requirements) and Attachment 1-B (Business Requirements) to this Package, the other Specifications, and otherwise with this Agreement. Unless otherwise expressly stated, all Work described in this Package or the Agreement shall be performed by Contractor, and Contractor shall be fully responsible for said performance.

Contractor shall use standard RR/CC software set forth below when preparing Deliverables. Contractor shall provide Deliverables which are to be delivered in a file format, in a format which is importable to the following standard RR/CC software:

- Microsoft Word .doc
- Microsoft Project .mpp
- Microsoft Excel.xls
- Portable Document Format. pdf

2. TASKS AND DELIVERABLES

The following Tasks, and associated subtasks and Deliverables, shall be addressed in the Project Plan prepared pursuant to Task 1:

TASK 1 - PROJECT PLANNING AND MANAGEMENT

SUBTASK 1.1: KICK-OFF MEETING

County will schedule a kickoff meeting with Contractor to occur within seven (7) business days of the Effective Date of the Agreement to discuss and modify as necessary the initial Project Plan provided by Contractor in Section C.3 of Contractor's Proposal.

Subtask 1.1 Deliverable:

Kickoff meeting within seven (7) business days of the Effective Date of the Agreement.

SUBTASK 1.2: REVISED PROJECT PLAN

- (a) Contractor shall prepare a Project Plan (the "Plan") which shall be a comprehensive and detailed Plan for the System implementation consistent with this Package that includes the following areas:

- Planning and Direction to include timeline of three (3) months to complete the project.
- Staffing and Team Management with roles and responsibilities
- Compliance with Data Security Guidelines
- Incorporating County's business processes, security and technical requirements as stated in this Package

(b) The Plan shall include the following:

1. A full organizational chart detailing staff by classification and assignment including the name of Contractor's Project Manager or alternate management staff that will be assigned full-time to this project. Alternate management staff shall possess at least two (2) years experience in performing similar services. County must have access to Contractor's Project Manager and alternate management staff during normal business hours, Monday through Friday (except legal holidays), 8:00 a.m. to 5:00 p.m., Pacific Time. In addition, provide the escalation procedures and guidelines to be used by the County, as needed.
2. A list of Contractor staff who will be assigned to provide on-site support for the following areas: a) Operations Services; b) Maintenance and Support Services. Include a short description of duties and responsibilities for each staff member.
3. A list of Contractor's milestones, Tasks and subtasks required to successfully complete and deliver on time the System, including the System Software, System Hardware and/or Services, for this Package. Include a Gantt chart that lists all Tasks, start and end dates, responsibilities, assignments, and dependencies. At a minimum, all of the Tasks, subtasks, and Deliverables in this Package shall be included in the list.
4. A list of Tasks and subtasks to be completed by County as requested by Contractor after review and approval by County's Project Director(s).
5. Without limiting Paragraph 18.37 (Subcontracting) in the body of the Agreement, a list of Subcontractors that will be used by Contractor (including address, phone number, and main contact person) and a short description of services that will be provided by Subcontractor(s).
6. Plan to incorporate County's business processes, security and technical requirements.

Subtask 1.2 Deliverables:

Plan that includes a schedule of individualized Tasks, subtasks, and Deliverables and other resource planning activities as described in Subtask 1.2.

SUBTASK 1.3: FINAL PROJECT PLAN

Contractor shall submit the completed Plan, including attachments defined in this Package, and submit to County within five business (5) days of kickoff meeting.

- (a) County will review the Plan and submit changes to Contractor within three (3) days of receipt.
- (b) Contractor shall review the changes requested by County and be prepared to reject or approve the changes within 48 hours.
- (c) County shall have final approval of the Plan. County will monitor/oversee Contractor's progress based on the approved Plan.
- (d) Updates to the Plan based on the weekly Project Status Reports delivered under Subtask 1.4 will be reviewed and approved by County and, once approved, will be deemed to be included in the Plan originally approved under this Subtask 1.3.

Subtask 1.3 Deliverable:

Final Project Plan.

SUBTASK 1.4: PROJECT MANAGEMENT IMPLEMENTATION

- 1.4.1 During the implementation process, Contractor shall be required to manage project activities and resources, and track project status. This shall include identifying, managing and tracking all issues. Contractor shall report project status on a weekly basis through a Project Status Report. The Project Status Report shall be presented to the County's Project Director(s) and County's Project Manager(s). The report shall cover, at a minimum, project progress against the Plan, plans and outstanding issues. It shall also include any proposed updates to the Plan.
- 1.4.2 Contractor shall create a System that meets all expectations set forth in this Agreement, including the Specifications. Contractor shall be responsible for each step of the System's implementation process and provide an extensive quality assurance process to ensure quality is being met. RR/CC will assist Contractor's Quality Assurance (QA) team member by reviewing and testing System through each step of the process. Contractor will provide the results to County's Project Director(s) through a Project Status Report on a weekly basis throughout the project implementation. Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week of notification. County's Project Manager(s) may request a meeting as deemed necessary with Contractors Project Manager. This Subtask is

in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) of the Agreement.

- 1.4.3 Contractor shall provide a quality control plan to document the processes, practices and procedures to be used in order to measure the adherence to requirements during implementation. This plan shall be utilized during the implementation process and reviewed on an agreed-upon basis.

Subtask 1.4 Deliverables:

Weekly Project Status Reports that cover project progress against the Plan, quality assurance, outstanding issues and any proposed updates to the Plan.

SUBTASK 1.5: PROJECT MANAGEMENT - POST IMPLEMENTATION SUPPORT

Commencing after the implementation process and continuing throughout the remainder of the Term of the Agreement, Contractor shall provide ongoing project management support to include managing and tracking all issues related to Operations Services and Maintenance and Support Services, including any failure of the System, including the System Software, System Hardware and/or Services, to perform in accordance with the Specifications, and otherwise with this Agreement.

In addition, Contractor shall be responsible to monitor the quality assurance platform. RR/CC may assist Contractor's Quality Assurance (QA) team member to ensure quality is being met by reviewing and testing System. Contractor will provide the results to County's Project Director(s) through a Project Status Report on a monthly basis. Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week of notification. County's Project Manager(s) may request a meeting as deemed necessary. This Subtask is in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) of the Agreement.

Subtask 1.5 Deliverable:

- 1.5.1 Monthly Project Status Reports for ongoing project management to report any operational, quality assurance and maintenance and support issues.
- 1.5.2 Weekly status reports on any issues addressed and resolution provided.

SUBTASK 1.6: QUALITY CONTROL

The Contractor shall be required to establish and utilize a comprehensive quality control plan (the "Control Plan") to assure the County a consistently high level of service throughout the Term of the Agreement. The Control Plan shall be

submitted to the County's Project Manager(s) for review. The Control Plan shall include, but not be limited to, the following:

- 1.6.1 An inspection system covering all Services listed in the Exhibit O (Performance Requirements Summary (PRS) Chart). It must specify the activities to be inspected on both scheduled or unscheduled basis, frequency of inspections, and the title of the individual(s) who will perform the inspection.
- 1.6.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and correction.
- 1.6.3 A method of ensuring uninterrupted service to RR/CC's customers in the event of a strike of the Contractor's employees or any other unusual occurrence (e.g. power loss) which would result in the Contractor being unable to perform the Work.

Subtask 1.6 Deliverable:

Control Plan established to ensure quality and continuity of Service.

TASK 2 - SYSTEM ANALYSIS AND SITE ASSESSMENT

SUBTASK 2.1: FUNCTIONAL ANALYSIS

In this Task, Contractor shall work with RR/CC's staff to review and validate documented requirements as specified in Attachment 1-A (Functional Requirements) and Attachment 1-B (Business Requirements) to this Package. Contractor shall develop a set of detailed project tasks in two steps. The first step documents, at a high level, the customizations necessary for the System to support RR/CC's business requirements, thereby, defining the project scope. The second step defines the method for completing the functional and technical Tasks to support these requirements.

Contractor shall provide an overview of the System functionality (refer to Attachment 1-A to this Package) and subsequent implementation Tasks.

- (a) Review business processes: Contractor shall conduct meetings with County's Project Manager(s) and subject matter experts to assess business needs, business processes and recommend changes, as needed.
- b) Prototyping sessions: Contractor shall conduct prototyping sessions to demonstrate the capabilities of the proposed System to support the RR/CC's documented business requirements (Attachment 1-B to this Package) using representative RR/CC data. Contractor shall map the

RR/CC's requirements and business processes to develop scripts for prototyping.

Subtask 2.1 Deliverable:

2.1.1 Documentation outlining functional analysis on the customizations for the System including RR/CC's business requirements.

2.1.2 A complete working prototype of the System that meets all the requirements set forth in the business requirements.

SUBTASK 2.2: TECHNICAL ASSESSMENT

In this Task, Contractor shall assess Transaction volumes, and technical platform for implementing the proposed System. This assessment shall be based on the RR/CC's current usage information, Transaction volumes, archival requirements, and growth projections.

Subtask 2.2 Deliverable:

Report on the specifications developed during the Technical Assessment Task. The technical specifications shall include, but not be limited to:

- Schematic drawings to depict the deployment of the technical architecture
- Online architecture (Web and application server)
- Operations architecture to support:
 - Printing (Ad hoc & Production reports)
 - Security
 - High Availability
 - Data Archiving
 - Backup/Restore
 - Application Development
 - Application Training
 - Application Testing

SUBTASK 2.3: INTERFACE ASSESSMENT

In this Task, Contractor shall develop the following key Interface strategies to support the System implementation:

- a) System Interface Strategy: Contractor shall analyze the RR/CC's existing Vital Records System Interface requirements and identify the Interfaces that will be developed for the implementation. For each Interface, the Deliverable shall address the following areas, where applicable, demonstrating how the Interface will meet the requirements of this Agreement, including the Specifications:

- Name and functional description
 - System source and/or destination
 - Frequency, whether one or two way
 - Whether online or manual
 - Proposed tool(s) to be used for development and implementation
 - Impacts, if any, on conversion, configuration, security and technical architecture
 - Description of the impacted objects
 - File transfer approach and requirements
 - Data management and header / control record requirements
 - Security requirements (e.g. file authentication and verification methodology)
 - Error handling and restart / recover approach
 - Other software components required (e.g. error and exception reports)
 - Proposed tool to be used for development and implementation
 - Interface credit payment transaction to RR/CC's existing Point of Sale System
 - Testing
- b) Contractor shall analyze how to integrate with RR/CC's Point of Sale System (Refer to Attachment 1-E to this Package). Strategy to address but not be limited to, the following areas, where applicable, demonstrating how the Interface will meet the requirements of this Agreement, including Specifications:
- Physical assessment of counter/desk space
 - Communication/data line assessment
 - Interface credit payment transaction to RR/CC's Point of Sale System
 - Testing

Subtask 2.3 Deliverable:

- 2.3.1 Analyze integration with the existing Vital Records System and provide a written report of findings.
- 2.3.2 Analyze integration with Point of Sale System and provide a written report of findings.

**TASK 3 – DEVELOPMENT, INSTALLATION, AND CONFIGURATION FOR
SYSTEM SOFTWARE AND SYSTEM HARDWARE**

**SUBTASK 3.1: WEBSITE DEVELOPMENT, INSTALLATION, AND
CONFIGURATION**

The Contractor shall develop, install and configure website which has the functionality described in Attachment 1-A (Functional Requirements) and Attachment 1-B (Business Requirements), to this Package and performs in accordance with the Specifications and otherwise with this Agreement.

The webserver and website shall be installed and configured using the Contractor's own hardware, hosted at the Contractor's location, with installation to take place at a pre-arranged time approved by County, utilizing Contractor's staff .

Subtask 3.1 Deliverable:

Develop, install and configure a website which has the functionality described in Attachment 1-A (Functional Requirements) and Attachment 1-B (Business Requirements), in each case, to this Package and perform in accordance with the Specifications and otherwise with this Agreement.

SUBTASK 3.2: INTERFACE DEVELOPMENT AND INSTALLATION

- a) Contractor shall develop and install the Interface to RR/CC's existing Vital Records System. Contractor's software must extract information from customer's order and place it on the search screen from the Vital Records Interface installation and configuration shall follow the requirements as set forth under Subtasks 2.1 (Functional Analysis), 2.2 (Technical Assessment) and 2.3 (Interface Assessment).
- b) Contractor shall develop and install the Interface to RR/CC's existing Point of Sale System. Interface installation and configuration shall follow the requirements as set forth under Subtasks 2.1 (Functional Analysis), 2.2 (Technical Assessment) and 2.3 (Interface Assessment).

Subtask 3.2 Deliverables:

- 3.2.1 Deliver a complete Interface to RR/CC’s existing Vital Records System and install and configure to set requirements.
- 3.2.1 Deliver a complete Interface to RR/CC's existing Point of Sale System and install and configure to set to requirements.

SUBTASK 3.3: INSTALLATION AND CONFIGURATION OF WORKSTATION

Contractor shall install and configure using the Contractor’s own hardware with installation to take place at a pre-arranged time approved by County, utilizing Contractor’s staff with the assistance of RR/CC staff, as approved in advance by County’s Project Director(s). The Workstations shall be set-up to process Card payments by communicating with Authorization Server, to print search slips, mailing labels, mail scanner for e-mail notification, summary reports and proof ACH as required herein.

3.3.1 Workstations shall be installed at the following designated area:

DESIGNATED AREA:	QUANTITY OF WORKSTATIONS
Birth, Death & Marriage	6

Contractor may be required to install additional Workstations as the need arises at designated areas specified by County, at no cost, to the County. County will provide a ten day notice.

3.3.2 Workstations:

- 1) Each workstation will be set-up to include:
 - a) 24” monitor
 - b) Network connectivity (between the County and Contractor)
 - c) Local Laser printer
 - d) System Hardware (specifications refer to Attachment 1-D).
- 2) Laser Printers: Contractor shall install six (6) laser printers for printing summary reports, search slips and proof ACH payment. Printers shall accommodate all on-site printing associated with the Agreement. Contractor shall also provide all consumables, with the exception of paper, required by the printers. Contractor shall keep no less than two (2) spare printers on site, which will ensure less down time and reduce any printing backlog.
- 3) Fax Machines: Contractor shall install and support two (2) high-speed fax machines. Fax machines are necessary to accept orders from customers when Contractor provided scanned copies are not readable or address

other order issues. Contractor shall provide and maintain the communication line necessary for the fax machines and all consumables, with the exception of paper, required by the fax machines. Contractor shall keep one (1) spare fax machine on site, which will ensure less down time and reduce any order backlog.

- 4) Scanner: Contractor shall install the scanner to scan regular mail receipts that will automatically generate an e-mail notification to the customer advising that the order has been processed and mailed.

Subtask 3.3 Deliverables:

Install and configure Workstations which have the functionality described in Attachment 1-A (Functional Requirements) and Attachment 1-B (Business Requirements), including required consumables, laser printers, fax machines with communication lines and mail scanner to perform in accordance with the Specifications and otherwise with this Agreement.

SUBTASK 3.4: DOCUMENTATION

Contractor shall provide operator's/user's guides and other Documentation for the development, installation and confirmation of website, Interfaces and Workstations as specified in the other subtasks to this Task 3.

The Contractor shall provide five (5) electronic copies (PDF format) of the operator user's guide on a CDR or DVD-R, which may be printed or duplicated by the County as needed.

The Contractor shall provide both updated operator's/user's guide and System Documentation as specified in Task 3 when revisions are made to any part of the System that materially change the Documentation provided prior to the implementation date of such revisions. Revised Documentation shall be provided to the County prior to any major Updates of the System.

Subtask 3.4 Deliverable:

- 3.4.1 Complete operator's/user's guides and other Documentation for all subtasks under Task 3.0
- 3.4.2 Updated operator's/user's guides and other Documentation.

TASK 4 – SECURITY

SUBTASK 4.1: STANDARDS AND GUIDELINES

Contractor and all Work provided by, or on behalf of, Contractor shall comply with (a) all applicable data security standards and guidelines that may be published from time to time by the Association, any Card Issuer, or any Card processor

including the Cardholder Information Security Program (CISP) and Payment Card Industry (PCI) Data Security Standard and (b) all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by the County's Chief Information Security Officer (CISO) and provided by County's Project Director(s) to Contractor.

Contractor shall be and remain a CISP and PCI certified service provider and be certified by any other Card Issuers, Card Processor or Associations that have mandatory security requirements with which Contractor must comply in order to perform the Tasks, Deliverables, goods, Services and other work from time to time under this Agreement. Contractor shall prepare and deliver notification to County within 72 hours of Contractor's notification of decertification, a corrective action plan on how to mitigate and fix all issues to reinstate certification. Contractor shall implement each corrective action plan within five (5) business days of notification to County.

Subtask 4.1 Deliverables:

- 4.1.1 Certified letter of CISP and PCI prior to System's Acceptance and Certification as specified in Subtask 8.3.
- 4.1.2 Notice within 72 hours of Contractor's decertification and a corrective action plan.
- 4.1.3 Corrective action plan within five (5) business days of notification to County.

SUBTASK 4.2: FILE TRANSFER AND ONLINE TRANSACTIONS

Contractor shall install and configure a dedicated data server for the Secure File Transfer Protocol (SFTP).

Contractor shall maintain FTP file encryption of using a minimum of 256-bit Advanced Encryption Standard (AES) for all data exchanges between County and Contractor. All Online Transactions must be protected by public-key encryption utilizing Secure Socket Layer (SSL) Internet Security Protocol. Should another encryption standard be required or proposed, then both the County's Project Manager(s) and Contractor shall meet and agree. Any changes to the security level shall be documented in writing.

Contractor shall use and require use of SSL version 3, of at least 128-bit Triple Data Encryption Standard (Triple-DES) for all portions of the System hosted by Contractor and all portions of the System hosted or housed by County but maintained by Contractor. Contractor is responsible for maintaining a current SSL certificate for all portions of the System hosted by Contractor and all

portions of the System hosted or housed by County but maintained by Contractor.

The applicable portions of the System shall validate end-user browser to ensure support of SSL of at least 128-bit Triple-DES encryption, if not, the applicable portions of the System shall show County directed error message to End-User.

Subtask 4.2 Deliverables:

4.2.1 Install and configure a secure FTP Data server to retrieve incoming orders.

4.2.2 Maintain FTP file encryption using 256-bit AES for all data exchanges.

4.2.3 Meet requirement of utilizing SSL of at least 128-bit Triple-DES and maintain SSL certificate.

SUBTASK 4.3: SECURITY RISK AND VULNERABILITY ASSESSMENTS

To validate appropriate security levels, Contractor shall, at its own expense, conduct a System security risk and vulnerability assessment and provide a written report of assessment. This assessment is comprised of potential vulnerabilities and risks associated with, but are not limited to the web application, database, server(s), data transmission, stored confidential/sensitive data, etc.

Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 3.3, 4.1, 4.2 and 5 of this Package. Contractor will conduct annual security assessments and prepare a written report of such assessment that includes the components and devices involved in the processing of a transaction end-to-end, written code, techniques used and identification of any potential vulnerabilities and risks. The report(s), at a minimum, should depict the gaps between the current and desired state. Additionally, in connection with each security assessment described above, Contractor shall provide County a letter certifying that the System is CISP and PCI compliant prior to County issuing the Certificate of Completion for Subtask 8.2 (Acceptance Testing) and annually thereafter on the anniversary of the Effective Date.

Subtask 4.3 Deliverables:

4.3.1 Conduct a System security risks and vulnerabilities assessment and provide a written report of findings.

4.3.2 Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 3.3, 4.1, 4.2 and 5 of this Package.

4.3.3 Provide annual security assessments and written reports of assessment on the anniversary of Effective Date. The report must include an action

plan that addresses the remediation and/or mitigation of all “high-risk” items. The remaining items must be addressed, in terms of the Contractors intention to remediate and/or mitigate based upon an agreed upon timeframe. Provide a certified letter that System is CISP and PCI compliant prior to County issuing the Certificate of Completion for Subtask 8.2.

- 4.3.4 Annually thereafter on the anniversary of the Effective Date provide a certified letter that System is CISP and PCI compliant.

SUBTASK 4.4: NOTIFICATION/REPORTS OF SECURITY INCIDENTS

Contractor shall report to County in writing any information security incident within one (1) hour of identification or notification of incident. As used herein, an information security incident means any breach or other incident which could reasonably compromise the confidentiality, integrity, or availability of any data or other information relating to Cardholders.

Contractor shall additionally provide information security incident reports and assessments for all incidents that may potentially affect County. County shall determine if an incident is identified based on criticality, major or minor incident: For major incidents, assessment and notification within two (2) hours and for minor incidents, assessment and notification within 12 hours.

Subtask 4.4 Deliverables:

- 4.4.1 Report security incidents within one (1) hour of information security incident notification/identification to the County’s Project Manager(s).
- 4.4.2 Provide information security incident reports and assessments of all incidents within timeframe specified to the County’s Project Manager(s).

TASK 5 – REPORTS

The Contractor shall implement System Software to generate reports that include, but are not limited to, Transaction Summary and Transaction Detail by Workstation, Transaction Summary and Transaction Detail by Location, total fees by date and various accounting reports relating to fees collected, number of copies sold, settlement fees, and items ordered including all Transaction information and Card charge date. In addition, Contractor shall provide Ad hoc reports requested by the County within five (5) business days of receiving the request by County’s Project Director(s). The Contractor shall work with the County to develop the data element and format of the Ad hoc Reports. Reports will be provided, at no cost, to the County.

Task 5 Deliverables:

- 5.1 Provide System capability to generate various accounting reports.
- 5.2 Provide Ad hoc reports to County within five (5) business days of request.

TASK 6 - OPERATIONAL READINESS ASSESSMENT (Technical)

Contractor shall develop a checklist for verifying the readiness of the technical infrastructure for Contractor to commence Work on Subtask 8.3 (System Acceptance Certificate). Among other items, this checklist will assist RR/CC in confirming the availability of:

- Data back-up and recovery procedures
- Operational roles, staffing and job schedules for daily, weekly, and monthly processes
- Production environment set up and sizing
- Technical infrastructure to support System and Services
- Connectivity of Workstations for all End Users
- Testing of all System Hardware (PC's, Printers, etc.)
- Integration to required existing RR/CC systems
- Reports tested

Contractor shall assist RR/CC staff in completing the operational checklist and the corrective actions to achieve readiness as defined in the checklist.

Task 6 Deliverable:

Completed a checklist for verifying the readiness of the System's operations and technical infrastructure, and assist RR/CC staff in completing the operational checklist.

TASK 7 - OPERATIONAL READINESS ASSESSMENT (End User)

Contractor shall develop a checklist for verifying the readiness of the RR/CC's End User community for Contractor to commence Work on Subtask 8.3 (System Acceptance Certificate). Among other items, this checklist will assist RR/CC in confirming the availability of:

- Updated departmental processes, policies and procedures
- Staff trained in accordance with goals in the End User Training Plan
- Established toll free access telephone number and email address for real time technical support staff
- 24/7 Help desk established to assist customers placing orders via the Internet
- Toll free number established to assist customers for a status/update of order.

Task 7 Deliverable:

Provide a completed checklist validating the readiness of the System's End User community.

TASK 8 - ACCEPTANCE TESTING AND ACCEPTANCE CERTIFICATION

SUBTASK 8.1: ACCEPTANCE TEST PLAN

County will conduct Acceptance Testing with the assistance of Contractor on (a) System Software, (b) System as a whole and any portion thereof, (c) any County-approved Updates and (d) any County-requested Custom Programming Modifications. County will determine the components and manner of testing at its sole discretion.

RR/CC will use test scripts, developed by County with input from Contractor to test each functional requirement listed in Attachment 1-A (Functional Requirements) and Attachment 1-B (Business Requirements) in each case, to this Package and any other Specifications for System. Each script shall identify the expected results and performance of each function being tested and RR/CC will determine if the function is being executed correctly. Contractor shall assist RR/CC staff in the development and execution of test scripts and provide information to facilitate completion of System Acceptance Testing.

If County decides to conduct Acceptance Testing, County will develop an Acceptance Test Plan with the assistance of Contractor, which will include, but not be limited to, the following steps:

1. Submit an order for Vital Records via the Internet. Import the request into the System and review the customer data for accuracy.
2. Process the customer order with a corresponding bar code that links with the order.
3. Test Interface into RR/CC's existing Vital Records System, searching record by Certificate Number (document number on the birth, death and marriage certificate).
4. Test Interface to RR/CC's existing Point of Sale System
5. Print certified copy.
6. Reconcile payments at backend.
7. Run all reports.
8. Generate bar code mailing labels.

The Test Plan shall also include a full end-to-end System test with Contractor's assistance and certify readiness of System.

Subtask 8.1 Deliverable:

If determined by County, assist County in development of an Acceptance Test Plan identifying anomalies and taking corrective action.

SUBTASK 8.2: ACCEPTANCE TESTING

If County conducts Acceptance Testing with assistance of Contractor based on Acceptance Test Plan identifying anomalies and taking corrective action.

Subtask 8.2 Deliverable:

If determined by County, assist County in conducting Acceptance Testing based on Acceptance Test Plan.

SUBTASK 8.3: SYSTEM ACCEPTANCE CERTIFICATE

System operates in Production Use for ten (10) consecutive days without Deficiencies.

Pursuant to Paragraph 12.0 (System Tests and Acceptance By County) in the body of the Agreement, upon County's Project Director(s)'s determination of System Acceptance as specified to this Package, County will issue a written Certificate of Completion within 30 days of County's Project Director(s)'s determination.

Subtask 8.3 Deliverable:

Contractor's System must operate in Production Use for ten (10) consecutive days without Deficiencies prior to obtaining Certificate of Completion.

TASK 9 - MAINTENANCE AND SUPPORT SERVICES

Contractor shall provide Maintenance and Support Services commencing when Work starts on Subtask 8.3 (System Acceptance Certificate).

SUBTASK 9.1: MAINTENANCE AND SUPPORT

- 9.1.1 Contractor must correct any Deficiencies, at any level of severity, in the System Software, System Hardware and Services including communication/data lines within 24 hours of notification by RR/CC.
- 9.1.2 Contractor shall provide ongoing maintenance as indicated in Paragraph 8.0 (Maintenance and Support Services; Operations Services) of the Agreement.

- 9.1.3 Contractor's Payment processing services must be highly available (99.9%), fully redundant, and capable of processing transactions during each Day, with the exception of schedule maintenance.
- 9.1.4 Contractor shall provide Transaction roundtrip processing (request, determination, and response) Authorization time which does not exceed seven (7) seconds response time for website and RR/CC site assuming a 1.5 mega byte download DSL or higher.
- 9.1.5 Contractor shall provide written notification to County of scheduled maintenance and Updates that impact System no less than one (1) calendar week prior to commencement for County approval. County reserves the right to approve or disapprove the maintenance scheduled based on RR/CC business needs. County will not unreasonably withhold approval.
- 9.1.6 Contractor shall perform scheduled maintenance between the hours of midnight and 5 a.m., Pacific Time, as required. Updates and Custom Programming Modifications are not considered maintenance and as needed, RR/CC will schedule time for such services.
- 9.1.7 Contractor to provide written notification of regular Update no less than three (3) months prior to plan deployment in production if it requires County to modify the System. All Updates require the approval of County's Project Director(s).
- 9.1.8 Contractor to provide County a test environment and no less than one (1) month acceptance testing window prior to deployment of any major Update.
- 9.1.9 Contractor shall provide up-to-date written product Specifications within two (2) business days of every Update and Custom Programming Modification (includes all Contractor's Specifications and other Documentation).
- 9.1.10 Contractor shall provide periodic Updates to System Software as indicated in Paragraph 8.0 (Maintenance, Updates and Professional Services) of the Agreement. Updates may result from new laws mandated by State or Federal statutes. County may also require Custom Programming Modifications to System Software to meet internal needs.
- 9.1.11 Contractor shall back up County data (including digital documents as well as order information) on a quarterly basis on a mutually agreed upon media with Card number limited as required by applicable law, Data Security Guidelines, and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations at interval to maintain System recoverability.

- 9.1.12 Contractor shall store at least 12 months of live County data encrypted in 256-bit AES before archiving and provide County access to archived data via CD-R or mutually agreed upon media with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations.
- 9.1.13 Contractor shall store archived data encrypted in 256-bit AES for at least five (5) years from termination or expiration of Agreement. At end of such time, Contractor, at County's sole discretion and as permissible by Card Issuer, Card processor and Association Rules and applicable law, shall return said data to the County. Any changes to the encryption standard used must be agreed upon by both Contractor and the County's Project Manager(s).
- 9.1.14 Contractor shall make live and archived data available to County upon ten (10) business days of County request for such data on mutually agreed upon media with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations.
- 9.1.15 Toll free access telephone number to live technical support staff or via e-mail for assistance with any Contractor owned equipment, including, but not limited to, computer, printer, fax machine, Express courier\regular mail scanner, software, authentication Authorization Server, phone lines, and specific customizations, Monday through Saturday, 7:00 a.m. to 8:00 p.m., Pacific Time.
- 9.1.16 Diversified staff of programmers, developers, analysts, web specialists, telecommunications and e-commerce experts to assist County as needed.
- 9.1.17 Support services and support management for any software required to connect to remote Workstations located at RR/CC.
- 9.1.18 Notification in writing to County's designated staff regarding unscheduled system outage, component failure, or data loss no longer than one (1) hour after the incident is identified. The response time is as follows:
- Critical or serious production problem shall not exceed 30 minutes
 - Others shall not exceed 12 hours
- In all circumstance, resolution shall be completed within 48 hours after incident is identified.
- 9.1.19 Reply time to support request emails shall not exceed one (1) hour,

Monday through Friday, between the hours of 8:00 a.m. to 5:00 p.m., Pacific Time. Reply e-mails shall not be automatically generated responses, but should provide custom response to question.

- 9.1.20 Provide onsite support to repair System Hardware at RR/CC headquarters and district offices during normal business hours, Monday through Friday 8:00 a.m. to 5:00 p.m., except on County-recognized holidays.

Subtask 9.1 Deliverables:

Contractor shall provide Maintenance and Support Services outlined in Subtask 9.1.

SUBTASK 9.2: SUPPORT SERVICES FOR OPERATIONS (CUSTOMER)

Contractor shall provide technical support 24 hours a day, 7 days a week, 365/366 days a year to assist customers placing orders via the Internet, toll-free telephone line or fax.

Contractor shall ensure that customer's average hold time for operational and technical support calls shall not exceed 3 minutes. Contractor shall incorporate a mechanism to track customer complaints and take corrective action. Contractor will report the number of complaints and corrective action to County's Project Director(s) through the Project Status Report on a monthly basis as specified in Subtask 1.5.

Contractor shall provide Order Status IVR that includes a toll free number to assist customers to obtain a status on their order.

Subtask 9.2 Deliverables:

- 9.2.1 Provide customer operational and technical support via phone, fax, or email, 24/7.

- 9.2.2 Contractor shall adhere to hold time requirement not to exceed three (3) minutes and provide a monthly Project Status Report.

- 9.2.3 Contractor shall report on customer complaints and corrective action through the Project Status Report on a monthly basis.

- 9.2.4 Provide toll free number to obtain status on orders

SUBTASK 9.3 – CUSTOM PROGRAMMING MODIFICATIONS

As requested by County's Project Director(s), Contractor shall provide Custom Programming Modifications as needed to update System to meet County's evolving business and/or technical requirements. Each Custom Programming

Modification shall be provided, at no cost to the County, in accordance with the following procedure:

- 1) For each Custom Programming Modification, the requesting Party, County or Contractor, shall submit a written request, Exhibit N (Custom Programming Modification Request Form) of the Agreement, to the other Party.
- 2) Contractor shall develop a System Design Report which includes:
 - a) Expected implementation duration
 - b) Design specification
 - c) System impact: database, user Interface, training, etc.
- 3) Contractor shall submit System Design Report to County for review and approval. Upon approval of the System Design Report by County Project Director(s), Contractor shall develop a Project Plan in accordance with Task 1 (Project Planning and Management).
- 4) At the sole option of County's Project Director(s), each System component shall be subject to Acceptance Testing. Contractor shall assist in developing test plans and conducting Acceptance Tests.

Task 9.3 Deliverables:

- 9.3.1 Develop and submit a System Design Report for requested Custom Programming Modification.
- 9.3.2 Develop a Project Plan for the completion of approved Custom Programming Modification.
- 9.3.3 Complete approved Custom Programming Modifications.
- 9.3.4 If required by County's Project Director(s), develop test plans and conduct Acceptance Tests.

TASK 10- TRAINING

SUBTASK 10.1: END USER TRAINING PLAN AND MATERIALS

Contractor shall develop a Training Needs Assessment to identify the RR/CC's training requirements to support its End Users' roles and responsibilities. Based on this assessment, Contractor shall develop the training plan and materials to conduct End User training. End User training shall support the requirement for the skill levels identified in the training strategy developed during Task 1.

Contractor shall conduct training and supply original training materials including, but not limited to, End User manual, and allow RR/CC to reproduce training materials as necessary.

Subtask 10.1 Deliverable:

Training Needs Assessment and a plan and materials for End Users training.

SUBTASK 10.2: ON-SITE TRAINING

Contractor shall conduct on-site training classes, at no cost to the County, to include topics as follows:

- System operations
- System Software
- System Hardware
- Other equipment
- Any third party services

Subtask 10.2 Deliverable:

Contractor shall conduct onsite training classes to include topics indicated in Subtask 10.2.

TASK 11 OPERATIONS SERVICES

SUBTASK 11.1: OPERATIONS

Contractor shall provide Operations Services commencing when Work starts on Subtask 8.3 to work with RR/CC's staff to monitor the System processing in the RR/CC's production environment. Operation Services are specified in Attachment 1-B (Business Requirements) to this Package.

Subtask 11.1 Deliverable:

Provide Operations Services outlined in Subtask 11.1.

SUBTASK 11.2: ADDITIONAL TRAINING

Contractor shall, at no cost to County, provide additional training as County's Project Director(s) determines to be necessary to adequately train End Users. During the term of the Agreement, additional training may occur if there are significant changes to processing procedures. County anticipates no more than ten (10) End Users to receive additional training. The Contractor shall provide additional in person training within five (5) business days from request.

Subtask 11.2 Deliverable:

Provide additional in person training classes within five (5) days of County request with same deliverables as listed in Task 10.

TASK 12 - NEW CLIENT/SERVER SYSTEM

RR/CC plans to replace the current IBM mainframe system with a new client/server xml-based system known as LA Vitals System utilizing a Structured Query Language (SQL) backend based system in January 2009. At that time, Contractor must have the capability to:

1. Generate a data file (with multiple fields as specified by RR/CC) with the certificate number as the index, with all correspondence images in order to import into the LA Vitals System.
2. Interface with a SQL 2005 database and custom C# application and Windows client application.

An Amendment to the Agreement shall be prepared by the County in accordance with Paragraph 18.1 (Amendments) of the Agreement.

Task 12 Deliverable:

Provide new software with the capability to Interface with LA Vitals System in accordance with applicable Amendment.

3. PERIOD OF PERFORMANCE

The Contractor's schedule is comprised of Tasks 1 through 12 specified in this Package. All Tasks shall be performed and accomplished independently. The Contractor shall consult with the County's Project Manager(s) to ascertain and verify the requirements for each Task of the project. The Contractor shall provide all goods, materials, supplies, and Services within the specified time determined in Task 1 (Project Planning and Management) and meet all requirements and standards herein specified before any written approval shall be given by the County.

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FUNCTIONAL REQUIREMENTS**LEGEND:**

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

The System function requirements are as follows. Proposer must provide a response to each of the following requirements utilizing the legend on the last page of this section.

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
1.	System complies to all applicable security standards and guidelines that may be published from time to time by the Association, any Card Issuer, or any Card processor, including the CISP and PCI Data Security Standard	A	
2.	System complies with all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at http://countypolicy.co.la.ca.us/ and (ii) standards attached to the County's RFP as Appendix L	A	
3.	System has the functionality to Interface with an IBM mainframe system (RR/CC's existing Vital Records System) and SQL 2005 database system. (Refer to Task 12)	A	
4.	System accepts customer orders (including acceptance of all data fields necessary to locate applicable Vital Record in RR/CC's existing Vital Records System refer to Attachment 1-B, Section 1.4) via the Internet and forwards application and certificate of identity for notarization to customer via e-mail in connection with each order. System holds order for five (5) business days and automatically cancels order if no application/certificate of identity returned, and notifies customer of same.	A	

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
5.	System shall Interface with RR/CC's Point of Sale System as described in Attachment 1-E)	B	VitalChek will work with the County to analyze and gather the requirements necessary to enhance the current system in order to interface with the County's POS system.
6.	System must track and prevent concurrent logins. This can stop session hijacking and session replay attacks.	B	The System does not currently prevent concurrent logons by the same user. This will require an enhancement.
7.	System "Logout" function must terminate the session.	A	
8.	System must address how it will track state. For instance, it could be tracked by use of cookies, hidden tags, server-side, uniform resource identifier (URI), and uniform resource locator (URL) parameters. In addition, determine how state is stored (i.e., encrypted and date stamps) and how it is renewed (i.e., automatically, is a password requested, and is the old session identifier expired.)	A	<p>1) For VitalChek's consumer facing web sites, session state is maintained in memory on the VitalChek server, with the cookie-based session identification on the client. The client's server session state has a timeout (15 minutes). If the consumer's browser does not make a request to the server within the timeout period their session is timed out and reset.</p> <p>2) The VitalChek agency application will be used by the County of Los Angeles employees for printing shipping labels, credit card authorization, document matching, etc. The VitalChek product suite is a rich-client application which does not use traditional web-browser based sessions. The client is started through a web-browser but runs in its own application. State is maintained independently by the application and will automatically terminate a user's ability to interact with the system if the user does not interact with the application within the time out period.</p>
9.	System encrypts data at 256-bit AES when transmitting to Contractor and de-encrypting upon receipt by	A	

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
	Contractor.		
10.	System encrypts data at 256-bit AES when transmitting from Contractor and de-encrypting upon receipt by intended recipient (i.e. RR/CC).	A	
11.	System can securely transmit completed, pre-authorized orders to RR/CC no less than twice per day.	A	
12.	Contractor's Payment processing services must be highly available (99.9%) fully redundant and capable of processing transactions during each Day, with the exception of schedule maintenance.	A	<p>VitalChek's standard for services delivered through our payment processing environment is 99.9% uptime, outside of the normal maintenance window.</p> <p>VitalCheck's systems are redundant on many levels. We maintain redundancy in our Internet connectivity through the use of two different ISPs – if one ISP suffers a failure, the other automatically takes over. VitalChek uses three T-1 connections into each ISP. Our technology infrastructure runs on seven load balanced servers – 4 web application servers and 3 transaction servers. The transaction databases runs on two Windows 2003 servers with 8 dual core processors each with a clustered SQL Server 2005 database. All VitalChek databases utilize a RAID 5 file storage system.</p>
13.	System can automatically search for requested documents in the existing Vital Records System stored at the Downey Center (note: In January 2009, database will be stored at RR/CC)	A	
14.	System can generate search slip with all details of request printed on demand.	A	

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
15.	Regardless of Contractor's other customer's processing needs by the System, System must have the ability to handle at a minimum 350 Transactions per day for RR/CC while meeting the Specifications.	A	
16.	Once the review by RR/CC is complete the System authorizes all approved orders.	A	
17.	System must assign bar code to application which ties application to the corresponding order in the System.	A	
18.	System can generate bar code mailing labels for expedited mail service.	A	
19.	System can generate customized reports on any or all Transactions daily and as needed.	A	
20.	System can calculate amounts due to County, County's Processing Vendor (if applicable) or service providers and generate payments via ACH. (Refer to Attachment 1-B, Section 3 and 4.	A	
21.	System retains and makes accessible as needed all Transaction information for the preceding 12 months.	A	
22.	System is protected against malicious software, such as Trojans, worms and viruses. Some software methods for prevention are: including anti-virus software, spam filtering, and spyware/adware blockers.	A	<ul style="list-style-type: none"> -All VitalChek systems available over the internet are regularly scanned for security vulnerabilities by a third party security firm. -All server software is regularly updated and or patched per vendor recommendations. -All VitalChek servers run regularly updated virus scanning and monitoring software. -Bi-annual, internal, third party security audit reviews are performed against all physical and electronic assets.

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments												
23.	The web page must be cross-browser W3C (www consortium) compliant using HTML (hyper text mark up language) strict coding and CSS (cascading style sheets) where appropriate.	A													
24.	System Transaction roundtrip processing (request, determination & response) authorization time is seven (7) seconds. (System's response time for website and RR/CC site, assuming a 1.5 mega byte download DSL or higher.)	A	<p>VitalChek provides tens of thousands of payment transactions daily and speed and security are of central importance. We utilize a dedicated private line connection between our PCI zone servers and Global Payment, VitalChek's payment processor.</p> <p>Global Payments average response times apply to both credit and debit networks.</p> <table border="1"> <thead> <tr> <th>Line Type</th> <th>Normal Period**</th> <th>Peak Period*</th> </tr> </thead> <tbody> <tr> <td>Lease Line</td> <td>3 seconds</td> <td>5 seconds</td> </tr> <tr> <td>Frame</td> <td>3 seconds</td> <td>5 seconds</td> </tr> <tr> <td>Internet/SSL</td> <td>5 seconds</td> <td>7 seconds</td> </tr> </tbody> </table> <p>*Peak Period means 9 a.m. – 9 p.m. Eastern Time **Normal Period means any time other than a Peak Period</p>	Line Type	Normal Period**	Peak Period*	Lease Line	3 seconds	5 seconds	Frame	3 seconds	5 seconds	Internet/SSL	5 seconds	7 seconds
Line Type	Normal Period**	Peak Period*													
Lease Line	3 seconds	5 seconds													
Frame	3 seconds	5 seconds													
Internet/SSL	5 seconds	7 seconds													
25.	System can generate a "No Find Letter" to customer.	A													
26.	System can generate an order confirmation notice and email status to customer.	A													
27.	System authorizes and processes payments in accordance with applicable Association Rules, Card Issuer rules and regulations, Card Processor rules and regulations.	A													

BUSINESS REQUIREMENTS

SECTION 1 –CARD PROCESSING

1.1 Overview of Online Transaction process:

- Customer places Vital Records order over the Internet.
- Contractor sends customer application and certificate of identity via e-mail to complete and have notarized. Contractor includes a bar code linking the application and certificate of identity to the customer's order and including details about the customer's order.
- Contractor performs address verification (AVS) to ensure address given matches the mailing address on the credit card to avoid misrouted documents. Contractor reviews documents for completeness and contacts customer if there is a deficiency.
- Seven (7) seconds response time for website and RR/CC site assuming a 1.5 mega byte download DSL or higher. Any delay over seven (7) seconds should be addressed by Contractor.
- Customer faxes completed, notarized forms to Contractor within five (5) calendar days of placing order.
- Contractor securely forwards complete orders (internet order w/ notarized application and certificate of identity) to RR/CC at least twice per day. Contractor includes a bar code that links all complete orders to the applicable customer order.
- RR/CC staff reviews paperwork for completeness and processes order through the System. RR/CC will process any incomplete paperwork through normal correspondence process.
- RR/CC staff prints out copy of certificate and prepare order for mailing (if expedited mailing option is selected, using packing materials and mailing labels provided by Contractor).
- RR/CC staff scans the mail receipt to send an e-mail to customers that order is on route.
- Contractor arranges for pick up by applicable expedited mail carriers of all orders for which customers selected expedited mailing options.
- At 5:00 p.m. each day, System runs a settlement report of captured Card orders.

BUSINESS REQUIREMENTS

- Contractor shall remit RR/CC Fees as specified in Paragraph 5.3 in the body of the Agreement.
- 1.2 Contractor shall be available 24 hours a day, 7 days a week, 365/366 days a year to accept customer orders for copies of Vital Records over the Internet and allow customers to pay for said order by Card only.
- 1.3 Without limiting the other responsibilities set forth in this Attachment 1-B, this Package and/or elsewhere in the Agreement, Contractor shall be responsible to:
- 1.3.1 Provide a toll free telephone number with multiple lines for live technical support available 24/7 for customers encountering problems online.
 - 1.3.2 Accept all necessary ancillary paperwork from the customer placing an order via the Internet. Contractor will assign an identification bar code to include details of requested record.
 - 1.3.3 Enter the customer's ordering information into a system capable of keeping the information readily accessible for at least 12 months.
 - 1.3.4 Send customer application and Certificate of Identity form via e-mail.
 - 1.3.5 Receive customer's faxed application and **notarized** Certificate of Identity.
 - 1.3.6 Convert any order and supporting documents to digital format for transmitting to RR/CC.
 - 1.3.7 Electronically transmit daily (calendar day) in an encrypted format of 256-bit AES acceptable to RR/CC the order information and accompanying documents.
 - 1.3.8 Provide a toll-free number for customers to obtain a status update for their online order referred as the Order Status IVR Service.
- 1.4 Data Retention:
- Contractor must retain the following information in an encrypted format of 256-bit AES acceptable to RR/CC in readily accessible computerized system for at least 12 months:
- A. Application Information
 - Reason for request
 - Credit card authorization code
 - Application identification number

BUSINESS REQUIREMENTS

- Fee amounts
- Mail service carrier
- Shipping address

B. Applicant Information

- Name
- Address
- Telephone
- Relationship to name on certificate

C. Certificate Information

- Type (birth, death, marriage)
- Name(s) on certificate
- Number of copies ordered

D. Search Information

- Event type (birth, death, marriage)
- Name(s) on certificate
- Father's name
- Mother's maiden name
- Event date
- Event municipality

Contractor shall additionally retain such other information (a) as Contractor deems necessary to dispute chargebacks or other Card adjustments and/or (b) as is required to comply with applicable laws, Association Rules, Card Issuer rules and regulations and/or Card processor rules and regulations.

SECTION 2 - PAYMENT CARD INDUSTRY (PCI) COMPLIANCE

At Contractor's expense, Contractor shall schedule an annual external audit to be conducted by reputable 3rd party audit company to illustrate annual CISP and PCI Data Security Standard compliance. Contractor shall then provide County a letter no later than 30 days after receipt of audit findings, certifying as to the date of such findings and as to whether it passed or failed. As appropriate, RR/CC is requesting findings from any internal audit or 3rd party audit, including non-County client required audits, hired audit/testing vendors and VISA/MC required audits.

BUSINESS REQUIREMENTS

SECTION 3 – DELIVERY SERVICES

Contractor shall be responsible for the expedited mail services of all orders and shall:

- 3.1 Arrange for the expedited mail services to pick up daily between 2:00 and 4:00 p.m., Pacific Time, each business day at the RR/CC headquarters in Norwalk, CA.
- 3.2 Provide the RR/CC with packing materials and pre-printed delivery labels containing the RR/CC return address and Contractor's third-party billing number for expedited mail service delivery.
- 3.3 Provide the mailing information on bar code label to be used in conjunction with window envelopes. RR/CC requires System generated bar code labels so that RR/CC staff can scan the bar code with Contractor provided bar code reader to capture the information on the out-going order directly into the RR/CC database to close out that particular order.
- 3.4 Assume full responsibility and guarantee payment of delivery fees to mail service providers on all orders processed through the Contractor's System.

SECTION 4 – FEES AND PAYMENTS

Contractor shall be responsible for the collection of all fees and payments from customers and settlement of RR/CC Fees (refer to Exhibit C) in accordance with Paragraph 5.3 in the body of the Agreement. Contractor shall:

- 4.1 Provide remote order acceptance and payment authorization Services to customers, pursuant to the Agreement requirements and applicable Association Rules, Card Issuer rules and regulations and Card processor rules and regulations.
- 4.2 Accept payment for remote charges from the customer via the web using major credit/charge cards, including Visa, MasterCard, American Express and Discover pursuant to the Agreement requirements and applicable Association Rules, Card Issuer rules and regulations and Card processor rules and regulations.
- 4.3 Preauthorize payment for orders prior to transmission to the RR/CC for processing with Authorization of payment for orders to occur in accordance with applicable Association Rules, Card Issuer rules and regulations and Card processor rules and regulations. As part of the payment Authorization process, Contractor shall verify the address of the requestor in order to provide a quick turnaround time for each order.
- 4.4 Accept full responsibility for Transaction settlement, inquiries, chargebacks, rejected charges/returns and adjustments for insufficient funds.

BUSINESS REQUIREMENTS

- 4.5 Provide daily Transaction reports for daily accounting and reconciliation.
- 4.6 Generate ACH of RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement.
- 4.7 Contractor shall process full and partial refunds (including, without limitation, as described under Section 5.3 of this Attachment 1-B) card credit adjustments, retrieval requests, chargebacks, and refunds within the times required by the applicable Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations.

SECTION 5 – COUNTY RESPONSIBILITIES

- 5.1 County will process all requests received from Contractor for which County is able to locate records. All requests for which County is unable to locate records will be referred to appropriate RR/CC section to notify customer.
- 5.2 County will make available for pick up by Contractor's arranged expedited mail courier all located records using Contractor's generated mailing label for expedited mail service, if requested by customer.
- 5.3 County will inform Contractor of any errors or necessary adjustments within 24 hours pursuant to mutually agreed upon procedures. For example, if a customer requests three copies of birth certificate and that certificate is not available (sealed due to adoption, etc.) RR/CC keeps the fee equivalent to one copy and the Contractor would need to adjust the remainder. If the person requested expedited mail service the Contractor would need to adjust that portion back as well.

SECTION 6 – CONFIDENTIAL PROTOCOLS

Contractor shall comply with Paragraph 7.7 (Confidentiality) in the body of the Agreement and shall implement confidentiality, security and other related requirements of this Package and elsewhere in the Agreement and the following protocols to ensure customer personal information is kept secure and confidential. County shall seek any remedies provided in this Package and elsewhere in the Agreement, including, but not limited to Paragraph 18.24 (Liquidated Damages) or termination of the Agreement as provided in the Agreement for Contractor's failure to comply with related confidentiality and security requirements.

BUSINESS REQUIREMENTS

1. Ensure encryption on live, archived and transmitted data.
2. Ensure letters, memoranda and other documents containing personal information are accessible only by authorized personnel.
3. Ensure personal information stored electronically is protected from access by unauthorized persons.
4. Ensure that only personal information necessary to fulfill the Contractor's authorized functions are maintained by the Contractor.
5. Ensure staff working with personal information secure such information from casual observation or loss and that such documents or files are returned to secure location when not in use.
6. Ensure personal information is not inappropriately used, copied or removed from Contractor's control.
7. Ensure that personal information is adequately secured at all times.
8. Ensure any transmittal of personal information outside of Contractor's office is authorized by Contractor's Project Manager to make certain that confidentiality measures are followed in accordance with Paragraph 7.7 in the Agreement.
9. Protect the confidentiality of personal information being transferred from the Contractor's office to other work units of the Contractor.
10. Ensure documents and files containing personal or health-related information that are obsolete or no longer needed are promptly and properly disposed.
11. Secure and maintain the following types of information for 12 months from the end of the month in which such information was collected: dates of the vital events, places of the vital events, names and maiden names and identification documents provided. Maintaining such information shall enable Contractor to assist the RR/CC in researching and investigating fraudulent activity. Contractor shall submit written verification to the RR/CC through duly sworn and notarized affidavit of the confidential disposal of such information according to the prescribed schedule.
12. Ensure that documents and files containing personal information are electronically transmitted to the RR/CC in an encrypted format acceptable to the RR/CC.

BUSINESS REQUIREMENTS

13. Ensure that servers (authorization and data) and Workstations are sanitized at the end of their useful life span. Sanitized as defined herein is the removal of all County or customer data. A record of disposed hardware must be kept for five (5) years after termination or expiration of the Agreement. Contractor shall provide a policy that describes the method of disposition of excess and surplus computer equipment.
14. Ensure the use of software protection against malicious software, such as Trojans, worms and viruses, is in place on all computer equipment. This should include, but is not limited to, anti-virus software, spam filtering, spyware/adware blockers, and a formalized plan for the update of operating system patches.
15. Ensure that the notification process is documented in the event of security breaches involving confidential and sensitive information.

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SYSTEM SOFTWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 3.

The following is a list, but not limited to, a listing of all System Software in the System. At a minimum, the Software should be as follows. Should Contractor need to change specifications, this can be done with the Agreement of both the Contractor and the County Project Manager(s):

Vital Chek Software:

VCN Orders is the software for Package 1. It is a C++ application developed using MS Visual Studio. The VCN Orders application can employ a real-time interface with the Agency computer system.

VPS, the web based reporting software, is an Eclipse Rich Client Platform (RCP) java application built upon the IBM Eclipse component library. VPS RCP is tailored to the role of the authenticated user. For payment services, the VPS RCP will allow authenticated employees to manage orders made through point of sale devices, PaymentChek website and direct keyed entry by a user into VPS. The agency's payment data is stored in a Microsoft SQL Server database which consists of many tables housed at VitalChek. Java Web Start is a standard within the Java virtual machine for remotely bootstrapping java applications via an end users browser. Java Web Start automatically synchronizes java class jars with a server to a client and then starts the application. VPS utilizes Java Web Start to remotely start its VPS Eclipse Rich Client Application.

In normal language, this means that all data is stored in VitalChek databases. A rich client program will be downloaded onto the pc each time someone logs into VPS. The rich client program will securely talk across the internet to retrieve data from the centralized data base and send it back to the PC where the rich client VPS program will grab the data and display it nicely for the end user. Data will not exist on the PC unless an EXPORT DATA process is performed. All communications across the internet are secured with Single Socket Layer (SSL) "256-bit or higher encryption.

SYSTEM HARDWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 1.

The following is a list, but not limited to, all System Hardware in the System. Should Contractor need to change specifications, then this can be done with the agreement of both the Contractor and the County Project Manager(s):

COMPUTER HARDWARE:

- 5 computer workstations
- 10 Flat Panel monitors
- 4 express mail label printers
- 4 bar code readers
- 6 printers
- 2 network Authorization server
- DSL/soho telephone connection line

Workstation Class Machine such as Intel® Core™ 2 Duo Processor E6300 (2MB L2 Cache, 1.86GHz, 1066)

4 GB513 Dual-Channel DDR27 SDRAM (533MHz, 2 or 4 DIMMs)

300 GB4 Single Serial ATA Hard Drive

Suggested configuration:

Video: VGA and 1 S-Video

IEEE 1394 - 1 front-panel 6-pin serial connector

USB: 8 Ports (2 Front, 6 Back) + 1 internal

Audio: Audio – six back-panel connectors for line-in, line-out, microphone, rear surround, side surround,

Additional Jacks: 1 front headphone jack and 1 front / 1 back microphone jack

Network: Integrated Ethernet

Integrated 10/100 network Interface

SUPPLIES:

- Printer Toner/Ink Cartridges
- Express Courier envelopes, air bills and manifest sheets
- Postage Account with UPS and US Post Office

BAR CODE READER:

Both hand-held and fixed projection

PowerLink user-replaceable cables

Adjustable Stand

Short-range and Long-range activation

Flash ROM with Meteor 2 upgrade utility

Supports commonly used Interfaces, including USB

AUTHORIZATION SERVER:

Server-Class Machine such as HP ProLiant ML570 G4 3.4GHz High Performance Rack Server HP

ProLiant ML570 G4 High Performance Rack Server

Suggested configuration:

2 Dual-Core 64-bit Intel(r) Xeon(r) Processors 7140M (3.40GHz, 150 Watts, 800MHz FSB, 16MB L3 Cache)

RAID memory (requires 4 memory boards configured alike) 1st memory board 8GB Total REG PC2-3200 (4x2GB)

2-Rank memory Redundant Memory Board 8GB Total REG PC2-3200 (4x2GB)

2-Rank memory HP Smart Array P600/512 controller

3-HP 72GB Hot Plug 2.5 SAS 15,000 rpm Hard Drive Dual 910/1300W hot plug power supplies

Redundant hot plug fans HP Dual embedded NC371i Multi-function Gigabit network adapter SlimLine

DVD-ROM Drive (8x/24x)

POINT OF SALE SYSTEM INTERFACE

The Contractor shall deliver documentation on how the RR/CC's existing Point of Sale System can Interface with Contractor's System. The Interface will, for this Package, be based on a unique identifier number for each Transaction (customer order) passed to the Point of Sale System in order to track back to the original order. The RR/CC System is a SQL 2005 database and custom C# Windows client application that handles all Cashiering functionality. Contractor shall specify the format in which its data is saved and what language it is written in. Contractor shall provide an Application Programming Interface (API) schematic and any data definitions. RR/CC will have the right to review and approve the API and/or format and finalize with the selected Contractor.

RR/CC plans to replace the current IBM mainframe system with a new client/server **xml-based** system known as LA Vitals System utilizing a Structured Query Language (SQL) backend based system in January 2009. (Refer to Task 12).

STATEMENT OF WORK
PACKAGE 2 – CARD PRESENT TRANSACTIONS

1. SCOPE OF WORK

This Package and all attachments hereto (collectively, this "Package") describes the project information for Card Present Transactions. County's expectation is that the resultant Contractor must have the capability to process at least 900 Card Present Transactions per day (estimate is based upon raw transaction current volume data set forth in Appendix D, Required Forms - Exhibit 11 (Pricing Sheet) to the County's RFP) and meet all service levels set forth in this Package. The number of Card Present Transactions per day is an expectation and does not guarantee a certain amount of business. During the term of this Agreement, Contractor shall ensure its capacity to process increasing volumes of Card Present Transactions while maintaining all the service level specified in this Package.

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under this Package, including accepting and processing the Card payments described in this Package and shall charge a Transaction Fee to customers under this Package for each Transaction. The County expects that no other amounts will be due and payable to the Contractor under this Package for performing the Work under this Package.

Contractor responsibilities with respect to this Package include, but are not limited to: (i) providing Card Terminals and Workstations with dedicated communication/data lines to accept electronic Card payments for records ordered at RR/CC headquarters and public service counters and all RR/CC district offices (Refer to Exhibit P); (ii) providing Operations Services and Maintenance and Support Services as described in this Package; (iii) arranging for expedited mail services when customers select this option; (iv) providing the level of System security described in this Package; (v) collecting of all fees; (vi) remitting to the County the RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement; and (vii) assuming all risk of chargebacks and/or other Card adjustments.

Contractor shall complete and deliver all software, hardware, other goods, maintenance and support services and related project management to accomplish all of the Tasks set forth in this Package, including completion and delivery of the System for this Package to the County's Project Director(s)'s satisfaction. The System for this Package must operate in

**EXHIBIT A - PACKAGE 2
CARD PRESENT TRANSACTIONS**

accordance with the requirements set forth in Attachments 2-A (Functional Requirements) and Attachment 2-B (Business Requirements) to this Package, the other Specifications, and otherwise with this Agreement. Unless otherwise expressly stated, all Work described in this Package or the Agreement shall be performed by Contractor and Contractor shall be fully responsible for said performance.

Contractor shall use standard RR/CC software set forth below when preparing Deliverables. Contractor shall provide Deliverables which are to be delivered in a file format, in a format which is importable to the following standard RR/CC software:

- Microsoft Word .doc
- Microsoft Project .mpp
- Microsoft Excel.xls
- Portable Document Format.pdf

2. TASKS AND DELIVERABLES

The following Tasks, and associated subtasks and Deliverables, shall be addressed in the Project Plan prepared pursuant to Task 1:

TASK 1 - PROJECT PLANNING AND MANAGEMENT

SUBTASK 1.1: KICK-OFF MEETING

County will schedule a kickoff meeting with Contractor to occur within seven (7) business days of the Effective Date of the Agreement to discuss and modify as necessary the Initial Project Plan provided by Contractor in Section C.3 of Contractor's Proposal.

Subtask 1.1 Deliverable:

Kickoff meeting within seven (7) business days of the Effective Date of the Agreement.

SUBTASK 1.2: REVISED PROJECT PLAN

(a) Contractor shall prepare a Project Plan (the "Plan") which shall be a comprehensive and detailed Plan for the System implementation consistent with this Package that includes the following areas:

- Planning and Direction to include timeline of three (3) months to complete the project.
- Staffing and Team Management with roles and responsibilities
- Compliance with Data Security Guidelines.

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- Incorporating County's business processes, security and technical requirements as stated in this Package.
- (b) The Plan shall include the following:
6. A full organizational chart detailing staff by classification and assignment including the name of Contractor's Project Manager or alternate management staff that will be assigned full-time to this project. Alternate management staff shall possess at least two (2) years experience in performing similar services. County must have access to Contractor's Project Manager and alternate management staff during normal business hours, Monday through Friday (except legal holidays), 8:00 a.m. to 5:00 p.m., Pacific Time. In addition, provide the escalation procedures and guidelines to be used by the County, as needed.
 7. A list of Contractor staff who will be assigned to provide on-site support for the following areas: a) Operations Services; b) Maintenance and c) Support Services. Include a short description of duties and responsibilities for each staff member.
 8. A list of Contractor's milestones, Tasks and subtasks required to successfully complete and deliver on time the System, including the System Software, System Hardware and/or Services for this Package. Include a Gantt chart that lists all Tasks, start and end dates, responsibilities, assignments, and dependencies. At a minimum, all of the Tasks, subtasks, and Deliverables in this Package shall be included in the list.
 9. A list of Tasks and subtasks to be completed by County as requested by Contractor after review and approval by County's Project Director(s).
 10. Without limiting Paragraph 18.37 (Subcontracting) in the body of the Agreement, a list of Subcontractors that will be used by Contractor (including address, phone number, and main contact person) and a short description of services that will be provided by Subcontractor(s).
 - 7 Plan to incorporate County's business processes, security and technical requirements.

Subtask 1.2 Deliverables:

Plan that includes a schedule of individualized Tasks, subtasks, and Deliverables and other resource planning activities as described in Subtask 1.2.

SUBTASK 1.3: FINAL PROJECT PLAN

Contractor shall submit the completed Plan, including attachments defined in this Package, and submit to County within five business (5) days of kickoff meeting.

- (a) County will review the Plan and submit changes to Contractor within three (3) days of receipt.
- (b) Contractor shall review the changes requested by County and be prepared to reject or approve the changes within 48 hours.
- (c) County shall have final approval of the Plan. County will monitor/oversee Contractor's progress based on the approved Plan.
- (d) Updates to the Plan, based on the weekly Project Status Reports delivered under Subtask 1.4, will be reviewed and approved County and, once approved, will be deemed to be included in the Plan originally approved under this Subtask 1.3.

Subtask 1.3 Deliverable:

Final the Project Plan.

SUBTASK 1.4: PROJECT MANAGEMENT - IMPLEMENTATION

- 1.4.1 During the implementation process, Contractor shall be required to manage project activities and resources and track project status. This shall include identifying, managing and tracking all issues. Contractor shall report project status on a weekly basis through a Project Status Report. The Project Status Report shall be presented to the County's Project Director(s) and County's Project Manager(s). The report shall cover, at a minimum, project progress against the Plan, plans, and outstanding issues. It shall also include any proposed updates to the Plan.
- 1.4.2 Contractor shall create a System that meets all expectations set forth in this Agreement, including the Specifications. Contractor shall be responsible for each step of the System's implementation process and provide an extensive quality assurance process to

**EXHIBIT A - PACKAGE 2
CARD PRESENT TRANSACTIONS**

ensure quality is being met. RR/CC will assist Contractor's Quality Assurance (QA) team member by reviewing and testing System through each step of the process. Contractor will provide the results to County's Project Director(s) through a Project Status Report on a weekly basis throughout the project implementation. Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week of notification. County's Project Manager(s) may request a meeting as deemed necessary with Contractor's Project Manager. This Subtask is in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) in the Agreement.

- 1.4.3 Contractor shall provide a quality control plan to document the processes, practices and procedures to be used in order to measure the adherence to requirements during implementation. This plan shall be utilized during the implementation process and reviewed on an agreed-upon basis.

Subtask 1.4 Deliverables:

Weekly Project Status Reports that cover project progress against the Plan, plans, quality assurance, outstanding issues and any proposed updates to the Plan.

**SUBTASK 1.5: PROJECT MANAGEMENT - POST IMPLEMENTATION
SUPPORT**

Commencing after the implementation process and continuing throughout the remainder of the Term of the Agreement, Contractor shall provide ongoing project management support to include managing and tracking all issues related to Operations Services and Maintenance and Support Services, including any failure of the System, including the System Software, System Hardware and/or Services to perform in accordance with the Specifications, and otherwise with this Agreement.

In addition, Contractor shall be responsible to monitor the quality assurance platform. RR/CC may assist Contractor's Quality Assurance (QA) team member to ensure quality is being met by reviewing and testing System Contractor will provide the results to County's Project Director(s) through a Project Status Report on a monthly basis, Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week of notification. County's Project Manager(s) may request a meeting as deemed necessary. This

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Subtask is in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) of the Agreement.

Subtask 1.5 Deliverable:

1.5.1 Monthly Project Status Reports for ongoing project management to report any operational, quality assurance and maintenance and support issues.

1.5.2 Weekly status reports on any issues addressed and resolution provided.

SUBTASK 1.6: QUALITY CONTROL

The Contractor shall be required to establish and utilize a comprehensive quality control plan (the "Control Plan") to assure the County a consistently high level of service throughout the Term of the Agreement. The Control Plan shall be submitted to the County's Project Manager(s) for review. The Control Plan shall include, but not be limited to, the following:

1.6.1 An inspection system covering all Services listed in the Exhibit O (Performance Requirements Summary (PRS) Chart) of the Agreement. It must specify the activities to be inspected on both scheduled or unscheduled basis, frequency of inspections and the title of the individual(s) who will perform the inspection.

1.6.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and correction.

1.6.3 A method of ensuring uninterrupted service to RR/CC's customers in the event of a strike of the Contractor's employees or any other unusual occurrence (e.g. power loss) which would result in the Contractor being unable to perform the Work.

Subtask 1.6 Deliverable:

Control Plan established to ensure quality and continuity of Service.

TASK 2 - SYSTEM ANALYSIS AND SITE ASSESSMENT

SUBTASK 2.1: FUNCTIONAL ANALYSIS

In this Task, Contractor shall work with RR/CC's staff to review and validate documented requirements as specified in Attachment 2-A

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(Functional Requirements) and Attachment 2-B (Business Requirements) to this Package. Contractor shall develop a set of detailed project tasks in two steps. The first step documents at a high level the customizations necessary for the System to support RR/CC's business requirements, thereby, defining the project scope. The second step defines the method for completing the functional and technical Tasks to support these requirements.

Contractor shall provide an overview of the System functionality (refer to Attachment 2-A to this Package) and subsequent implementation Tasks.

- (a) Review business processes: Contractor shall conduct meetings with County's Project Manager(s) and subject matter experts to assess business needs, business processes and recommend changes, as needed.

- c) Prototyping sessions: Contractor shall conduct prototyping sessions to demonstrate the capabilities of the proposed System to support the RR/CC's documented business requirements (Attachment 2-B to this Package) using representative RR/CC data. Contractor shall map the RR/CC's requirements and business processes to develop scripts for prototyping.

Subtask 2.1 Deliverable:

- 2.1.1 Documentation outlining functional analysis on the customizations for the System including RR/CC's business requirements

- 2.1.2 A complete working prototype of the System that meets all the requirements set forth in the business requirements.

SUBTASK 2.2: TECHNICAL ASSESSMENT

In this Task, Contractor shall assess Transaction volumes, and technical platform for implementing the proposed System. This assessment shall be based on the RR/CC's current usage information, Transaction volumes, archival requirements, and growth projections.

Subtask 2.2 Deliverable:

Report on the specifications developed during the Technical Assessment Task. The technical specifications shall include, but not be limited to:

- Schematic drawings to depict the deployment of the technical architecture
- Operations architecture to support:

- Printing (Ad hoc & Production reports)
- Security
- High Availability
- Data Archiving
- Backup/Restore
- Application Development
- Application Training
- Application Testing

SUBTASK 2.3: INTERFACE ASSESSMENT

In this Task, Contractor shall analyze how to integrate its System with RR/CC's Point of Sale System (Refer to Attachment 2-E to this Package). Strategy should include, but not be limited to, the following areas, where applicable, demonstrating how the Interface will meet the requirements of this Agreement, including the Specifications:

- Physical assessment of counter/desk space
- Communication/data line assessment
- Interface credit payment transaction to RR/CC's Point Of Sale System
- Testing

Subtask 2.3 Deliverable:

Analyze integration with Point of Sale System and provide a written report of findings.

TASK 3 - INSTALLATION AND CONFIGURATION FOR SYSTEM SOFTWARE AND SYSTEM HARDWARE

SUBTASK 3.1: INSTALLATION AND CONFIGURATION OF TERMINALS

The Contractor shall install and configure Terminals which have the functionality described in Attachment 2-A (Functional Requirements) and Attachment 2-B (Business Requirements) to this Package and perform in accordance with the Specifications and otherwise with this Agreement.

The Terminals shall be installed and configured using the Contractor's own hardware with installation to take place at a pre-arranged time approved by County, utilizing Contractor's staff with the assistance of RR/CC staff, as approved in advance by County's Project Director(s). The Terminals shall be installed at the following designated areas:

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	QUANTITY OF PUBLIC COUNTER TERMINALS
Birth, Death & Marriage	10
District Offices	41
Business Filings & Registrations	4
Document Transfer Tax Revenue & Collection	6
TOTAL	61

Contractor maybe required to install additional Terminals as the need arises at designated areas specified by County, at no cost, to the County. County will provide a ten day notice.

Each Terminal shall be set up to include:

- 1) Dedicated communication/data line to connect to Contractor for authorization. (This will be negotiated in terms of communication capability between RR/CC and Contractor)
- 2) Terminal to read Card information electronically. If Terminal is unsuccessful in reading Card electronically, RR/CC must have the capability to enter Card number manually.
- 3) Remote Terminal key pad for customers to enter their personal identification number (PIN) code. Keypads must reach outside the security glass for customer accessibility.
- 4) Receipt printer.

Subtask 3.1 Deliverable:

Install and configure the Terminals which have the functionality described in Attachment 2-A (Functional Requirements) and Attachment 2-B (Business Requirements) to this Package and perform in accordance with the Specifications and otherwise with this Agreement.

**SUBTASK 3.2: INSTALLATION AND CONFIGURATION OF
WORKSTATIONS**

Contractor shall install and configure Workstations using the Contractor's own hardware with installation to take place at a pre-arranged time approved by County, utilizing Contractor's staff with the assistance of RR/CC staff, as approved in advance by County's Project Director(s). The

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Workstations shall be set-up to receive and print summary reports and mailing labels.

Workstations shall be installed at the following designated areas:

DESIGNATED AREAS:	QUANTITY OF WORKSTATIONS
Birth, Death & Marriage	3
District Offices	3
Business Filings & Registrations	3
Document Transfer Tax Revenue & Collection	3
TOTAL	12

Contractor maybe required to install additional Workstations as the need arises at designated areas specified by County, at no cost, to the County. County will provide a ten day notice.

3.2.1 Workstation Specifications:

- a) Each Workstation will be set-up to include:
 - 1) 24" monitor
 - 2) Network connectivity (with Contractor's network)
 - 3) Local Laser printer
 - 4) System Hardware specifications refer to Attachment 2-D.
- b) Laser Printers: Contractor shall install twelve (12) laser printers for printing summary reports, and proof of ACH payment. Printers shall accommodate all on-site printing associated with the Agreement. Contractor shall also provide all consumables, with the exception of paper, required by the printers. Contractor shall keep no less than two (2) spare printers on site, which will ensure less down time and reduce any printing backlog.

3.2.2 Each Workstation shall have the capability to generate a receipt in duplicate for the customer and RR/CC's retention.

Subtask 3.2 Deliverables:

Install and configure Workstations, which have the functionality described in Attachment 2-A (Functional Requirements) and Attachment 2-B (Business Requirements), including Terminals with communication lines,

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required consumables and laser printers, to perform in accordance with the Specifications and otherwise with this Agreement.

SUBTASK 3.3: INTERFACE DEVELOPMENT AND INSTALLATION TO POINT OF SALE SYSTEM

Contractor will allow for credit card terminal to Interface with Point of Sale (POS) application developed by RR/CC (see Attachment 2E). The Interface should be standardized and agreed upon by both the Contractor and the Project Director(s) for the RR/CC. The terminal Application Programming Interface (API) will be documented and allow for standard calls by client-server applications.

The Interface shall follow the requirements as set forth under Subtasks 2.1 (Functional Analysis), 2.2 (Technical Assessment) and 2.3 (Interface Assessment).

Subtask 3.3 Deliverables:

Complete and document Interface to the RR/CC's existing Point of Sale System, including installation and configuration to set requirements.

SUBTASK 3.4: DOCUMENTATION

Contractor shall provide operator's/user's guide and other documentation for the development, installation and confirmation of Terminals, Interfaces and Workstations as specified in the other subtasks to this Task 3.

The Contractor shall provide five (5) electronic copies (PDF format) of the operator user's guide on a CD-R or DVD-R, which may be printed or duplicated by the County.

The Contractor shall provide both updated operator's/user's guide and other System Documentation as specified in Task 3 when revisions are made to any part of the System that materially change the Documentation provided prior to the implementation date of such revisions. Revised Documentation shall be provided to the County prior to any major Updates of the System.

Subtask 3.4 Deliverables:

3.4.1 Complete operator's/user's guide and other Documentation for all subtasks under Task 3.0.

3.4.2 Updated operator's/user's guide and other Documentation.

TASK 4 - SECURITY

SUBTASK 4.1: STANDARDS AND GUIDELINES

Contractor, and all Work provided by or on behalf of Contractor, shall comply with (a) all applicable data security standards and guidelines that may be published from time to time by the Association, any Card Issuer, or any Card processor including the Cardholder Information Security Program (CISP) and Payment Card Industry (PCI) Data Security Standard, (b) VISA Payment Card Industry: PIN Security Requirements Version 2.0 and PCI POS PIN Entry Device Security Requirements Version 2.0, each as updated from time to time (c) all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by the County's Chief Information Security Officer (CISO) and provided by County's Project Director(s) to Contractor.

Contractor shall be and remain a CISP and PCI certified service provider and be certified by any other Card Issuers, Card processor, or Associations that have mandatory security requirements with which Contractor must comply in order to perform the Tasks, Deliverables, goods, services and other work from time to time under this Agreement. Contractor shall prepare and deliver notification to County within 72 hours Contractor's notification of decertification and a corrective action plan on how to mitigate and fix all issues to reinstate certification. Contractor shall implement each corrective action plan within five (5) business days of notification to County.

Subtask 4.1 Deliverables:

- 4.1.1 Certified letter of CISP and PCI prior to System's Acceptance and Certification as specified in Subtask 8.3.
- 4.1.2 Notice within 72 hours of Contractor's decertification and corrective action plan.
- 4.2.3 Corrective action plan within five (5) business days of notification to County.

SUBTASK 4.2: SECURITY RISK AND VULNERABILITY ASSESSMENTS

To validate appropriate security levels, Contractor shall at its own expense, conduct a System security risk and vulnerability assessment and provide a written report of assessment. This assessment is comprised of

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potential vulnerabilities and risks associated with, but are not limited to the web application, database, server(s), data transmission, stored confidential/sensitive data, etc.

Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 4.1, 4.2 and 5 of this Package. Contractor will conduct annual security assessments and prepare a written report of such assessment that includes components and devices involved in the processing of a transaction end-to-end, and identification of any potential vulnerabilities and risks. The report(s), at a minimum, should depict the gaps between the current and desired state. Additionally, in connection with each security assessment described above, Contractor shall provide County a letter certifying that the System is CISP and PCI compliant prior to County issuing the Certificate of Completion for Subtask 8.2 (Acceptance Testing) and annually thereafter on the anniversary of the Effective Date.

Subtask 4.2 Deliverables:

- 4.2.1 Conduct a System security risks and vulnerabilities assessment and provide a written report of findings.
- 4.2.2 Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 4.1, 4.2 and 5 of this Package.
- 4.2.3 Provide annual security assessments and written reports of assessment on the anniversary of Effective Date. The report must include an action plan that addresses the remediation and/or mitigation of all "high-risk" items. The remaining items must be addressed, in terms of the Contractors intention to remediate and/or mitigate based upon an agreed upon timeframe.
- 4.2.4 Provide a certified letter that System is CISP and PCI compliant prior to County issuing the Certificate of Completion for Subtask 8.2.
- 4.2.5 Annually thereafter on the anniversary of the Effective Date Contractor shall provide a certified letter that System is CISP and PCI compliant.

SUBTASK 4.3: NOTIFICATION/REPORTS OF SECURITY INCIDENTS

Contractor shall report to County in writing any information security incident within one (1) hour of identification or notification of incident. As used herein, an information security incident means any breach or other incident, which could reasonably compromise the confidentiality, integrity, or availability of any data or other information relating to Cardholders.

Contractor shall additionally provide information security incident reports and assessments for all incidents that may potentially affect County. County shall determine if an incident is identified based on criticality, major or minor incident: For major incidents, assessment and notification within two (2) hours and for minor incidents, assessment and notification within twelve (12) hours.

Subtask 4.3 Deliverables:

- 4.3.1 Report security incidents within one (1) hour of information security incident notification/identification to the County's Project Manager(s).
- 4.3.2 Provide information security incident reports and assessments of all incidents within timeframe specified to the County's Project Manager(s).

TASK 5 - REPORTS

The Contractor shall implement System Software to generate reports that include, but are not limited to, Transaction Summary and Transaction Detail by Terminal, Transaction Summary and Transaction Detail by Location, Total fees by date, Response Time for Transactions, and various accounting reports relating to fees collected, number of copies sold, settlement fees, and items ordered including all Transaction information and Card charge date. In addition, Contractor shall provide Ad hoc reports requested by the County within five (5) business days of receiving the request by County's Project Director(s). The Contractor shall work with the County to develop the data element and format of the Ad hoc Reports. Reports will be provided, at no cost, to the County.

Task 5 Deliverables:

- 5.1 Provide System capability to generate various accounting reports.
- 5.2 Provide Ad hoc reports to County within five (5) business days of request.

TASK 6 - OPERATIONAL READINESS ASSESSMENT (Technical)

Contractor shall develop a checklist for verifying the readiness of the technical infrastructure for Contractor to commence Work on Subtask 8.3 (System Acceptance Certificate) of this Package. Among other items, this checklist will assist RR/CC's in confirming the availability of:

- Data back-up and recovery procedures
- Operational roles, staffing and job schedules for daily, weekly, and monthly processes
- Production environment set up and sizing
- Technical infrastructure to support System and Services
- Connectivity of Workstations for all End Users
- Testing of all System Hardware (PC's, Printers, etc.)
- Integration to Point of Sale System
- Reports tested

Contractor shall assist RR/CC's staff in completing the operational checklist and the corrective actions to achieve readiness as defined in the checklist.

Task 6 Deliverable:

Completed checklist for verifying the readiness of the System's operations and technical infrastructure, and assist RR/CC's staff in completing the operational checklist.

TASK 7 - OPERATIONAL READINESS ASSESSMENT (End User)

Contractor shall develop a checklist for verifying the readiness of the RR/CC's End User community for Contractor to commence Work on Subtask 8.3 (System Acceptance Certificate) of this Package. Among other items, this checklist will assist RR/CC's in confirming the availability of:

- Intergration with RR/CC's Point of Sale
- Updated departmental processes, policies and procedures
- Staff trained in accordance with goals in the End User Training Plan
- Established toll free access telephone number and email address for real time technical support staff

Task 7 Deliverable:

Provide a completed checklist validating the readiness of the System's End User community.

**TASK 8 - ACCEPTANCE TESTING AND ACCEPTANCE
CERTIFICATION**

SUBTASK 8.1: ACCEPTANCE TEST PLAN

County will conduct Acceptance Testing with the assistance of Contractor on (a) System Software, (b) System as a whole and any portion thereof, (c) any County-approved Updates and (d) any County-requested Custom Programming Modifications. County will determine the components and manner of testing at its sole discretion.

RR/CC will use test scripts, developed by County with input from Contractor to test each functional requirement listed in Attachment 2-A (Functional Requirements) and Attachment 2-B (Business Requirements) in each case, to this Package and any other Specifications for System. Each script shall identify the expected results and performance of each function being tested and RR/CC will determine if the function is being executed correctly. Contractor shall assist RR/CC staff in the development and execution of test scripts and provide information to facilitate completion of System Acceptance Testing.

If County decides to conduct Acceptance Testing, County will develop an Acceptance Test Plan with the assistance of Contractor which will include, but not be limited to, the following steps:

8.1.1 Running tests on Card payments using the Terminals.

8.1.2 Conducting a full end-to-end System test and certifying readiness of System for County Acceptance.

Subtask 8.1 Deliverables:

If determined by County, assist County in development of an Acceptance Test Plan identifying anomalies and taking corrective action.

SUBTASK 8.2: ACCEPTANCE TESTING

If County conducts Acceptance Testing with assistance of Contractor based on Acceptance Test Plan.

Subtask 8.2 Deliverables:

If determined by County assist County in conducting Acceptance Testing based on Acceptance Test Plan identifying anomalies and taking corrective action.

SUBTASK 8.3: SYSTEM ACCEPTANCE CERTIFICATE

System operates in Production Use for ten (10) consecutive days without Deficiencies.

Pursuant to Paragraph 12.0 (System Tests and Acceptance By County) in the body of the Agreement, upon County's Project Director(s)'s determination of System Acceptance as specified to this Package, County will issue a written Certificate of Completion within 30 days of County's Project Director(s)'s determination.

Subtask 8.3 Deliverable:

Contractor's System must operate in Production Use for ten (10) consecutive days without Deficiencies prior to obtaining Certificate of Completion.

TASK 9 - MAINTENANCE SERVICES AND SUPPORT SERVICES

Contractor shall provide Maintenance and Support Services commencing when Work starts on Subtask 8.3 (System Acceptance Certificate).

SUBTASK 9.1: MAINTENANCE AND SUPPORT

- 9.1.1 Contractor must correct any Deficiencies, at any level of severity, in the System Software, System Hardware and Services including Card Terminals and Workstations with communication/data lines and Digital Subscriber Line (DSL), in accordance with the specified severity level.
- 9.1.2 Contractor shall provide ongoing maintenance as indicated in Paragraph 8.0 (Maintenance, Updates and Professional Services) of the Agreement.
- 9.1.3 Contractor's Payment processing services must be highly available (99.9%) fully redundant and capable of processing transactions, Monday through Friday 7:00 a.m. to 8:00 p.m., with the exception of schedule maintenance.
- 9.1.4 Contractor shall provide Transaction roundtrip processing (request, determination and response) Authorization time which does not exceed seven (7) seconds. This is limited to functions within the Contractor's control.
- 9.1.5 Contractor shall provide written notification to County of scheduled maintenance and Update that impact System no less

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than one (1) calendar week prior to scheduled commencement for County approval. County reserves the right to approve or disapprove the maintenance scheduled based on RR/CC business needs. County will not unreasonably withhold approval.

- 9.1.6 Contractor shall perform scheduled maintenance between the hours of midnight and 5 a.m., Pacific Time, as required. Updates and Custom Programming Modifications are not considered maintenance and as needed, RR/CC will schedule time for such services.
- 9.1.7 Contractor to provide written notification of regular Updates no less than three months prior to planned deployment in production if it requires County to modify the System. All Updates require the approval of County's Project Director(s).
- 9.1.8 Contractor to provide County a test environment and no less than one (1) month acceptance testing window prior to deployment of any major Update.
- 9.1.9 Contractor shall provide up-to-date written product Specifications within two (2) business days of every Update and Custom Programming Modification (including all Contractor's Specifications and other Documentation).
- 9.1.10 Contractor shall provide periodic Updates to System Software as indicated in Paragraph 8.0 (Maintenance, Updates and Professional Services) of the Agreement. Updates may result from new laws mandated by State or Federal statutes. County may also require Custom Programming Modifications to System Software to meet internal needs.
- 9.1.11 Contractor shall back up County data (including Card information) on a quarterly basis on a mutually agreed upon media with Card number limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, Card processor rules and regulations, and Pin-Based Debit Network rules and regulations at interval to maintain System recoverability.
- 9.1.12 Contractor shall store at least 12 months of live County data encrypted in 256-bit AES before archiving, and provide County access to archived data via CD-R or mutually agreed upon media with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer

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rules and regulations, Card processor rules and regulations, and Pin-Based Debit Network rules and regulations.

- 9.1.13 Contractor shall store archived data encrypted in 256-bit AES for at least five (5) years from termination or expiration of the Agreement. At end of such time Contractor, at County's sole discretion and as permissible by Card Issuer, Card processor, Pin-Based Debit Network rules and regulations and Association Rules and applicable law shall return said data. Any changes to the encryption standard used must be agreed upon by both Contractor and the County's Project Manager(s).
- 9.1.14 Contractor shall make live and archived data available to County upon ten (10) business days of County request for such data on mutually agreed upon media with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, Card processor rules and regulations, and Pin-Based Debit Network rules and regulations.
- 9.1.15 Toll free access telephone number to live technical support staff or via e-mail for assistance with any Contractor owned equipment, including,, but not limited to, terminals, printers, software, communication/data lines, and specific customizations, Monday through Friday, 7:00 a.m. to 8:00 p.m., Pacific Time.
- 9.1.16 Support services and support management for any software required to connect to remote Workstations located at RR/CC.
- 9.1.17 Notification in writing to County's designated staff regarding unscheduled system outage, component failure, or data loss no longer than one (1) hour after the incident is identified. RR/CC will determine the severity level of the incident. The response time is as follows:
- Critical or serious production problem shall not exceed 30 minutes
 - Others shall not exceed 12 hours
- In all circumstances, resolution shall be completed within 48 hours after incident is identified.
- 9.1.18 Reply time to support request emails shall not exceed one (1) hour, Monday through Friday, between the hours of 7:00 a.m. to 8:00 p.m., Pacific Time. Reply e-mails shall not be automatically

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generated responses, but should provide custom response to question.

- 9.1.19 Provide onsite support to repair System Hardware at RR/CC headquarters and district offices during normal business hours, Monday through Friday 8:00 a.m. to 5:00 p.m., except on County-recognized holidays.

Subtask 9.1 Deliverables:

Contractor shall provide Maintenance and Support Services outlined in Subtask 9.1.

SUBTASK 9.2: CUSTOM PROGRAMMING MODIFICATIONS

As requested by County's Project Director(s), Contractor shall provide Custom Programming Modifications as needed to update System to meet County's evolving business and/or technical requirements. Each Custom Programming Modification shall be provided, at no cost to the County, in accordance with the following procedure:

- 3) For each Custom Programming Modification, the requesting Party, County or Contractor, shall submit a written request, Exhibit N (Custom Programming Modification Request Form) of the Agreement to the other Party.
- 4) Contractor shall develop a System Design Report which includes:
 - a) Expected implementation duration
 - b) Design specification
 - c) System impact: database, user Interface, training etc.
- 3) Contractor shall submit System Design Report to County for review and approval. Upon approval of the System Design Report by County Project Director(s), Contractor shall develop a Project Plan in accordance with Task 1 – Project Planning and Management.
- 4) At the sole option of County's Project Director(s), each System component shall be subject to Acceptance Testing. Contractor shall assist in developing test plans and conducting Acceptance Tests.

Subtask 9.2 Deliverables:

- 9.2.1 Develop and submit a System Design Report for requested Custom Programming Modification.

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- 9.2.2 Develop a Project Plan for the completion of approved Custom Programming Modification.
- 9.2.3 Complete approved Custom Programming Modifications.
- 9.2.4 If required by County's Project Director(s), develop test plans and conduct Acceptance Tests.

TASK 10 - TRAINING

SUBTASK 10.1: END USER TRAINING PLAN AND MATERIALS

Contractor shall develop a Training Needs Assessment to identify the RR/CC's training requirements to support its End Users' roles and responsibilities. Based on this assessment, Contractor shall develop the training plan and materials to conduct End User training. End User training shall support the requirement for the skill levels identified in the training strategy developed during Task 1.

Contractor shall conduct training and supply original training materials including, but not limited to, End User manual and allow RR/CC to reproduce training materials as necessary.

Subtask 10.1 Deliverable:

Training Needs Assessment and a plan and materials for End User training.

SUBTASK 10.2: ON-SITE TRAINING

Contractor shall conduct on-site training classes, at no cost to the County, to include topics as follows:

- System operations
- System Software
- System Hardware
- Other equipment
- Any third party services

Subtask 10.2 Deliverable:

Contractor shall conduct onsite training classes to include topics indicated in Subtask 10.2.

TASK 11 - OPERATIONS SERVICES

SUBTASK 11.1: OPERATIONS

Contractor shall provide Operations Services commencing when Work starts on Subtask 8.3 (System Acceptance Certificate) to work with RR/CC's staff to monitor the System processing in the RR/CC's production environment. Operation Services are specified in Attachment 2-B (Business Requirements) to this Package.

Subtask 11.1 Deliverable:

Provide Operations Services the business process as specified in Attachment 2-B (Business Requirements).

SUBTASK 11.2 ADDITIONAL TRAINING

Contractor shall, at no cost to County, provide additional training as County's Project Director(s) determines to be necessary to adequately train End Users. During the term of the Agreement, additional training may occur if there are significant changes to processing procedures. County anticipates no more than ten (10) End Users to receive additional training. The Contractor shall provide additional in person training within five (5) business days from County request.

Subtask 11.2 Deliverable:

Provide additional in person training classes within five (5) days of County request with same deliverables as listed in Tasks 11.

3. PERIOD OF PERFORMANCE

The Contractor's schedule is comprised of Tasks 1 through 11 specified in this Package. All Tasks shall be performed and accomplished independently. The Contractor shall consult with the County's Project Manager(s) to ascertain and verify the requirements for each Task of the project. The Contractor shall provide all goods, materials, supplies, and services within the specified time determined in Task 1 (Project Planning and Management) and meet all requirements and standards herein specified before any written approval shall be given by the County.

/

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

The System function requirements are as follows. Proposers must provide a response to each of the following requirements utilizing the legend on the last page of this section.

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
1.	System complies to all applicable security standards and guidelines that may be published from time to time by the Association, any Card Issuer, and Card processor or Pin-Based Debit Network rules and regulations including the CISP and PCI Data Security Standard.	A	
2.	System complies with VISA Payment Card Industry: PIN Security Requirements Version 2.0, and PCI POS PIN Entry Device Security Requirements Version 2.0.	A	VitalChek utilizes Ingenico POS equipment. Ingenico has affirmed that II products released after April 1, 2008 will be PCI PED 2.0 compliant. VitalChek will implement PCI PED 2.0 compliant Ingenico POS equipment.
3.	System complies with all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at http://countypolicy.co.la.ca.us/ and (ii) standards attached to the County's RFP as Appendix L.	A	
4.	System encrypts data 256-bit AES when transmitting to Contractor and de-encrypting upon receipt by Contractor.	A	
5.	System encrypts data at 256-bit AES when transmitting from Contractor and de-encrypting upon receipt by intended recipient (i.e. RR/CC).	A	

FUNCTIONAL REQUIREMENTS

LEGEND:

A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
6.	System authorizes and processes payments in accordance with applicable Association Rules Card Issuer rules and regulations, Card processor rules and regulations and Pin-Based Debit Network rules and regulations.	A	
7.	System is operational during RR/CC business hours.	A	
8.	System can generate bar code mailing labels for expedited mail service.	B	VitalChek's agency application and its counter application provide bar code and mailing labels for expedited mail service. The POS terminal does not provide generation of bar codes mailing labels.
9.	System can generate customized reports on any or all Transactions daily, and as needed.	A	
10.	System can calculate amounts due to County or service providers and generate payments via ACH. (Refer to Attachment 2-B, Section 3 and 4)	A	
11.	System retains and makes accessible as needed all Transaction information for the preceding 12 months.	A	
12.	System is protected against malicious software, such as Trojans, worms and viruses. Some software methods for prevention are: including anti-virus software, spam filtering, and spyware/adware blockers.	A	-All VitalChek systems available over the internet are regularly scanned for security vulnerabilities by a third party security firm. -All server software is regularly updated and or patched per vendor recommendations. -All VitalChek servers run regularly updated virus scanning and

FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
- B = Functionality requires customization
- C = Functionality requires third party product(s)
- D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments												
			monitoring software. -Bi-annual, internal, third party security audit reviews are performed against all physical and electronic assets.												
13.	System Transaction roundtrip processing (request, determination and response) authorization time is within seven (7) seconds.	A	<p>VitalChek provides tens of thousands of payment transactions daily and speed and security are of central importance. We utilize a dedicated private line connection between our PCI zone servers and Global Payment, VitalChek's payment processor.</p> <p>Global Payments average response times apply to both credit and debit networks.</p> <table border="1"> <thead> <tr> <th>Line Type</th> <th>Normal Period**</th> <th>Peak Period*</th> </tr> </thead> <tbody> <tr> <td>Lease Line</td> <td>3 seconds</td> <td>5 seconds</td> </tr> <tr> <td>Frame</td> <td>3 seconds</td> <td>5 seconds</td> </tr> <tr> <td>Internet/SSL</td> <td>5 seconds</td> <td>7 seconds</td> </tr> </tbody> </table> <p>*Peak Period means 9 a.m. – 9 p.m. Eastern Time **Normal Period means any time other than a Peak Period</p>	Line Type	Normal Period**	Peak Period*	Lease Line	3 seconds	5 seconds	Frame	3 seconds	5 seconds	Internet/SSL	5 seconds	7 seconds
Line Type	Normal Period**	Peak Period*													
Lease Line	3 seconds	5 seconds													
Frame	3 seconds	5 seconds													
Internet/SSL	5 seconds	7 seconds													
14.	System shall Interface with RR/CC's Point of Sale System as described in Attachment 2-E)	A													
15.	Regardless of Contractor's other customer's processing needs by the System, System must have the ability to handle, at a minimum, 900 Transactions per day for RR/CC while meeting the Specifications.	A													

BUSINESS REQUIREMENTS

SECTION 1 – CARD PROCESSING

1.1 Overview of Card Present Transaction Process:

- Customer places an order at the public service counter with the RR/CC clerk for a recorded document or requests that a document be recorded.
- Customer is advised of total due and requests to pay via Card.
- Clerk informs customer of the Transaction Fee. If expedited mail service is requested, charge is additionally added to the total.
- Clerk obtains Card from customer and swipes Card through Terminal or Customer may swipe Card.
- Clerk instructs customer to enter their PIN number on the remote keypad.
- If customer orders record, RR/CC staff prepare orders for mailing (if expedited mailing option is selected, using packing materials and mailing labels provided by Contractor).
- Contractor arranges for pick up by applicable expedited mail carriers of all orders for which customers selected expedited mailing options.
- Contractor shall remit RR/CC Fees as specified in Paragraph 5.3 in the body of the Agreement.

1.2 Contractor shall provide a System to process in-person Card purchases at the public service counters in accordance with Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and Pin-Based Debit Network rules and regulations.

Without limiting other capabilities described in this Attachment 2-B, this Package and/or elsewhere in the Agreement, the System shall have the capability to:

- Read and transmit the Card information through the Terminal.
- Process request and respond to RR/CC with authorization or decline Card within seven (7) seconds of request.
- Generate an ACH for RR/CC Fees per day, per section in accordance to Paragraph 5.3 in the body of the Agreement.
- Provide daily settlement report to confirm the total amount of RR/CC's Fees for the processed copies of records.
- Store 12 months of Transaction data in active file.
- Maintain five (5) years of archived Transaction data.

BUSINESS REQUIREMENTS

1.3 Data Retention:

Contractor must retain the following information in an encrypted format of 256-bit AES acceptable to RR/CC in readily accessible computerized system for at least 12 months:

- Cardholder Name
- Card authorization code
- Terminal transaction number
- Fee amounts

Contractor shall additionally retain such other information (a) Contractor deems necessary to dispute chargebacks or other Card adjustments and/or (b) as is required to comply with applicable laws, Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and/or and Pin-Based Debit Network rules and regulations.

SECTION 2 - PAYMENT CARD INDUSTRY (PCI) COMPLIANCE

At Contractor's expense, Contractor shall schedule an annual external audit to be conducted by reputable 3rd party audit company to illustrate annual CISP and PCI Data Security Standard compliance. Contractor shall then provide County a letter, no later than 30 days after receipt of audit findings, certifying as to the date of such findings and as to whether it passed or failed. As appropriate, RR/CC is requesting findings from any internal audit or 3rd party including non-County client required audits, hired audit/testing vendors and VISA/MC required audits.

SECTION 3 – DELIVERY SERVICES

Contractor shall be responsible for the expedited mail services of all orders and shall:

- 3.1 Arrange for the expedited mail services to pick up between 2:00 and 4:00 p.m., Pacific Time each business day, at the RR/CC headquarters in Norwalk, CA.
- 3.2 Provide the RR/CC with packing materials and pre-printed delivery labels containing the RR/CC return address and Contractor's third-party billing number for expedited mail service.
- 3.3 Provide the mailing information on bar code label to be used in conjunction with window envelopes. RR/CC requires System generated bar code labels so that RR/CC staff can scan the bar code with Contractor provided bar code reader to capture the information on the out-going order directly into the RR/CC database to close out that particular order.

BUSINESS REQUIREMENTS

- 3.4 Assume full responsibility and guarantee payment of delivery fees to mail service providers on all orders processed through the Contractor's System.

SECTION 4 – FEES AND PAYMENTS

Contractor shall be responsible for the collection of all fees and payments from customers and settlement of RR/CC Fees (refer to Exhibit C) in accordance with Paragraph 5.3 in the body of the Agreement. Contractor shall:

- 4.1 Provide payment Authorization services to customers, pursuant to the Agreement requirements and applicable Association Rules, Card Issuer rules and regulations, Card Issuer rules and regulations, Card processor rules and regulations and Pin-Based Debit Network rules and regulations.
- 4.2 Accept full responsibility for Transaction settlement, inquiries, chargebacks, rejected charges/returns and adjustments for insufficient funds.
- 4.3 Provide daily Transaction reports for daily accounting and reconciliation.
- 4.4 Generate ACH of RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement.
- 4.5 Contractor shall process full and partial refunds (including, without limitation, as described under Section 5.3 of this Attachment 2-B), card credit adjustments, retrieval requests, chargebacks, and refunds within the times required by the Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and Pin-Based Debit Network rules and regulations.

SECTION 5 – COUNTY RESPONSIBILITIES

- 5.1 County will process all requests received from Contractor for which County is able to locate records. All requests for which County is unable to locate records will be referred to appropriate RR/CC section to notify customer.
- 5.2 County will make available for pick up by Contractor's arranged expedited mail courier all located records using Contractor generated mailing label for expedited mail service, if requested by customer.
- 5.3 County will inform Contractor of any errors or necessary adjustments within 24 hours pursuant to mutually agreed upon procedures. For example, if a customer requests three copies of birth certificate and that certificate is not available (sealed due to adoption, etc.) RR/CC keeps the fee equivalent to one copy and the Contractor would need to adjust the remainder. If the person requested expedited mail service, the Contractor would need to adjust credits that portion as well.

BUSINESS REQUIREMENTS

SECTION 6 – CONFIDENTIAL PROTOCOLS

Contractor shall comply with Paragraph 7.7 (Confidentiality) in the body of the Agreement and shall implement confidentiality, security and other related requirements of this Package and elsewhere in the Agreement and the following protocols to ensure customer personal information is kept secure and confidential. County shall seek any remedies provided in this Package and elsewhere in the Agreement, including, but not limited to Paragraph 18.24 (Liquidated Damages) or termination of the Agreement as provided in the Agreement, for Contractor’s failure to comply with related confidentiality and security requirements.

1. Ensure that Servers (authorization and data) and Workstations are sanitized at the end of their useful life. Sanitized as defined herein is the removal of all County or customer data. A record of disposed hardware must be kept for five (5) years after termination or expiration of the Agreement. Contractor shall provide a policy that describes the method of disposition of excess and surplus computer equipment.
2. Ensure the use of software protection against malicious software, such as Trojans, worms and viruses, is in place on all computer equipment. This should include, but is not limited to, anti-virus software, spam filtering, spyware/adware blockers, and a formalized plan for the Update of operating system patches.
3. Ensure that the notification process is documented in the event of security breaches involving confidential and sensitive information.

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SYSTEM SOFTWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 3.

The following is a list, but not limited to, a listing of all System Software in the System. At a minimum, the Software should be as follows. Should Contractor need to change specifications, this can be done with the Agreement of both the Contractor and the County Project Manager(s):

Vital Chek Software:

VPS, the web based reporting software, is an Eclipse Rich Client Platform (RCP) java application built upon the IBM Eclipse component library. VPS RCP is tailored to the role of the authenticated user. For payment services, the VPS RCP will allow authenticated employees to manage orders made through point of sale devices, PaymentChek website and direct keyed entry by a user into VPS. The agency's payment data is stored in a Microsoft SQL Server database which consists of many tables housed at VitalChek. Java Web Start is a standard within the Java virtual machine for remotely bootstrapping java applications via an end users browser. Java Web Start automatically synchronizes java class jars with a server to a client and then starts the application. VPS utilizes Java Web Start to remotely start its VPS Eclipse Rich Client Application.

In normal language, this means that all data is stored in VitalChek databases. A rich client program will be downloaded onto the pc each time someone logs into VPS. The rich client program will securely talk across the internet to retrieve data from the centralized data base and send it back to the PC where the rich client VPS program will grab the data and display it nicely for the end user. Data will not exist on the PC unless an EXPORT DATA process is performed. All communications across the internet are secured with Single Socket Layer (SSL) "256-bit or higher encryption.

SYSTEM HARDWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 2.

The following is a list, but not limited to, a listing of all System Hardware in the System. At a minimum, the Hardware should be as follows. Should Contractor need to change specifications, then this can be done with the Agreement of both the Contractor and the County Project Manager(s):

COMPUTER HARDWARE:

- 61 Ingenico T5100 terminals with PIN pads and receipt printers
- 12 Computer workstations
- 12 Flat panel monitors
- 14 Laser printers (2 as spares)
- 12 Express mail label printers
- 12 Bar code readers

Workstation Class Machine such as: Intel® Core™ 2 Duo Processor E6300 (2MB L2 Cache, 1.86GHz, 1066)
4 GB 513 Dual-Channel DDR27 SDRAM (533MHz, 2 or 4 DIMMs)
300 GB 4 Single Serial ATA Hard Drive

Suggested Configuration:

Video: VGA and 1 S-Video

IEEE 1394 - 1 front-panel 6-pin serial connector

USB: 8 Ports (2 Front, 6 Back) + 1 internal

Audio: Audio – six back-panel connectors for line-in, line-out, microphone, rear surround, side surround,

Additional Jacks: 1 front headphone jack and 1 front / 1 back microphone jack

Network: Integrated Ethernet 10/100 network Interface

SUPPLIES:

- Printer Toner/Ink Cartridges
- Express Courier envelopes, air bills and manifest sheets
- Postage Account with UPS and US Post Office

BAR CODE READER:

Both hand-held and fixed projection

PowerLink user-replaceable cables

Adjustable Stand

Short-range and Long range activation

Flash ROM with Meteor 2 upgrade utility

Supports commonly used Interfaces, including USB

DEBIT CARD TERMINALS:

Proposer shall include the specifications of its proposed Terminals for the required services. County reserves the rights to request changes to the proposed Terminals at time of Agreement negotiations.

POINT OF SALE SYSTEM INTERFACE

The Contractor shall deliver documentation on how the RR/CC's existing Point of Sale System can Interface with Contractor's System. The Interface will, for this Package, be based on a unique identifier number for each Transaction (customer order) passed to the Point of Sale system in order to track back to the original order . The RR/CC System is a SQL 2005 database and custom C# Windows client application that handles all Cashiering functionality. Contractor shall specify the format in which their data is saved and what language it is written in. Contractor shall provide an Application Programming Interface (API) schematic and any data definitions. RR/CC will have the right to review and approve the API and/or format and finalize with the selected Contractor.

RR/CC plans to replace the current IBM mainframe system with a new client/server **xmi-based** system known as LA Vitals System utilizing a Structured Query Language (SQL) backend based system in January 2009.

STATEMENT OF WORK
PACKAGE 3 – OTHER CARD NOT PRESENT TRANSACTIONS

1. SCOPE OF WORK

This Package and all attachments hereto (collectively, this "Package") describes the project information for Other Card Not Present Transactions. County's expectation is that the resultant Contractor must have the capability to process at least 15 Other Card Not Present Transactions per day (estimate is based upon current Other Card Not Present Transaction volume data for Real Property Records via phone and facsimile set forth in Appendix D, Required Forms - Exhibit 11 (Pricing Sheet) to the County's RFP) and meet all service levels set forth in this Package. The number of Other Card Not Present Transactions per day is an expectation and does not guarantee a certain amount of business. During the term of this Agreement, Contractor shall ensure its capacity to process increasing volumes on Other Card Not Present Transactions while maintaining all the service level as specified in this Package.

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under this Package, including accepting and processing the Card payments described in this Package, and shall charge a Transaction Fee to customers under this Package for each Transaction. The County expects that no other amounts will be due and payable to the Contractor for performing the Work under this Package.

Contractor responsibilities with respect to this Package include, but are not limited to: (i) providing a System for accepting Card payment at RR/CC headquarters for Real Property Records ordered taken by RR/CC staff via telephone and fax (Refer to Exhibit P); (ii) providing Operations Services and Maintenance and Support Services as described in this Package; (iii) providing Workstations with dedicated communication/data lines; (iv) arranging for expedited mail services when customers select this option; (v) providing the level of System security described in this Package; (vi) collecting of all fees; (vii) remitting to the County the RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement; (viii) assuming all risk of chargebacks and/or other Card adjustments.

Contractor shall complete and deliver all software, hardware, other goods, maintenance and support services, and related project management to accomplish all of the Tasks set forth in this Package, including completion and delivery of the System for this Package to the County's Project Director(s)'s satisfaction. The System for this Package must operate in accordance with the requirements set forth in Attachments 3-A (Functional Requirements) and Attachment 3-B (Business Requirements) to this Package, the other Specifications, and otherwise with this Agreement. Unless otherwise expressly

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

stated, all Work described in this Package or the Agreement shall be performed by Contractor and Contractor shall be fully responsible for said performance.

Contractor shall use standard RR/CC software set forth below when preparing Deliverables. Contractor shall provide Deliverables, which are to be delivered in a file format, in a format which is importable to the following standard RR/CC software:

- Microsoft Word .doc
- Microsoft Project .mpp
- Microsoft Excel.xls
- Portable Document Format.pdf

2. TASKS AND DELIVERABLES

The following Tasks, and associated subtasks and Deliverables, shall be addressed in the Project Plan prepared pursuant to Task 1:

TASK 1 - PROJECT PLANNING AND MANAGEMENT

SUBTASK 1.1: KICK-OFF MEETING

County will schedule a kickoff meeting with Contractor to occur within seven (7) business days of the Effective Date of the Agreement to discuss and modify as necessary the initial Project Plan provided by Contractor in Section C.3 of Contractor's Proposal.

Subtask 1.1 Deliverable:

Kickoff meeting within seven (7) business days of the Effective Date of the Agreement.

SUBTASK 1.2: REVISED PROJECT PLAN

(a) Contractor shall prepare a Project Plan (the "Plan") which shall be a comprehensive and detailed Plan for the System implementation consistent with this Package that includes the following areas:

- Planning and Direction to include timeline of three (3) months to complete the project
- Staffing and Team Management with roles and responsibilities
- Compliance with Data Security Guidelines
- Incorporating County's business processes, security and technical requirements as stated in this Package

(b) The Plan shall include the following:

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

- 1.) A full organizational chart detailing staff by classification and assignment, including the name of Contractor's Project Manager or alternate management staff that will be assigned full-time to this project. Alternate management staff shall possess at least two (2) years experience in performing similar services. County must have access to Contractor's Project Manager and alternate management staff during normal business hours, Monday through Friday (except legal holidays), 8:00 a.m. to 5:00 p.m., Pacific Time. In addition, provide the escalation procedures and guidelines to be used by the County, as needed.
- 2.) A list of Contractor staff who will be assigned to provide on-site support for the following areas: a) Operations Services; b) Maintenance and Support Services. Include a short description of duties and responsibilities for each staff member.
- 3.) A list of Contractor's milestones, Tasks and subtasks required to successfully complete and deliver on time the System including the System Software, System Hardware and/or Services for this Package. Include a Gantt chart that lists all tasks, start and end dates, responsibilities, assignments, and dependencies. At a minimum, all of the Tasks, subtasks, and Deliverables in this Package, the Agreement, and any Amendments shall be included in the list.
- 4.) A list of Tasks and subtasks to be completed by County as requested by Contractor after review and approval by County's Project Director(s).
- 5.) Without limiting Paragraph 18.37 (Subcontracting) in the body of the Agreement, a list of Subcontractors that will be used by Contractor (including address, phone number, and main contact person) and a short description of services that will be provided by Subcontractor(s).
- 6.) Plan to incorporate County's business processes, security and technical requirements.

Subtask 1.2 Deliverables:

Plan that includes a schedule of individualized tasks, subtasks, and Deliverables, and other resource planning activities as described in Subtask 1.2.

SUBTASK 1.3: FINAL PROJECT PLAN

Contractor shall submit the completed Plan, including attachments defined in this Package, and submit to County within five (5) business days of kickoff meeting.

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OTHER CARD NOT PRESENT TRANSACTIONS**

- (a) County will review the Plan and submit changes to Contractor within three (3) days of receipt. Thereafter, Updates to the Plan based on the weekly reports will be reviewed and approved by County.
- (b) Contractor shall review the changes requested by County and be prepared to reject or approve the changes within 48 hours.
- (c) County shall have final approval of the Plan. County will monitor/oversee Contractor's progress based on the approved Plan.
- (d) Updates to the Plan based on the weekly Project Status Reports delivered under Subtask 1.4 will be reviewed and approved by County and, once approved, will be deemed to be included in the Plan originally approved under this Subtask 1.3.

Subtask 1.3 Deliverable:

Final Project Plan for the implementation of the System.

SUBTASK 1.4: PROJECT MANAGEMENT - IMPLEMENTATION

- 1.4.1 During the implementation process, Contractor shall be required to manage project activities and resources and track project status. This shall include identifying, managing and tracking all issues. Contractor shall report project status on a weekly basis through a Project Status Report. The Project Status Report shall be presented to the County's Project Director(s) and County's Project Manager(s). The report shall cover, at a minimum, project progress against the Plan, plans, and outstanding issues. It shall also include any proposed updates to the Plan.
- 1.4.2 Contractor shall create a System that meets all expectations set forth in this Agreement, including the Specifications. Contractor shall be responsible for each step of the System's implementation process and provide an extensive quality assurance process to ensure quality is being met. RR/CC will assist Contractor's Quality Assurance (QA) team member by reviewing and testing System through each step of the process. Contractor will provide the results to County's Project Director(s) through a Project Status Report on a weekly basis throughout the project implementation. Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week of notification. County's Project Manager(s) may request a meeting as deemed necessary with Contractor's Project Manager. This Subtask is in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) in the Agreement.

**EXHIBIT A – PACKAGE 3
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1.4.3 Contractor shall provide a quality control plan to document the processes, practices and procedures to be used in order to measure the adherence to requirements during implementation. This plan shall be utilized during the implementation process and reviewed on an agreed-upon basis.

Subtask 1.4 Deliverables:

Weekly Project Status Reports that cover project progress against the Plan, plans, outstanding issues and any approved updates to the Plan.

SUBTASK 1.5: PROJECT MANAGEMENT - POST IMPLEMENTATION SUPPORT

Commencing after the implementation process and continuing throughout the remainder of the Term of the Agreement, Contractor shall provide ongoing project management support to include managing and tracking all issues related to Operations Services and Maintenance and Support Services, including any failure of the System, including the System Software, System Hardware and/or Services to perform in accordance with the Specifications, and otherwise with this Agreement.

In addition, Contractor shall be responsible to monitor the quality assurance platform. RR/CC may assist Contractor's Quality Assurance (QA) team to ensure quality is being met by reviewing and testing System. Contractor will provide the results to County's Project Director(s) through a Project Status Report on a monthly basis. Contractor shall notify County's Project Manager(s) within 24 hours of any issues and provide a weekly status report of resolution to include the improvement/corrective action measures taken within one (1) week from notification. County's Project Manager(s) may request a meeting as deemed necessary. This Subtask is in addition to the review, which will be conducted under Paragraph 18.13 (County's Quality Assurance Plan) of the Agreement.

Subtask 1.5 Deliverable:

1.5.1 Monthly Project Status Reports for ongoing project management to report any operational, quality assurance and maintenance and support issues.

1.5.2 Weekly status reports on any issues addressed and resolution provided.

SUBTASK 1.6: QUALITY CONTROL

The Contractor shall be required to establish and utilize a comprehensive quality control plan (the "Control Plan") to assure the County a consistently high level of service throughout the Term of the Agreement. The Control Plan shall be submitted to the County's Project Manager(s) for review. The Control Plan shall include, but not be limited to, the following:

**EXHIBIT A – PACKAGE 3
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- 1.6.1 An inspection system covering all Services listed in the County's RFP, Appendix C, Technical Exhibit 1 (Performance Requirements Summary (PRS) Chart) of the Agreement. It must specify the activities to be inspected on both scheduled or unscheduled basis, frequency of inspections and the title of the individual(s) who will perform the inspection.
- 1.6.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and correction.
- 1.6.3 A method of ensuring uninterrupted service to RR/CC's customers in the event of a strike of the Contractor's employees or any other unusual occurrence (e.g. power loss) which would result in the Contractor being unable to perform the Work.

Subtask 1.6 Deliverable:

Control Plan established to ensure quality and continuity of Service.

TASK 2 - SYSTEM ANALYSIS AND SITE ASSESSMENT

SUBTASK 2.1: FUNCTIONAL ANALYSIS

In this Task, Contractor shall work with RR/CC's staff to review and validate documented requirements as specified in Attachment 3-A (Functional Requirements) and Attachment 3-B (Business Requirements) to this Package. Contractor, for the System implementation shall develop a set of detailed project tasks in two steps. The first step documents, at a high level, the customizations necessary for the System to support RR/CC's business requirements, thereby, defining the project scope. The second step defines the method for completing the functional and technical Tasks to support these requirements.

Contractor shall provide an overview of the System functionality (refer to Attachment 3-A to this Package) and subsequent implementation Tasks.

- (a) Review business processes: Contractor shall conduct meetings with County's Project Manager(s) and subject matter experts to assess business needs, business processes and recommend changes, as needed.
- d) Prototyping sessions: Contractor shall conduct prototyping sessions to demonstrate the capabilities of the proposed System to support the RR/CC's documented business requirements (Attachment 3-B to this Package). Contractor shall map the RR/CC's requirements and business processes to develop scripts for prototyping.

Subtask 2.1 Deliverable:

- 2.1.1 Documentation outlining functional analysis on the customizations for the System including RR/CC's business requirements.
- 2.1.2 A complete prototype of the System that meets all the requirements set forth in the business requirements.

SUBTASK 2.2: TECHNICAL ASSESSMENT

In this task, Contractor shall assess Transaction volumes, and technical platform for implementing the proposed System. This assessment shall be based on the RR/CC's current usage information, Transaction volumes, archival requirements, and growth projections.

Subtask 2.2 Deliverable:

Report on the specifications developed during the Technical Assessment Task. The technical specifications shall include, but not be limited to:

- Schematic drawings to depict the deployment of the technical architecture
- Operations architecture to support:
 - Printing (Ad hoc & Production reports)
 - Security
 - High Availability
 - Data Archiving
 - Backup/Restore
 - Application Development
 - Application Training
 - Application Testing

SUBTASK 2.3: AUTHORIZATION & INTERFACE ASSESSMENT

In this Task, Contractor shall develop the following key Interface strategies to support the System implementation:

- a) System Interface Strategy: Contractor shall analyze the Authorization Server Interface requirements and identify the Interfaces that will be developed for implementation. For each Interface the Deliverable shall address the following areas, where applicable, demonstrating how the Interface will meet the requirements of this Agreement, including Specifications:
 - 1. Transmission details generated from testing.
 - 2. Customer name and card number
 - 3. System results (Acceptance/Rejection)
 - 4. Response times

**EXHIBIT A – PACKAGE 3
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5. Link credit payment transaction to RR/CC Point of Sale System
 6. Testing
- b) Contractor shall analyze how to integrate with RR/CC's existing Point of Sale System (Refer to Attachment 3-E to this Package). Strategy to address, but not be limited to, the following areas where applicable, demonstrating how the Interface will meet the requirements of this Agreement, including Specifications:
- Physical assessment of counter/desk space
 - Communication/data line assessment
 - Interface credit payment transaction to RR/CC's Point Of Sale System
 - Testing

Subtask 2.3 Deliverable:

2.3.1 Key strategy for System to authorize the Cards.

2.3.2 Integration with Point of Sale System.

**TASK 3 - INSTALLATION AND CONFIGURATION FOR SYSTEM SOFTWARE
AND SYSTEM HARDWARE**

SUBTASK 3.1: INSTALLATION OF AUTHORIZATION SERVER

Contractor shall install and support at the RR/CC headquarters facility in Norwalk, CA, an Authorization Server to communicate with Workstations. The Authorization Server will provide an Authorization to proceed or decline the Card payment. Contractor shall also install software to manage said Server, which must be available 24 hours a day, 7 days a week as provided in Attachment 3-B.

The Authorization Server shall be installed and configured using the Contractor's own hardware with installation to take place at a pre-arranged time approved by County, utilizing Contractor's staff with the assistance of RR/CC staff, as approved in advance by County's Project Director(s).

Subtask 3.1 Deliverables:

Install and support Authorization Server which has the functionality to perform in accordance with the Specifications and otherwise with this Agreement.

SUBTASK 3.2: INSTALLATION AND CONFIGURATION OF WORKSTATIONS

Contractor shall install and configure Workstations using the Contractor's own hardware with installation to take place at a pre-arranged time approved by County, utilizing Contractor's staff with the assistance of RR/CC staff, as approved in advance by County's Project Director(s). The Workstations shall be

**EXHIBIT A – PACKAGE 3
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set-up to communicate with Authorization Server, and have the capability to process separately the Card payments, mailing labels for expedited mail service, mail scanner for e-mail notification, summary reports and proof of ACH as required herein.

3.2.1 Workstations shall be installed at designated areas, as follows:

DESIGNATED AREAS:	QUANTITY OF PROCESSING WORKSTATIONS
Real Estate Records Section	3
Call Center Section	3
TOTAL	6

Contractor maybe required to install additional Workstations as the need arises at designated areas specified by County, at no cost, to the County. County will provide a ten day notice.

3.2.2 Workstation Specifications:

- a) Each Workstation will be set-up to include:
 - 1) 24" monitor
 - 2) Network connectivity (with Contractor's network)
 - 3) Local Laser printer
 - 4) System Hardware specifications refer to Attachment 3-D
 - 5) Dedicated communication/data line to connect to Contractor for authorization (This will be negotiated in terms of communication capability between RR/CC and Contractor)

- b) Laser Printers: Contractor shall install laser nine (9) laser printers for printing summary reports, and proof of ACH payment. Printers shall accommodate all on-site printing associated with the Agreement. Contractor shall also provide all consumables, with the exception of paper, required by the printers. Contractor shall keep no less than two (2) spare printers on site, which will ensure less down time and reduce any printing backlog.

- c) Fax Machines: Contractor shall install and support two (2) high speed fax machines to accept orders from customers. Contractor shall provide and maintain the communication line necessary for the fax machine and all consumables, with the exception of paper, required by the fax machine. Contractor shall keep one (1) spare fax machine on site, which will ensure less down time and reduce any order backlog.

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- d) Scanner: Contractor shall install the scanner to scan regular mail receipts that will automatically generate an e-mail notification to the customer advising that the order has been processed and mailed.

Subtask 3.2 Deliverables:

Install and configure Workstations which have the functionality described in Attachment 3-A (Functional Requirements) and Attachment 3-B (Business Requirements), including required consumables, laser printers, fax machines with communication lines, mail scanner to perform in accordance with the Specifications and otherwise with this Agreement.

SUBTASK 3.3: INTERFACE DEVELOPMENT AND INSTALLATION TO POINT OF SALE SYSTEM

Contractor will allow for credit card terminal to Interface with Point of Sale (POS) application developed by RR/CC (see Attachment 3E). The Interface should be standardized and agreed upon by both the Contractor and the Project Director(s) for the RR/CC. The terminal Application Programming Interface (API) will be documented and allow for standard calls by client-server applications.

The Interface shall follow the requirements as set forth under Subtasks 2.1 (Functional Analysis), 2.2 (Technical Assessment) and 2.3 (Authorization & Interface Assessment).

Subtask 3.3 Deliverables:

Complete and document Interface to the RR/CC's existing Point of Sale System, including installaton and configuration to set requirements.

SUBTASK 3.4: DOCUMENTATION

The Contractor shall provide operator's/user's guides and other Documentation for the installation of Authorization Server, Interfaces and Workstations as specified in the other Subtasks to this Task 3.

The Contractor shall provide five (5) electronic copies (PDF format) of the operator user's guide on a CD-R or DVD-R, which may be printed or duplicated by the County as needed.

The Contractor shall provide both updated operator's/user's guide and other System Documentation as specified in Task 3 when revisions are made to any part of the System that materially change the Documentation provided prior to the implementation date of such revisions. Revised Documentation shall be provided to the County prior to any major Updates of the System.

Subtask 3.4 Deliverable:

- 3.4.1 Complete operator's/user's guides and other Documentation for all subtasks under Task 3.0
- 3.4.2 Updated operator's/user's guides and other Documentation.

TASK 4 - SECURITY

SUBTASK 4.1: STANDARDS AND GUIDELINES

Contractor and all Work provided by or on behalf of Contractor shall comply with (a) all applicable data security standards and guidelines that may be published from time to time by the Association, any Card Issuer, or any Card processor including the Cardholder Information Security Program (CISP) and Payment Card Industry (PCI) Data Security Standard and (b) all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by the County's Chief Information Security Officer (CISO) and provided by County's Project Director(s) to Contractor.

Contractor shall be and remain a CISP and PCI certified service provider and be certified by any other Card Issuers, Card processor or Associations that have mandatory security requirements with which Contractor must comply in order to perform the Tasks, Deliverables, goods, Services and other work from time to time under this Agreement. Contractor shall prepare and deliver notification to County within 72 hours of Contractor's notification of decertification, and a corrective action plan on how to mitigate and fix all issues to reinstate certification. Contractor shall implement each corrective action plan within five (5) business days of notification to County.

Subtask 4.1 Deliverables:

- 4.1.1 Certified letter of CISP and PCI prior to System's Acceptance and Certification as specified in Subtask 8.3.
- 4.1.4 Notice within 72 hours of Contractor's decertification and corrective action plan.
- 4.1.5 Corrective action plan within five (5) business days of notification to County.

SUBTASK 4.2: SECURITY RISK AND VULNERABILITY ASSESSMENTS

To validate appropriate security levels, Contractor shall at its own expense, conduct a System security risk and vulnerability assessment and provide a

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written report of assessment. This assessment is comprised of potential vulnerabilities and risks associated with, but are not limited to the web application, database, server(s), data transmission, stored confidential/sensitive data, etc.

Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 3.3, 4.1, 4.2 and 5 of this Package. Contractor will conduct annual security assessments and prepare a written report of such assessment that includes components and devices involved in the processing of a transaction end-to-end, and identification of any potential vulnerabilities and risks. The report(s), at a minimum, should depict the gaps between the current and desired state. Additionally, in connection with each security assessment described above, Contractor shall provide County a letter certifying that the System is CISP and PCI compliant prior to County issuing the Certificate of Completion for Subtask 8.2 (Acceptance Testing) and annually thereafter on the anniversary of the Effective Date.

Subtask 4.2 Deliverables:

- 4.2.1 Conduct a System security risks and vulnerabilities assessment and provide a written report of findings.
- 4.2.2 Provide report within five (5) business days of completion of all of Tasks 3.1, 3.2, 3.3, 4.1, 4.2 and 5 of this Package.
- 4.2.3 Provide annual security assessments and written reports of assessment on the anniversary of Effective Date. The report must include an action plan that addresses the remediation and/or mitigation of all “high-risk” items. The remaining items must be addressed, in terms of the Contractors intention to remediate and/or mitigate, based upon an agreed upon timeframe.
- 4.2.4 Provide a certified letter that System is CISP and PCI compliant to County issuing the Certificate of Completion for Subtask 8.2.
- 4.2.5 Annually thereafter on the anniversary of the Effective Date Contractor shall provide a certified letter that System is CISP and PCI compliant.

SUBTASK 4.3: NOTIFICATION/REPORTS OF SECURITY INCIDENTS

Contractor shall report to County in writing any information security incident within one (1) hour of identification or notification of incident. As used herein, an information security incident means any breach or other incident, which could reasonably compromise the confidentiality, integrity, or availability of any data or other information relating to Cardholders.

**EXHIBIT A – PACKAGE 3
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Contractor shall additionally provide information security incident reports and assessments for all incidents that may potentially affect County. County shall determine if an incident is identified based on criticality, major or minor incident: For major incidents, assessment and notification within two (2) hours and for minor incidents, assessment and notification within twelve (12) hours.

Subtask 4.3 Deliverables:

- 4.3.1 Report security incidents within one (1) hour of information security incident notification/identification to County's Project Manager(s).
- 4.3.2 Provide information security incident reports and assessments of all incidents within timeframe specified to County's Project Manager(s).

TASK 5 - REPORTS

Contractor shall implement System Software to generate reports that include, but are not limited to, Transaction Summary and Transaction Detail by Workstation, Transaction Summary and Transaction Detail by Location, Total fees by date, Response Time for Transactions, and various accounting reports relating to fees collected, number of copies sold, settlement fees, and items ordered including all Transaction information and Card charge date. In addition, Contractor shall provide Ad hoc reports requested by the County within five (5) business days of receiving the request by County's Project Director(s). The Contractor shall work with the County to develop the data element and format of the Ad hoc Reports. Reports will be provided, at no cost, to the County.

Task 5 Deliverables:

- 5.1 Provide System capability to generate various on demand accounting reports.
- 5.2 Provide Ad hoc reports to County within five (5) business days of request.

TASK 6 - OPERATIONAL READINESS ASSESSMENT (Technical)

Contractor shall develop a checklist for verifying the readiness of the technical infrastructure for Work to commence on Subtask 8.3 (System Acceptance Certificate) of this Package. Among other items, this checklist will assist RR/CC's in confirming the availability of:

- Data back-up and recovery procedures
- Operational roles, staffing and job schedules for daily, weekly, and monthly processes
- Production environment set up and sizing
- Technical infrastructure to support System and Services
- Connectivity of Workstations for all End Users

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

- Testing Interface
- Reports tested

Contractor shall assist RR/CC's staff in completing the operational checklist and the corrective actions to achieve readiness as defined in the checklist.

Task 6 Deliverable:

Completed checklist for verifying the readiness of the System's operations and technical infrastructure, and assist RR/CC's staff in completing the operational checklist.

TASK 7 - OPERATIONAL READINESS ASSESSMENT (End User)

Contractor shall develop a checklist for verifying the readiness of the RR/CC's End User community for the Work to commence on Subtask 8.3 (System Acceptance Certificate) of this Package. Among other items, this checklist will assist RR/CC's in confirming the availability of:

- Updated departmental processes, policies and procedures
- Staff trained in accordance with goals in the End User Training Plan
- Established toll free access telephone number and email address for real time technical support staff
- Integration with RR/CC's Point of Sale System

Task 7 Deliverable:

Provide a completed checklist validating the readiness of the System's End User community.

TASK 8 - ACCEPTANCE TESTING AND ACCEPTANCE CERTIFICATION

SUBTASK 8.1: ACCEPTANCE TEST PLAN

County will conduct Acceptance Testing with the assistance of Contractor on (a) System Software, (b) System as a whole and any portion thereof, (c) any County-approved Updates and (d) any County-requested Custom Programming Modifications. County will determine the components and manner of testing at its sole discretion.

RR/CC will use test scripts, developed by County with input from Contractor to test each functional requirement listed in Attachment 3-A (Functional Requirements) and Attachment 3-B (Business Requirements) in each case, to this Package and any other Specifications for System. Each script shall identify the expected results and performance of each function being tested and RR/CC will determine if the function is being executed correctly. Contractor shall assist

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

RR/CC staff in the development and execution of test scripts and provide information to facilitate completion of System Acceptance Testing.

If County decides to conduct Acceptance Testing, County will develop an Acceptance Test Plan with the assistance of Contractor, which will include, but not be limited to, the following steps:

1. Running tests on System Software and System Hardware
2. Running tests on the Authorization Server response time for providing Card Authorization from the Card Issuer.
3. Conducting a full end-to-end System test and certifying readiness of System for County Acceptance.

Subtask 8.1 Deliverables:

If determined by County, assist County in development of an Acceptance Test Plan (identifying anomalies and taking corrective action.

SUBTASK 8.2: ACCEPTANCE TESTING

If County conducts Acceptance Test with assistance of Contractor based on Acceptance Test Plan (identifying anomalies and taking corrective action..

Subtask 8.2 Deliverable:

If determined by County, assist County in conducting Acceptance Testing based on Acceptance Test Plan.

SUBTASK 8.3: SYSTEM ACCEPTANCE CERTIFICATE

System operates in Production Use for ten (10) consecutive days without Deficiencies.

Pursuant to Paragraph 12.0 (System Tests and Acceptance By County) in the body of the Agreement, upon County's Project Director(s)'s determination of System Acceptance as specified in this SOW, County will issue a written Certificate of Completion within 30 days of County's Project Director(s)'s determination.

Subtask 8.3 Deliverables:

Contractor's System must operate in Production Use for ten (10) consecutive days without Deficiencies prior to obtaining Certificate of Completion.

TASK 9 - MAINTENANCE AND SUPPORT SERVICES

Contractor shall provide Maintenance and Support Services commencing when Work starts on Subtask 8.3 (System Acceptance Certificate).

SUBTASK 9.1: MAINTENANCE AND SUPPORT

- 9.1.1 Contractor must correct any Deficiencies, at any level of severity, in the System Software, System Hardware and Services including Workstations with dedicated communication/data lines within 24 hours of notification by RR/CC.
- 9.1.2 Contractor shall provide ongoing maintenance as indicated in Paragraph 8.0 (Maintenance, Updates and Professional Services) of the Agreement.
- 9.1.3 Contractor's Payment processing services must be highly available (99.9%) fully redundant and capable of processing transactions, Monday through Saturday 7:00 a.m. to 8:00 p.m., with the exception of schedule maintenance.
- 9.1.4 Contractor shall provide Transaction roundtrip processing (request, determination and response) Authorization time which does not exceed seven (7) seconds, with high speed connection (DSL or faster). This is limited to functions within the Contractor's control.
- 9.1.5 Contractor shall provide written notification to County of scheduled maintenance and Updates that impact System no less than one (1) calendar week prior to commencement for County approval. County reserves the right to approve or disapprove the maintenance scheduled based on RR/CC business needs. County will not unreasonably withhold approval.
- 9.1.6 Contractor shall perform scheduled maintenance between the hours of midnight and 5 a.m., Pacific Time, as required. Updates are not considered maintenance and as needed, RR/CC will schedule time for such services.
- 9.1.7 Contractor shall provide up-to-date written product Specifications within two (2) business days of every Update and Custom Programming Modification (includes all Contractor's Specifications and other Documentation).
- 9.1.8 Contractor shall back up County data (including Card information) on a quarterly basis on a mutually agreed upon media with Card number limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, and Card

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

processor rules and regulations at interval to maintain System recoverability.

- 9.1.9 Contractor shall provide periodic Updates to System Software as indicated in Paragraph 8.0 (Maintenance, Updates and Professional Services) of the Agreement. Updates may result from new laws mandated by State or Federal statutes. County may also require Custom Programming Modification to System Software to meet internal needs.
- 9.1.10 Contractor shall store at least 12 months of live County data encrypted in 256-bit AES before archiving, and provide County access to archived data via CD-R or media mutually agreed upon with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations.
- 9.1.11 Contractor shall store archived data encrypted in 256-bit AES for at least five (5) years from termination or expiration of Agreement. At end of such time Contractor, at County's sole discretion, and as permissible by Card Issuer, Card processor and Association Rules and applicable law, shall return said data. Any changes to the encryption standard used must be agreed upon by both Contractor and the County's Project Manager(s).
- 9.1.12 Contractor shall make live and archived data available to County upon ten (10) business days of County request for such data on mutually agreed upon media with Card data limited as required by applicable law, Data Security Guidelines and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations.
- 9.1.13 Toll free telephone number to live technical support staff or via e-mail for assistance with any Contractor owned equipment, including computer, printer, fax machine, phone lines, Express courier\regular mail scanner, software, authentication services, Authorization Server, and specific customizations, Monday through Saturday, 7:00 a.m. to 8:00 p.m., Pacific Time.
- 9.1.14 Support services and support management for any software required to connect to remote Workstations located at RR/CC.
- 9.1.15 Notification in writing to County's designated staff regarding unscheduled system outage, component failure, or data loss, no longer than one (1) hour after the incident is identified. RR/CC will determine the severity level of the incident. The response time is as follows:

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

- Critical or serious production problem shall not exceed 30 minutes
- Others shall not exceed 12 hours

In all circumstances, resolution shall be completed within 48 hours after incident is identified.

- 9.1.16 Reply time to support request emails shall not exceed one (1) hour, Monday through Saturday, between the hours of 7:00 a.m. to 8:00 p.m., Pacific Time. Reply e-mails shall not be automatically generated responses, but should provide custom response to question.
- 9.1.17 Provide onsite support to repair System Hardware at RR/CC headquarters and district offices during normal business hours, Monday through Friday 8:00 a.m. to 5:00 p.m., except on County-recognized holidays.

Subtask 9.1 Deliverables:

Contractor shall provide Maintenance and Support Services outlined in Subtask 9.1.

SUBTASK 9.2: CUSTOM PROGRAMMING MODIFICATIONS

As requested by County's Project Director(s), Contractor shall provide Custom Programming Modifications as needed to update System to meet County's evolving business and/or technical requirements. Each Custom Programming Modification shall be provided, at no cost to the County, in accordance with the following procedure:

- 5) For each Custom Programming Modification, the requesting Party, County or Contractor, shall submit a written request, Exhibit N (Custom Programming Modification Request Form) of the Agreement, to the other Party.
- 6) Contractor shall develop a System Design Report which includes:
 - a) Expected implementation duration
 - b) Design specification
 - c) System impact: database, user Interface, training etc.
- 3) Contractor shall submit System Design Report to County for review and approval. Upon approval of the System Design Report by County Project Director(s), Contractor shall develop a Project Plan in accordance with Task 1 – Project Planning and Management.

**EXHIBIT A – PACKAGE 3
OTHER CARD NOT PRESENT TRANSACTIONS**

- 5) At the sole option of County's Project Director(s), each System component shall be subject to Acceptance Testing. Contractor shall assist in developing test plans and conducting Acceptance Tests.

Subtask 9.2 Deliverables:

- 9.2.1 Develop and submit a System Design Report for requested Custom Programming Modification.
- 9.2.2 Develop a Project Plan for the completion of approved Custom Programming Modification.
- 9.2.3 Complete approved Custom Programming Modifications.
- 9.2.5 If required by County's Project Director(s), develop test plans and conduct Acceptance Tests.

TASK 10 - TRAINING

SUBTASK 10.1: END USER TRAINING PLAN AND MATERIALS

Contractor shall develop a Training Needs Assessment to identify the RR/CC's training requirements to support its End Users' roles and responsibilities. Based on this assessment, Contractor shall develop the training plan and materials to conduct End User training. End User training shall support the requirement for the skill levels identified in the training strategy developed during Task 1.

Contractor shall conduct training and supply original training materials including, but not limited to, End User manual and allow RR/CC to reproduce training materials as necessary.

Subtask 10.1 Deliverable:

Training Needs Assessment and a plan and materials for End User training.

SUBTASK 10.2: ON-SITE TRAINING

Contractor shall conduct on-site training classes, at no cost to the County, to include topics as follows:

- System operations
- System Software
- System Hardware
- Other equipment
- Any third party services

Subtask 10.2 Deliverable:

Conduct onsite training classes to include topics indicated in Subtask 10.2,

TASK 11 - OPERATIONS SERVICES

SUBTASK 11.1: OPERATIONS

Contractor shall provide Operations Services commencing when Work starts on Subtask 8.2 to work with RR/CC's staff to monitor the System processing in the RR/CC's production environment. Operation Services are specified in Attachment 3-B (Business Requirements) to this Package.

Subtask 11.1 Deliverable:

Provide Operations Services the business process as specified in Attachment 3-B (Business Requirements)

SUBTASK 11.2: ADDITIONAL TRAINING

Contractor shall, at no cost to County, provide additional training as County's Project Director(s) determines to be necessary to adequately train End Users. During the term of the Agreement, additional training may occur if there are significant changes to processing procedures. County anticipates no more than ten (10) End Users to receive additional training. The Contractor shall provide additional in person training within five (5) business days from request.

Subtask 11.2 Deliverable:

Provide additional in person training classes within five (5) days of County request with same deliverables as listed in Task 10.

3. PERIOD OF PERFORMANCE

The Contractor's schedule is comprised of Tasks 1 through 11 specified in this Package. All Tasks shall be performed and accomplished independently. The Contractor shall consult with the County's Project Manager(s) to ascertain and verify the requirements for each Task of the project. The Contractor shall provide all goods, materials, supplies, and services within the specified time determined in Task 1 (Project Planning and Management) and meet all requirements and standards herein specified before any written approval shall be given by the County.

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FUNCTIONAL REQUIREMENTS

LEGEND:

- A = Functionality available out of the box
- B = Functionality requires customization
- C = Functionality requires third party product(s)
- D = Functionality not available

The System function requirements are as follows. Proposers must provide a response to each of the following requirements utilizing the legend on the last page of this section.

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
1.	System complies to all applicable security standards and guidelines that may be published from time to time by the Association, any Card Issuer, or any Card processor including the CISP and PCI Data Security Standard.	A	
2.	System complies with all applicable County information technology (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at http://countypolicy.co.la.ca.us/ and (ii) standards attached to the County's RFP as Appendix L.	A	
3.	System encrypts data 256-bit AES when transmitting to Contractor and de-encrypting upon receipt by Contractor.	A	
4.	System encrypts data 256-bit AES when transmitting from Contractor and de-encrypting upon receipt by intended recipient (i.e. RR/CC).	A	
5.	System is operational Monday through Saturday between the hours of 7:00 a.m. to 8:00 p.m.	A	
6.	System can generate bar code mailing labels for expedited mail service.	A	
7.	Authorization Server provides Authorization for Card orders submitted by fax, telephone and mail.	A	
8.	System can generate customized reports on any or all Transactions daily and as needed.	A	

FUNCTIONAL REQUIREMENTS**LEGEND:**

- A = Functionality available out of the box
 B = Functionality requires customization
 C = Functionality requires third party product(s)
 D = Functionality not available

Ref. #	SYSTEM FUNCTION	Response Code (A,B,C,D)	Comments
9.	System can calculate amounts due County and service providers and generate payments via ACH. (Refer to Attachment 3-B, Section 3 and 4)	A	
10.	System retains and makes accessible as needed all Transaction information for the preceding 12 months.	A	
11.	System is protected against malicious software, such as Trojans, worms and viruses. Some software methods for prevention are: including anti-virus software, spam filtering, and spyware/adware blockers.	A	
12.	System shall Interface with RR/CC's Point of Sale System as described in Attachment 3-E)	B	VitalChek will work with the County to analyze and gather the requirements necessary to enhance the current system in order to interface with the County's POS System.
13.	System authorizes and processes payments in accordance with applicable Association Rules, Card Issuer rules and regulations, Card Processor rules and regulations	A	
14.	Regardless of Contractor's other customer's processing needs by the System, System must have the ability to handle at a minimum 550 Transactions per day for RR/CC while meeting the Specifications.	A	

BUSINESS REQUIREMENTS

SECTION 1 – CARD PROCESSING

Contractor shall provide Authorization Server and Workstations to process Card payments for orders received over telephone, fax and mail:

Contractor shall generate a daily settlement report to determine the amount of reimbursement of RR/CC's Fees for the orders processed via telephone, fax and mail. Process Authorization and deliver ACH payment once per day, per section through Authorization Server.

1.1 Overview of Business Processing:

1.1.1 Telephone Orders:

- Customer calls into RR/CC office to request copies of Real Property Record and requests to pay by Card.
- RR/CC staff does a cursory search to see if we have the document or if it is available for copies.
- If document is available, staff informs customer of total due.
- If customer request to pay by Card, customer is advised of the Transaction Fee. If customer agrees, staff obtains Card number from the customer over the telephone and confirms order. If expedited mail service is requested, charge is additionally added to the total.
- Staff determines the amount of the order and requests approval through the Authorization Server via the Workstation.
- RR/CC staff prepares order for mailing (if expedited mailing option is selected, using packing materials and mailing labels provided by Contractor).
- RR/CC staff scans the regular mail receipts to generate an e-mail notification to the customer that order has been processed and mailed.
- Contractor arranges for pick up by applicable expedited mail carriers of all orders for which customers selected expedited mailing options.
- Contractor shall remit RR/CC Fees as specified in Paragraph 5.3 in the body of the Agreement.

1.1.2 Fax:

- Customer faxes in request for Real Property Records copies.
- RR/CC staff reviews request or documents for acceptability.
- RR/CC staff determines amount of the order by referencing RR/CC Fees posted on the web page and/or hard copy informational sheets and requests authorization.
- Contractor shall remit RR/CC Fees as specified in Paragraph 5.3 in the body of the Agreement.
- Staff processes the order through the internal system.
- Copies and or recordings are processed through the normal process.

BUSINESS REQUIREMENTS

- RR/CC staff prepare order for mailing (if expedited mailing option is selected, using packing materials and mailing labels provided by Contractor).
- RR/CC staff scans the regular mail receipts to generate an e-mail notification to the customer that order has been processed and mailed.
- Contractor arranges for pick up by applicable expedited mail carriers of all orders for which customers selected expedited mailing options

1.2 Contractor shall provide a System to accept and process Card payment for record orders in accordance with Association Rules, Card Issuer rules and regulations, Card processor rules and regulations. System shall have the capability to:

- Accept and transmit the Card information through the Workstation.
- Process request and respond to RR/CC with authorization or decline Card within seven (7) seconds of request.
- Generate an ACH for RR/CC Fees for all authorized Card Transactions once per day, per section in accordance with Paragraph 5.3 in the body of Agreement.
- Provide daily settlement report to confirm the total amount of RR/CC's Fees for the processed copies of records.
- Store 12 months of Transaction data in active file.
- Maintain five (5) years of archived Transaction data.

1.3 Data Retention:

Contractor must retain the following information in an encrypted format of 256-bit AES acceptable to RR/CC in readily accessible computerized system for at least 12 months:

- Cardholder Name
- Card authorization code
- Terminal transaction number
- Fee amounts

Contractor shall additionally retain such other information (a) as Contractor deems necessary to dispute chargebacks or other Card adjustments and/or (b) as is required to comply with applicable laws, Association Rules, Card Issuer rules and regulations and/or Card processor rules and regulations.

BUSINESS REQUIREMENTS

SECTION 2 - PAYMENT CARD INDUSTRY (PCI) COMPLIANCE

At Contractor's expense, Contractor shall schedule an annual external audit to be conducted by reputable 3rd party audit company to illustrate annual CISP and PCI Data Security Standard compliance. Contractor shall then provide County a letter no later than 30 days after receipt of audit findings, certifying as to the date of such findings and as to whether it passed or failed. As appropriate, RR/CC is requesting findings from any internal audit or 3rd party including non-County client required audits, hired audit/testing vendors and VISA/MC required audits.

SECTION 3 – DELIVERY SERVICES

Contractor shall be responsible for the expedited mail services of all orders and shall:

- 3.1 Arrange for the expedited mail services to pick up between 2:00 and 4:00 PM, Pacific Time, each business day at the RR/CC headquarters in Norwalk, CA.
- 3.2 Provide the RR/CC with packing materials and pre-printed delivery labels containing the RR/CC return address and Contractor's third-party billing number for expedited mail service delivery.
- 3.3 Provide the mailing information on bar code label to be used in conjunction with window envelopes. RR/CC requires System generated bar code labels so that RR/CC staff can scan the bar code with Contractor provided bar code reader to capture the information on the out-going order directly into the RR/CC database to close out that particular order.
- 3.4 Assume full responsibility and guarantee payment of delivery fees to mail service providers on all orders processed through the Contractor's System.

SECTION 4 – FEES AND PAYMENTS

Contractor shall be responsible for the collection of all fees and payments from customers and settlement of RR/CC's Fees (refer to Exhibit C) in accordance with Paragraph 5.3 in the body of the Agreement. Contractor shall:

- 4.1 Provide Card Payment acceptance and payment authorization services to customers, pursuant to the Agreement requirements and applicable Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations
- 4.2 Accept payment for charges from the customer using major credit/charge cards, including Visa, MasterCard, American Express and Discover pursuant to the Agreement requirements and Association Rules, Card Issuer rules and regulations and Card processor rules and regulations.

BUSINESS REQUIREMENTS

- 4.3 Accept full responsibility for Transaction settlement, inquiries, charge backs, rejected charges/returns and adjustments for insufficient funds.
- 4.4 Provide daily Transaction reports for daily accounting and reconciliation.
- 4.5 Generate ACH of RR/CC Fees in accordance with Paragraph 5.3 in the body of the Agreement.
- 4.6 Contractor shall process full and partial refunds (including, without limitation, those described in Section 5.3 of this Attachment 3-B) card credit adjustments, retrieval requests, chargebacks, and refunds within the times required by the Association Rules, Card Issuer rules and regulations and Card processor rules and regulations.

SECTION 5 – COUNTY RESPONSIBILITIES

- 5.1 County will process all requests received from Contractor for which County is able to locate records. All requests for which County is unable to locate records will be referred to appropriate RR/CC section to notify customer.
- 5.2 County will make available for pick up by Contractor's arranged expedited mail courier all located records using Contractor generated mailing label for expedited mail service, if requested by customer.
- 5.3 County will inform Contractor of any errors or necessary credit adjustments within 24 hours pursuant to mutually agreed upon procedures. For example, if a customer requests three copies of birth certificate and that certificate is not available (sealed due to adoption, etc.) RR/CC keeps the fee equivalent to one copy and the Contractor would need to adjust the remainder. If the person requested expedited mail service, the Contractor would need to adjust credits that portion as well.

SECTION 6 – CONFIDENTIAL PROTOCOLS

Contractor shall comply with Paragraph 7.7 (Confidentiality) in the body of the Agreement and shall implement confidentiality, security and other related requirements of this Package and elsewhere in the Agreement and the following protocols to ensure customer personal information is kept secure and confidential. County shall seek any remedies provided in this Package and elsewhere in the Agreement, including, but not limited to Paragraph 18.24 (Liquidated Damages) or termination of the Agreement as provided in the Agreement for Contractor's failure to comply with related confidentiality and security requirements.

BUSINESS REQUIREMENTS

1. Ensure encryption on transmitted and archived data.
2. Ensure that servers (authorization and data) and workstations are sanitized at the end of their useful life. Sanitized as defined herein is the removal of all County or customer data. A record of disposed hardware must be kept for five (5) years after termination or expiration of the Agreement. Contractor shall provide a policy that describes the method of disposition of excess and surplus computer equipment.
3. Ensure the use of software protection against malicious software, such as Trojans, worms and viruses, is in place on all computer equipment. This should include, but is not limited to, anti-virus software, spam filtering, spyware/adware blockers, and a formalized plan for the update of operating system patches.
4. Ensure that the notification process is documented in the event of security breaches involving confidential and sensitive information.

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SYSTEM SOFTWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 3.

The following is a list, but not limited to, a listing of all System Software in the System. At a minimum, the Software should be as follows. Should Contractor need to change specifications, this can be done with the Agreement of both the Contractor and the County Project Manager(s):

Vital Chek Software:

VPS, the web based reporting software, is an Eclipse Rich Client Platform (RCP) java application built upon the IBM Eclipse component library. VPS RCP is tailored to the role of the authenticated user. For payment services, the VPS RCP will allow authenticated employees to manage orders made through point of sale devices, PaymentChek website and direct keyed entry by a user into VPS. The agency's payment data is stored in a Microsoft SQL Server database which consists of many tables housed at VitalChek. Java Web Start is a standard within the Java virtual machine for remotely bootstrapping java applications via an end users browser. Java Web Start automatically synchronizes java class jars with a server to a client and then starts the application. VPS utilizes Java Web Start to remotely start its VPS Eclipse Rich Client Application.

In normal language, this means that all data is stored in VitalChek databases. A rich client program will be downloaded onto the pc each time someone logs into VPS. The rich client program will securely talk across the internet to retrieve data from the centralized data base and send it back to the PC where the rich client VPS program will grab the data and display it nicely for the end user. Data will not exist on the PC unless an EXPORT DATA process is performed. All communications across the internet are secured with Single Socket Layer (SSL) "256-bit or higher encryption.

SYSTEM HARDWARE

The Contractor shall provide all applicable services, software, hardware, equipment, labor, materials, and supplies (except paper) necessary to provide all Work described under Package 1.

The following is a list, but not limited to, a listing of all System Hardware in the System. At a minimum, the Hardware should be as follows. Should Contractor need to change specifications, this can be done with the Agreement of both the Contractor and the County Project Manager(s):

COMPUTER HARDWARE:

- 5 computer workstations
- Flat Panel monitors

Workstation Class Machine such as: Intel® Core™ 2 Duo Processor E6300 (2MB L2 Cache, 1.86GHz, 1066)
4 GB 513 Dual-Channel DDR27 SDRAM (533MHz, 2 or 4 DIMMs)
300 GB 4 Single Serial ATA Hard Drive

Suggested Configuration:

Video: VGA and 1 S-Video

IEEE 1394 - 1 front-panel 6-pin serial connector

USB: 8 Ports (2 Front, 6 Back) + 1 internal

Audio: Audio – six back-panel connectors for line-in, line-out, microphone, rear surround, side surround,

Additional Jacks: 1 front headphone jack and 1 front / 1 back microphone jack

Network: Integrated Ethernet

Integrated 10/100 network Interface

OTHER HARDWARE:

- 4 express mail label printers
- 4 bar code readers
- 6 printers
- 1 fax machine

SUPPLIES:

- Printer Toner/Ink Cartridges
- Fax Toner (Real Estate Office)
- Express Courier envelopes, air bills and manifest sheets
- Postage Account with UPS and US Post Office

BAR CODE READER:

Both hand-held and fixed projection

PowerLink user-replaceable cables

Adjustable Stand

Short-range and Long-range activation

Flash ROM with Meteor 2 upgrade utility

Supports commonly used Interfaces, including USB

AUTHORIZATION SERVER:

- 2 network Authorization server
- DSL/soho telephone connection line

Server-Class Machine such as HP ProLiant ML570 G4 3.4GHz High Performance Rack Server HP ProLiant ML570 G4 High Performance Rack Server

Suggested configuration:

2 Dual-Core 64-bit Intel(r) Xeon(r) Processors 7140M (3.40GHz, 150 Watts, 800MHz FSB, 16MB L3 Cache)

RAID memory (requires 4 memory boards configured alike) 1st memory board 8GB Total REG PC2-3200 (4x2GB)

2-Rank memory Redundant Memory Board 8GB Total REG PC2-3200 (4x2GB)

2-Rank memory HP Smart Array P600/512 controller

3-HP 72GB Hot Plug 2.5 SAS 15,000 rpm Hard Drive Dual 910/1300W hot plug power supplies Redundant hot plug fans HP Dual embedded NC371i Multi-function Gigabit network adapter SlimLine DVD-ROM Drive (8x/24x)

POINT OF SALE SYSTEM INTERFACE

The Contractor shall deliver documentation on how the RR/CC's existing Point of Sale System can Interface with Contractor's System. The Interface will, for this Package, be based on a unique identifier number for each Transaction (customer order) passed to the Point of Sale system in order to track back to the original order. The RR/CC System is a SQL 2005 database and custom C# Windows client application that handles all Cashiering functionality. Contractor shall specify the format in which its data is saved and what language it is written in. Contractor shall provide an Application Programming Interface (API) schematic and any data definitions. RR/CC will have the right to review and approve the API and or format and finalize with the selected Contractor.

RR/CC plans to replace the current IBM mainframe system with a new client/server xml-based system known as LA Vitals System utilizing a Structured Query Language (SQL) backend based system in January 2009.

PRICING MATRIX

PACKAGE 1 (Online Transactions)	
PRICE	
\$0.78	Connectivity Services – Average interchange + assessment + processing fees
\$0.05	Chargebacks - Average based on 2007 actual data (See, Chart C)
\$0.91	Credits – Average based on 2007 actual data (See, Chart C)
\$4.26	Operational and Technology Fees: <ul style="list-style-type: none"> • Hardware/Software and related supplies • Development and QA • 24/7 Technical Support • Upgrades and Maintenance • Communication Lines (phone, fax, DSL) • Banking/Reporting • 24/7 Customer Support • Shipping supplies
\$6.00	TOTAL COST

PACKAGE 2 (Card Present Transactions)	
PRICE	
\$0.71	Connectivity Services – Average interchange + assessment + processing fees
\$1.04	Operational and Technology Fees: <ul style="list-style-type: none"> • Hardware/Software and related supplies • Development and QA • 24/7 Technical Support • Upgrades and Maintenance • Communication Lines (phone, fax, DSL) • Banking/Reporting • Shipping supplies
\$1.75	TOTAL COST

PACKAGE 3 (Other Card Not Present Transactions)	
PRICE	
\$0.71	Connectivity Services – Average interchange + assessment + processing fees
\$1.04	Operational and Technology Fees: <ul style="list-style-type: none"> • Hardware/Software and related supplies • Development and QA • 24/7 Technical Support • Upgrades and Maintenance • Communication Lines (phone, fax, DSL) • Banking/Reporting • Shipping supplies
\$1.75	TOTAL COST

PRICING MATRIX

CHART C – Chargebacks and Credit Calculation 2007		
2007 LA County Net Online Transaction Volume processed by VitalChek	Credits/Voids incurred on behalf of agency	Chargebacks incurred on behalf of agency
74,791	\$67,946.00 \$ 0.91	\$3,521.00 \$ 0.05 Avg. cost per transaction

RR/CC FEES
Informational purposes only

A. RECORDER FEES

Legal Authority References: Government Code (GC); Uniform Commercial Code (UCC); Health and Safety Code (HS); Revenue & Taxation (R&T); Los Angeles County Code (LAC)

RECORDING FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Recording and indexing every instrument, paper or notice required or permitted by law, except deeds subject to DTT	\$9.00	P2, P3
1a	Recording and indexing deeds subject to DTT	\$7.00	P2, P3
1b	Each ADDITIONAL page or fraction of a page	\$3.00	P2, P3
1c	COMBINED documents incorporated on one form	\$9.00 ea Title	P2, P3
1d	MORE THAN nine lines per vertical inch or twenty-two characters per horizontal inch, except directive or explanatory words (penalty print)	\$1.00	P2, P3
1e	ADDITIONAL indexing referenced to previously recorded document	\$1.00	P2, P3
1f	Additional indexing for each group of ten names or portion thereof after the initial group of ten names	\$1.00	P2, P3
2	Recording every release of lien, encumbrance or notice executed by the state or any county, city, district or other political subdivision	\$13.00	P2, P3
2a	Recording a release of lien recorded in ERROR by the state, county, city, district or other political subdivision	NO FEE	P2, P3
3	Notifying property owner of involuntary lien, includes four names at same address	\$9.00	P2, P3
3a	Notifying four additional property owners of involuntary lien	\$2.00	P2, P3
4	Recording and indexing each notice of lien, certificate or notice affecting lien (Federal Tax Lien)	\$9.00	P2, P3
5	Recording bond of notary public; process server; professional photocopier; unlawful detainer assistant	\$9.00	P2, P3
6	Recording Full Releases executed or recorded where there is full satisfaction of the amount due under the lien which is released	\$9.00	P2, P3
7	Recording Full Releases relating to an Agreement to Reimburse a County for public aid	\$13.00	P2, P3
8	Filing any Release of Judgment in favor of a government agency	\$13.00	P2, P3

LEGEND:

- P1 = Online Transaction
- P2 = Card Present Transaction
- P3 = Card Not Present Transaction

RR/CC FEES

Informational purposes only

RECORDING FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
9	Recording and indexing any discharge, certificate of service, certificate of satisfactory service, report of separation or notice of separation for military personnel	NO FEE	P2, P3
10	Filing, indexing and keeping each paper NOT REQUIRED BY LAW to be recorded	\$9.00	P2, P3
11	Legal Manual & Supplement	\$127	P2, P3
12	Photocopies (Miscellaneous)	\$.46 per page	P2, P3

MAP FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Recording or filing and indexing each map wherein land is subdivided in lots, tracts or parcels	\$10.00	P2, P3
1a	Recording or filing and indexing each ADDITIONAL page	\$ 3.00	P2, P3
2	Recorded Maps/Real Estate Records	\$88	P2, P3

FINANCING STATEMENT FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Recording and indexing Financial Statement, an Amendment or a Continuation Statement	\$10 for 1-2 pages \$20 for 3 or more	P2, P3
2	Request for information	\$10	P2, P3

MARRIAGE LICENSE FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Public Marriage License	\$70.00	P2
2	Confidential Marriage License	\$70.00	P2
3	Issuance of Duplicate Marriage License	\$30.00	P2
4	Civil Marriage Ceremony	\$25.00	P2
5	Deputy Commissioner of Civil Marriage	\$35.00	P2, P3

LEGEND:

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P2 = Card Present Transaction

P3 = Card Not Present Transaction

RR/CC FEES
Informational purposes only

VITAL RECORDS FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
*1	Certified copy of Birth Certificate	\$17.00	P1, P2, P3
*2	Certified copy of Marriage Certificate	\$13.00	P1, P2, P3
3	Public Agency Applicant - Birth Certificate - Marriage Certificate	\$10.00 \$9.00	P1, P2, P3
*4	Certified copy of Death Record	\$12.00	P1, P2, P3
5	Amendment to Vital Records one year after day of occurrence.....	\$20.00	P1, P2, P3
*6	Searches for vital records will be made at the same fees listed (includes certified copy of document, if found.....)		P1, P2, P3

COPY, CERTIFICATION AND SEARCH FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
*1	Photographic copy of any record, first page (8-1/2 x 11 inches)	\$6.00	P2, P3
*1a	Each ADDITIONAL page	\$3.00	
*1b	Photographic copy of any page exceeding 11x18 inches	\$1.50	P2, P3
*1c	Each ADDITIONAL page	\$.80	P2, P3
*2	Certificate under Seal	\$1.00	P2, P3
*3	Certified copy of any discharge, certificate of service, certificate of satisfactory service, report of separation or notice of separation for military personnel	NO FEE	P2, P3
*4	Copy of filed Financing Statement, first page	\$1.00	P2, P3
*4a	Each ADDITIONAL page	\$.50	P2, P3
*5	Search for information other than vital records	\$.50 per year	P2, P3

TRANSFER TAX FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Los Angeles County Property Transfer tax	\$.55 per \$500	P2, P3
2	City Documentary Transfer Tax	TAX RATE per \$500	P2, P3
	Culver City	\$2.25	P2, P3
	Los Angeles	\$2.25	P2, P3
	Pomona	\$1.10	P2, P3
	Redondo Beach	\$1.10	P2, P3
	Santa Monica	\$1.50	P2, P3

LEGEND:

- P1 = Online Transaction
- P2 = Card Present Transaction
- P3 = Card Not Present Transaction

REGISTRAR-RECORDER/COUNTY CLERK FEES
Informational purposes only

B. COUNTY CLERK FEES

Legal Authority References: Government Code (GC); Business and Professions Code (B&P); Code of Civil Procedure (CCP); Corporations Code (Corp.C)

FICTITIOUS BUSINESS NAME FILING FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	Fictitious Business Name Statement (includes filing of Affidavit of Publication and one certified copy) (one business name and up to two registrants)	\$23.00	P2, P3
1a	Renewal	\$18.00	P2, P3
1b	Each additional Fictitious Business Name filed on the same statement and doing business at the same location	\$4.00	P2, P3
1c	Each additional partner operating under the same fictitious business name statement	\$4.00	P2, P3
2	Statement of Abandonment from Partnership (includes any filing of Affidavit of Publication)	\$23.00	P2, P3
3	Statement of Withdrawal from Partnership (includes any filing of Affidavit of Publication)	\$23.00	P2, P3
4	Certified copy of any document in items 1, 2 or 3 above	\$2.00	P2, P3
5	Photocopies	\$0.46 per page	P2, P3

MISCELLANEOUS FILING FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	NOTARY Public Bond (Clerk's fee \$16; Recording fee \$9)	\$25.00	P2, P3
2	POWER OF ATTORNEY for an admitted SURETY insurer: a Revocation, Cancellation, Annulment or Suspension of a Certificate	\$15.50	P2, P3
3	PROCESS SERVER Registration (Clerk's fee \$223; Recording fee \$9)	\$232.00	P2, P3
4	PROFESSIONAL PHOTOCOPIER Registration (Clerk's fee \$182; Recording fee \$9)	\$191.00	P2, P3
4a	REGISTERED PROCESS SERVER/PROFESSIONAL PHOTOCOPIER filed at the same time	\$323.00	P2, P3
5	UNLAWFUL DETAINER ASSISTANCE (Clerk's fee \$182) (Recording fee \$9)	\$191.00	P2, P3
6	SURETY Financial Statement	\$15.50	P2, P3
7	SURETY, Certificate of Authority	\$15.50	P2, P3
8	Proof of publication of dissolution of partnership	\$2.25	P2, P3
9	EXEMPLIFICATION FILINGS, Certification of Authenticity	\$20.00	P2, P3
10	AUTHENTICATION FILINGS, Certification of Signature and Seal notary public	\$9.00	P2, P3
11	FILING/NON-FILING CERTIFICATES	\$27	P2, P3
12	LEGAL DOCUMENT ASSISTANT (Clerk's fee \$182, Recording fee \$9)	\$191	P2, P3

LEGEND:

- 1 = Online Transaction
- 2 = Card Present Transaction
- 3 = Card Not Present Transaction

REGISTRAR-RECORDER/COUNTY CLERK FEES
Informational purposes only

CERTIFICATION FEES			
	TYPE OF SERVICE	FEE	APPLICABLE TO
1	SEARCHING records or files (per year searched)	\$5.00	P2, P3
2	Translation Certification	\$1.50 per folio (every 100 words)	P2, P3

LEGEND:
1 = Online Transaction
2 = Card Present Transaction
3 = Card Not Present Transaction

COUNTY'S RFP
(Incorporated by reference)

**CONTRACTOR'S PROPOSAL
(Incorporated by reference)**

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR (Operations):

Name: SHARON A. GONTERMAN
 Title: Assistant Registrar-Recorder/County Clerk
 Address: 12400 Imperial Highway, Room 5013
Norwalk, CA 90650
 Telephone: (562) 462-2073
 Facsimile: (562) 868-5984
 E-Mail Address: sgonterman@rrcc.lacounty.gov

COUNTY PROJECT DIRECTOR (Technical):

Name: MICHAEL PETRUCELLO
 Title: Assistant Registrar-Recorder/County Clerk
 Address: 12400 Imperial Highway, Room 7001
Norwalk, CA 90650
 Telephone: (562) 462-2712
 Facsimile: (562) 863-2354
 E-Mail Address: mpetrucello@rrcc.lacounty.gov

COUNTY PROJECT MANAGER (Operations):

Name: PORTIA SANDERS
 Title: Assistant Division Manager
 Address: 12400 Imperial Highway, Room 5013
Norwalk, CA 90650
 Telephone: (562) 462-2983
 Facsimile: (562) 868-5139
 E-Mail Address: pdsanders@rrcc.lacounty.gov

COUNTY PROJECT MANAGER (Technical):

Name: JAIME PAILMA
 Title: Assistant Division Manager
 Address: 12400 Imperial Highway, Room 6001-C
Norwalk, CA 90650
 Telephone: (562) 462-2252
 Facsimile: (562) 462-2075
 E-Mail Address: jpailma@rrcc.lacounty.gov

COUNTY CONTRACT PROJECT MONITOR:

Name: Marie Ketcheshawno
Title: Administrative Contract Monitor
Address: 12400 Imperial Highway, Room 5203
Norwalk, CA 90650
Telephone: (562) 462-2904
Facsimile: (562) 863-8407
E-Mail Address: mketcheshawno@rrcc.lacounty.gov

CONTRACTOR'S NAME: VITALCHEK NETWORK, INC.

CONTRACT NO: _____

CONTRACTOR'S PROJECT DIRECTOR:

Name: Debra Dumas
Title: Assistant Vice President, Technology
Address: 6 Cadillac Drive, Suite 400
Brentwood, TN 37027
Telephone: 800-669-8313, extension 6809
Facsimile: 866-693-1920
E-Mail Address: ddumas@vitalchek.com

CONTRACTOR'S PROJECT MANAGER:

Name: Shannon Campbell
Title: Project Manager
Address: 6 Cadillac Drive, Suite 400
Brentwood, TN 37027
Telephone: 800-669-8313, extension 6817
Facsimile: 866-693-1920
E-Mail Address: scampbell@vitalchek.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)
(Person(s) authorized to legally bind Agreement)

Name: Jeffrey B. Piefke
Title: Vice-President & General Manager
Address: 6 Cadillac Drive, Suite 400
Brentwood, TN 37027
Telephone: 800-669-8313, extension 6850
Facsimile: 866-693-1920
E-Mail Address: jpiefke@vitalchek.com

Notices to Contractor shall be sent to the following:

Name: Jeffrey B. Piefke
Title: Vice-President & General Manager
Address: 6 Cadillac Drive, Suite 400
Brentwood, TN 37027
Telephone: 800-669-8313, extension 6850
Facsimile: 866-693-1920
E-Mail Address: jpiefke@vitalchek.com

CERTIFICATE OF COMPLETION

(Contractor Name and Address) VITALCHEK NETWORK, INC. One Creekside Crossing, 6 Cadillac Drive, Suite 400, Brentwood, TN 37027		TRANSMITTAL DATE
ACCEPTANCE CERTIFICATE		CONTRACT NUMBER
		TITLE
FROM: _____ Contractor Project Director (Signature Required)	TO: <u>Michael Petrucello, County Project Director</u> Registrar-Recorder/County Clerk	
Contractor hereby certifies to County that as of the date of this Acceptance Certificate, it has satisfied all conditions precedent in the Agreement (referenced by Contract Number above), including the Exhibits thereto, to the completion of the Tasks, subtasks, Deliverables, goods and services set forth below, including satisfaction of the completion in connection with the achievement of such Tasks. Contractor further represents and warrants that the Work performed in respect of such Tasks and Deliverables has been completed in accordance with the Exhibit A (Statement of Work) to the Agreement and otherwise with the Agreement. County's signature below constitutes an acceptance of the Work performed, including Tasks, subtasks, Deliverables, goods and services as listed below.		
TASK DESCRIPTION (including Task and subtask numbers as set forth in the Statement of Work)	DELIVERABLES (including Deliverable numbers as set forth in the Statement of Work)	
Comments:		
Attached hereto is a copy of all supporting documentation required pursuant to the Agreement and Exhibit A (Statement of Work) to the Agreement, including any additional documentation reasonably requested by County.		
<u>County Acceptance:</u>		
NAME _____ County Project Director	SIGNATURE _____	DATE _____

Distribution:

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

AGREEMENT NAME & NUMBER: Records Payment and Processing
System and Related Services

CONTRACTOR/EMPLOYER NAME: VITALCHEK NETWORK, INC.

GENERAL INFORMATION:

Your employer referenced above ("Contractor") has entered into the above-referenced Agreement with the County of Los Angeles ("County") to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality & Assignment of Rights.

EMPLOYEE ACKNOWLEDGEMENT:

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

I understand and agree that I am not an employee of the County for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County by virtue of my performance of Work under and as defined in the above-referenced Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County pursuant to any agreement between any person or entity and the County, including, without limitation, the above-referenced Agreement.

CONFIDENTIALITY AGREEMENT:

I acknowledge that because I may be involved with Work pertaining to services provided by the County and I may have access to confidential data and information of County and/or its constituents, including, without limitation, the Confidential Information defined below. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County, including, without limitation, the Confidential Information. I understand that the County has a legal obligation to protect all such confidential data and information in its possession and that if I am involved in County Work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I must sign this Agreement as a condition of my Work to be provided by Contractor for the County.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing Work pursuant to the above-referenced Agreement between Contractor and the County, including, without limitation, the Confidential Information. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I agree to protect this data and information, including, without limitation, the Confidential Information, against disclosure to any person or entity other than Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me any and all violations of the above-referenced Agreement by myself and/or by any other person of which I become aware. I agree to return all such data and information, including, without limitation, the Confidential Information, to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me upon completion of the above-referenced Agreement, or termination of my employment with Contractor, whichever occurs first.

ASSIGNMENT OF PROPRIETARY RIGHTS:

As used in this document, "Works" means (i) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during my employment with Contractor which relates to the above-referenced Agreement, (ii) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during or after my employment with Contractor which are made through the use of any of Contractor's equipment, facilities, supplies, trade secrets or time, or which result from any work I perform for Contractor, and (iii) any part or aspect of any of the foregoing. "Confidential Information" means all information or material disclosed to or known by me as a consequence of my employment with Contractor, including third party information or information disclosed by County that Contractor treats as confidential, and any information disclosed to or developed by me or embodied in or relating to the Works.

All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonym used in connection with the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office, or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for, and on my behalf and stead, to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This Agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this Agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

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

Signature: William T. Burns Dated: 02, 25, 2009
Print Name: William T. Burns
Print Position: V.P. Strategic Sales

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

AGREEMENT NAME & NUMBER: Records Payment and Processing
System and Related Services

CONTRACTOR/EMPLOYER NAME: VITALCHEK NETWORK, INC.

GENERAL INFORMATION:

Your employer referenced above ("Contractor") has entered into the above-referenced Agreement with the County of Los Angeles ("County") to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality & Assignment of Rights.

EMPLOYEE ACKNOWLEDGEMENT:

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

I understand and agree that I am not an employee of the County for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County by virtue of my performance of Work under and as defined in the above-referenced Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County pursuant to any agreement between any person or entity and the County, including, without limitation, the above-referenced Agreement.

CONFIDENTIALITY AGREEMENT:

I acknowledge that because I may be involved with Work pertaining to services provided by the County and I may have access to confidential data and information of County and/or its constituents, including, without limitation, the Confidential Information defined below. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County, including, without limitation, the Confidential Information. I understand that the County has a legal obligation to protect all such confidential data and information in its possession and that if I am involved in County Work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I must sign this Agreement as a condition of my Work to be provided by Contractor for the County.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing Work pursuant to the above-referenced Agreement between Contractor and the County, including, without limitation, the Confidential Information. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I agree to protect this data and information, including, without limitation, the Confidential Information, against disclosure to any person or entity other than Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me any and all violations of the above-referenced Agreement by myself and/or by any other person of which I become aware. I agree to return all such data and information, including, without limitation, the Confidential Information, to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me upon completion of the above-referenced Agreement, or termination of my employment with Contractor, whichever occurs first.

ASSIGNMENT OF PROPRIETARY RIGHTS:

As used in this document, "Works" means (i) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during my employment with Contractor which relates to the above-referenced Agreement, (ii) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during or after my employment with Contractor which are made through the use of any of Contractor's equipment, facilities, supplies, trade secrets or time, or which result from any work I perform for Contractor, and (iii) any part or aspect of any of the foregoing. "Confidential Information" means all information or material disclosed to or known by me as a consequence of my employment with Contractor, including third party information or information disclosed by County that Contractor treats as confidential, and any information disclosed to or developed by me or embodied in or relating to the Works.

All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonym used in connection with the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office, or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for, and on my behalf and stead, to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This Agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this Agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

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

Signature: Shannon Campbell Dated: 2,25,09

Print Name: Shannon Campbell

Print Position: Project Manager

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

AGREEMENT NAME & NUMBER: Records Payment and Processing
System and Related Services

CONTRACTOR/EMPLOYER NAME: VITALCHEK NETWORK, INC.

GENERAL INFORMATION:

Your employer referenced above ("Contractor") has entered into the above-referenced Agreement with the County of Los Angeles ("County") to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality & Assignment of Rights.

EMPLOYEE ACKNOWLEDGEMENT:

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

I understand and agree that I am not an employee of the County for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County by virtue of my performance of Work under and as defined in the above-referenced Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County pursuant to any agreement between any person or entity and the County, including, without limitation, the above-referenced Agreement.

CONFIDENTIALITY AGREEMENT:

I acknowledge that because I may be involved with Work pertaining to services provided by the County and I may have access to confidential data and information of County and/or its constituents, including, without limitation, the Confidential Information defined below. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County, including, without limitation, the Confidential Information. I understand that the County has a legal obligation to protect all such confidential data and information in its possession and that if I am involved in County Work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I must sign this Agreement as a condition of my Work to be provided by Contractor for the County.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing Work pursuant to the above-referenced Agreement between Contractor and the County, including, without limitation, the Confidential Information. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I agree to protect this data and information, including, without limitation, the Confidential Information, against disclosure to any person or entity other than Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me any and all violations of the above-referenced Agreement by myself and/or by any other person of which I become aware. I agree to return all such data and information, including, without limitation, the Confidential Information, to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me upon completion of the above-referenced Agreement, or termination of my employment with Contractor, whichever occurs first.

ASSIGNMENT OF PROPRIETARY RIGHTS:

As used in this document, "Works" means (i) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during my employment with Contractor which relates to the above-referenced Agreement, (ii) any inventions, trade secrets, ideas, original works of authorship or Confidential Information that I conceive, develop, discover or make in whole or in part during or after my employment with Contractor which are made through the use of any of Contractor's equipment, facilities, supplies, trade secrets or time, or which result from any work I perform for Contractor, and (iii) any part or aspect of any of the foregoing. "Confidential Information" means all information or material disclosed to or known by me as a consequence of my employment with Contractor, including third party information or information disclosed by County that Contractor treats as confidential, and any information disclosed to or developed by me or embodied in or relating to the Works.

All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonym used in connection with the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office, or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for, and on my behalf and stead, to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This Agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this Agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

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(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

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

Signature:

Sherry Campbell

Dated:

2/25/09

Print Name:

Sherry Campbell

Print Position:

Sales Analyst

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

AGREEMENT NAME & NUMBER: Records Payment and Processing
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I understand and agree that I am not an employee of the County for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County by virtue of my performance of Work under and as defined in the above-referenced Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County pursuant to any agreement between any person or entity and the County, including, without limitation, the above-referenced Agreement.

CONFIDENTIALITY AGREEMENT:

I acknowledge that because I may be involved with Work pertaining to services provided by the County and I may have access to confidential data and information of County and/or its constituents, including, without limitation, the Confidential Information defined below. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County, including, without limitation, the Confidential Information. I understand that the County has a legal obligation to protect all such confidential data and information in its possession and that if I am involved in County Work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I must sign this Agreement as a condition of my Work to be provided by Contractor for the County.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing Work pursuant to the above-referenced Agreement between Contractor and the County, including, without limitation, the Confidential Information. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I agree to protect this data and information, including, without limitation, the Confidential Information, against disclosure to any person or entity other than Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me any and all violations of the above-referenced Agreement by myself and/or by any other person of which I become aware. I agree to return all such data and information, including, without limitation, the Confidential Information, to my immediate supervisor or such other responsible member of Contractor's staff as Contractor designates to me upon completion of the above-referenced Agreement, or termination of my employment with Contractor, whichever occurs first.

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All Works shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Works shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Works are determined not to constitute "works made for hire," or if any rights in the Works do not accrue to Contractor as a work made for hire, I irrevocably assign and transfer to Contractor to the maximum extent permitted by law all right, title and interest in the Works, including but not limited to all copyrights, patents, trade secret rights, and other proprietary rights in or relating to the Works. Without limiting the foregoing, I irrevocably assign and transfer to Contractor all economic rights to the Works, including without limitation the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey and otherwise exploit the Works.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonym used in connection with the Works.

I expressly approve any and all modifications, uses, publications and other exploitation of the Works that Contractor or any successor or transferee of Contractor may elect to make, and I expressly agree that no such modifications, uses, publications or exploitations will or may cause harm to my honor or reputation, or will be deemed to constitute a distortion or mutilation of the Works.

I agree to provide any assistance reasonably requested by Contractor, now and in the future, to obtain United States or foreign letters patent and copyright registrations covering inventions and original works of authorship belonging or assigned to Contractor. I shall execute any transfers of ownership of letters patent or assignments of copyrights or other proprietary rights transferred or assigned hereunder (including short form assignments intended for recording with the U.S. Copyright Office, the U.S. Patent and Trademark Office, or any other entity). If Contractor is unable for any reason whatsoever, including my mental or physical incapacity, to secure my signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations or on any document transferring or assigning any patent, copyright or other proprietary right that I am obligated to transfer or assign, I irrevocably designate and appoint Contractor and its duly authorized officers and agents as my agent and attorney in fact, to act for, and on my behalf and stead, to execute and file any such applications and documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations or transfers or assignments thereof or of any other proprietary rights with the same legal force and effect as if executed by me. This appointment is coupled with an interest and is irrevocable.

This Agreement shall be construed in accordance with the provisions of Section 2870 of the California Labor Code (the text of which follows) relating to inventions made by an employee. Accordingly, this Agreement is not intended and shall not be interpreted to assign to or vest in Contractor any of my rights in any inventions developed entirely on my own time without using Contractor's equipment, supplies, facilities, or trade secret information, except for those inventions that either relate at the time of conception or reduction to practice of the invention to Contractor's business or the actual or demonstrably anticipated research or development of Contractor, or result from any work I performed for Contractor.

**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY & ASSIGNMENT OF RIGHTS**

California Labor Code Section 2870. Employment Agreements; Assignment of Rights

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(1) Relate at the time of conception or reduction to practice of the invention to the employer's business or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

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

Signature:

Connie K Fain

Dated:

02/25/09

Print Name:

Connie K. Fain

Print Position:

Project Manager

CONTRACTOR'S EEO CERTIFICATION

~~APPENDIX D~~

REQUIRED FORMS - EXHIBIT 8
PROPOSER/CONTRACTOR EEO CERTIFICATION

VitalChek Network, Inc.
Company Name

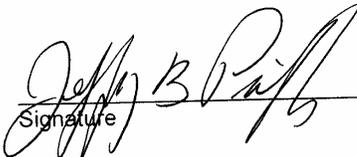
6 Cadillac Dr., Suite 400; Brentwood, TN 37027
Address

62-1365614
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Proposer certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Proposer has written policy statement prohibiting discrimination in all phases of employment.	(x)	()
2. Proposer periodically conducts a self analysis or utilization analysis of its work force.	(x)	()
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	(x)	()
4. When problem areas are identified in employment practices, Proposer has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	(x)	()


Signature

4/23/08
DATE

Jeffrey B. Piefke, Vice President and General Manager
Name and Title of Signer (please print)

EEO CERTIFICATION

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

EXHIBIT L

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



In Los Angeles County: 1-877-BABY SAFE • 1-877-325-8723

www.baby-safe.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4088.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have legal custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public restrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's name and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The nurse was given a bracelet with a number matching the ankle placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The nurse was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



En el Condado de Los Ángeles • 1-877-BABY SAFE • 1-877-222-8723

www.baby-safe.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no es necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizan bromuros para poder vincularlo. El bebé llevará un bromuro y el padre/madre o el adulto que lo entregó recibirá un bromuro igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambian de opinión pueden comenzar el proceso de recuperar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4008.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen *custodia legal*.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, los 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de acabar con los problemas médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde están bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregó al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en las veredas o en basuras públicas. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque sentían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un bromuro con un número que coincidía con la palma del bebé, pero se volvió como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del periodo de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre le llamaría y lo recibiría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



EXHIBIT M

NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT (IRS NOTICE 1015)



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2007)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2007 are less than \$39,783 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2008.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at www.irs.gov or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2007 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2007 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2007 and owes no tax but is eligible for a credit of \$825, he or she must file a 2007 tax return to get the \$825 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2008 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015 (Rev. 12-2007)
Cat. No. 206901

EXHIBIT N
LOS ANGELES COUNTY
REGISTRAR-RECORDER/COUNTY CLERK

Custom Programming Modification Request

This document is used to request and document a baseline/custom programming modification and database table updates.

Date _____

Module _____

Requester's Name _____

Phone: _____

Contact Person _____

Modification Type

- Enhancement
- Design Clarification
- Other _____

Modification Description *(Attach other pages if necessary)*

Comments

Modification Approval

--	--	--

Project Director

Signature

Date

--	--	--

Project Manager

Signature

Date

Contractor Approval

--	--	--

Project Director

Signature

Date

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
 FOR RECORDS PAYMENT PROCESSING SYSTEM AND RELATED SERVICES

This PRS Chart relates to the Agreement for Records Payment and Processing System and Related Services (together with all exhibits thereto, "Agreement"). Capitalized terms used in this PRS Chart without definition have the meanings given to such terms in the Agreement. The remedies set forth in this PRS Chart shall not, in any manner, restrict or limit the County's right to damages for any breach of this Agreement provided by law and shall not, in any manner, restrict or limit the County's right to terminate this Agreement as described in the body of the Agreement.

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
AGREEMENT: Paragraph 7.0 (Administration of Agreement-Contractor), Paragraph, 7.1 (Contractor's Project Manager)	Contractor shall notify the County in writing of any change in name or address of the Project Manager(s).	Inspection & Observation	\$50 per occurrence
AGREEMENT: Paragraph 18.0 (Standard Terms & Conditions), Paragraph 18.35 (Record Retention & Inspection/Audit Settlement)	Contractor to maintain all required documents as specified in Paragraph 18.35.	Inspection of files	\$10,000 per occurrence or the maximum fine assessed by any applicable Card Issuer, Association or PIN Debit Network, plus refund of any other damages or loss of any kind or nature sustained.
SOW: Appendix B, Task 4 (Security) Packages 1, 2, 3: Subtask 4.1 (Standards & Guidelines)	Contractor to remain a CISP and PCI certified service provider and if necessary provide within 72 hours notification of decertification with a corrective action plan.	-Annual 3 rd party PCI security audit assessment report -Quarterly Contractor self reporting to include status of security compliance -County observation of compliance to security certification from Associations.	\$10,000 per every 30 days until recertification obtained or the maximum fine assessed by any applicable Card Issuer, Association or PIN Debit Network, plus refund of any other damages or loss of any kind or nature sustained during then non-certification period.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
FOR RECORDS PAYMENT PROCESSING SYSTEM AND RELATED SERVICES

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Appendix B, Task 4 (Security), <i>Package 1: Subtask 4.2 (File Transfer)</i>	Contractor maintains minimum of File Transfer Protocol file encryption of 256-bit AES and transactions are protected by public-key encryption utilizing Secure Socket Layer Internet Security Protocol.	- Upon County's request Contractor shall provide evidence of Contractor's ability to decrypt file available. -County observation of maintenance of 256-bit AES SSL encryption	Suspend Contractor's services and \$10,000 per business day until service level restored.
SOW: Appendix B, Task 4 (Security), <i>Package 1: Subtask 4.2 (File Transfer)</i>	Contractor to maintain SSL certificate for all Contractor hosted applications and all County hosted or housed applications which are maintained by Contractor.	-Evidence of certificates upon County's request -County's inspection & observation	\$10,000 per each business day that digital certificate not produced.
SOW: Appendix B, Task 4 (Security), <i>Package 1: Subtask 4.4 (Notification/ Reports of Security Incidents)</i> <i>Packages 2, 3: Subtasks 4.3 (Notification /Reports of Security Incidents)</i>	Contractor provides written security incident reports and assessments of all incidents within timeframe specified in each Package.	Inspection & Observation	\$1,000 per occurrence.
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1, 2, 3: Subtask 9.1.1</i>	Contractor corrects Deficiencies within timeframe specified in each Package.	Inspection & Observation	\$1,000 per occurrence.
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1: Subtask 9.1.3</i>	Contractor shall maintain the Payment processing services at a highly available (99.9%) fully redundant and capable of processing transactions 24 hours per day, 365/366 days a year, with the exception of schedule maintenance.	-Contractor provides self reporting, which provides System, processor & application utilization statistics. -County observation of production card processing transaction System uptime.	\$10,000 per occurrence.
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 2, 3: Subtask 9.1.3</i>	Contractor shall maintain the Payment processing services at a highly available (99.9%) fully redundant and capable of processing transactions during business hours Monday through Friday 7:00 a.m. to 8:00 p.m., with the exception of schedule maintenance.	-Contractor provides self reporting, which provides System, processor & application utilization statistics. -County Observation of production card processing transaction System uptime.	\$10,000 per occurrence.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
 FOR RECORDS PAYMENT PROCESSING SYSTEM AND RELATED SERVICES

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1, 2, 3: Subtask 9.1.4</i>	Contractor shall provide Transaction roundtrip processing Authorization time which does not exceed seven (7) seconds response time as specified in each Package.	-Contractor shall provide self reporting to include Transaction roundtrips. -County observation of Transaction roundtrips	Failure to correct deficiencies and to sustain compliance, at County's sole discretion, would result in termination.
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1, 2, 3: Subtask 9.1.5</i>	Contractor shall provide written notification to County of scheduled maintenance and Updates that impact System no less than one (1) calendar week. County reserves the right to approve or disapprove the maintenance scheduled based on RR/CC business needs.	Inspection & Observation	Delayed schedule maintenance & updates at Contractor's sole expense
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1, 2, 3: Subtask 9.1.6</i>	Contractor shall perform scheduled maintenance between the hours specified in each Package.	Inspection & Observation	Delayed schedule maintenance & updates at Contractor's sole expense.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
FOR RECORDS PAYMENT PROCESSING SYSTEM AND RELATED SERVICES

<p>SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1 & 2: Subtask 9.1.9</i> <i>Package 3: Subtask 9.1.7</i></p>	<p>Contractor shall provide up-to-date written product Specifications within 2 business days of every Update and Custom Programming Modification.</p>	<p>Inspection & Observation</p>	<p>1,000 per day occurrence.</p>
<p>SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1 & 2: Subtask 9.1.11</i> <i>Package 3: Subtask 9.1.8</i></p>	<p>Contractor shall back up County data (including digital documents as well as order information) on a quarterly basis on a mutually agreed upon media with Card number limited as required by applicable law, Data Security Guidelines, and other Association Rules, Card Issuer rules and regulations, and Card processor rules and regulations at interval to maintain System recoverability.</p>	<p>Inspection & Observation</p>	<p>\$100,000 per occurrence where requested data cannot be located an any resulting damage and/or loss of any kind or nature as determined by County..</p>
<p>SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1 & 2: Subtask 9.1.12</i> <i>Package 3: Subtask 9.1.10</i></p>	<p>Contractor shall store at least 12 months of live County data encrypted in 256-bit AES before archiving and provide County access of archived data.</p>	<p>Inspection & Observation</p>	<p>\$100,000 per occurrence where requested data cannot be located an any resulting damage and/or loss of any kind or nature as determined by County..</p>
<p>SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1 & 2: Subtask 9.1.15</i> <i>Package 3: Subtask 9.1.12</i></p>	<p>Contractor shall make live and archived data available to County upon 10 business days of County request for such data.</p>	<p>Inspection & Observation</p>	<p>\$1,000 per day where requested data cannot be located an any resulting damage and/or loss of any kind or nature as determined by County..</p>
<p>SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Packages 1 & 2: Subtask 9.1.15</i> <i>Package 3: Subtask 9.1.13</i></p>	<p>Toll free access telephone number to real time technical support staff or via e-mail for assistance with any Contractor owned equipment, including, but not limited to, computer, printer, fax machine, Express courier\regular mail scanner, software, authentication server, phone lines, and specific customizations during normal business hours 8:00 a.m. to 5:00 p.m., Monday through Friday, Pacific Time.</p>	<p>Inspection & Observation</p>	<p>\$1,000 per day RR/CC is unable to process work due to downtime.</p>

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
FOR RECORDS PAYMENT PROCESSING SYSTEM AND RELATED SERVICES

SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Package 1: Subtask 9.1.18</i> <i>Package 2: Subtask 9.1.17</i> <i>Package 3: Subtask 9.1.15</i>	Notification to County designated staff regarding unscheduled system outage, component failure, or data loss no longer than one (1) hour after the incident is identified and comply with the average wait time as specified for each Package with a Resolution within 48 hours after incident is identified.	Inspection & Observation	\$1,000 per day RR/CC is unable to process work due to downtime.
SOW: Appendix B, Task 9 (Maintenance and Support Services) <i>Package 1: Subtask 9.1.19</i> <i>Package 2: Subtask 9.1.18</i> <i>Package 3: Subtask 9.1.16</i>	Reply time to support request emails shall not exceed one (1) hour, Monday through Friday, between the hours of 8:00 a.m. – 5:00 p.m., Pacific Time. Reply e-mails shall not be automatically generated responses, but should provide custom response to question.	Inspection & Observation	\$1,000 per day RR/CC is unable to process work due to downtime.
SOW: Appendix B, Task 11 (Operations Services) <i>Packages 1, 2, 3: Subtask 11.2 (Additional Training)</i>	Contractor provides additional training within the five business days of request.	Inspection & Observation	\$1,000 per day until training is provided
SOW: Appendix B, Attachment 1-A, 2-A, 3-A (Functional Requirements)	Contractor complies with all functional requirements as specified in Attachment A to each Package.	Inspection & Observation	\$10,000 per occurrence
SOW: Appendix B, Attachment 1-B, 2-B, 3-B (Business Requirements)	Contractor complies with all the business requirements as specified in Attachment B to each Package.	Inspection & Observation	\$10,000 per occurrence

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FOR PACKAGE 2 – OTHER CARD PRESENT TRANSACTIONS:

**REGISTRAR RECORDER/COUNTY CLERK
OFFICE LOCATIONS**

NORWALK HEADQUARTERS:

12400 Imperial Highway
Norwalk, CA 90650

DISTRICT OFFICES:

BEVERLY HILLS

9355 Burton Way, First Floor
Beverly Hills, CA 90210

EAST LOS ANGELES

4716 East Cesar E. Chavez Avenue
Los Angeles, CA 90022

FLORENCE/FIRESTONE

7807 S. Compton Avenue, Room 215
Los Angeles, CA 90001

LANCASTER

1028 W. Avenue J2
Lancaster, CA 93534

LAX COURTHOUSE

11701 S. La Cienega Blvd., 6th Floor
Los Angeles, CA 90045

VAN NUYS

14340 West Sylvan Street
Van Nuys, CA 91401

FOR PACKAGE 3 - OTHER CARD NOT PRESENT TRANSACTIONS:

**REGISTRAR RECORDER/COUNTY CLERK
HEADQUARTER OFFICE**

NORWALK HEADQUARTERS:

12400 Imperial Highway
Norwalk, CA 90650

GLOBAL PAYMENTS DIRECT SUBCONTRACT

See Attached

AGREEMENT REGARDING SUBCONTRACTED SERVICES

THIS AGREEMENT REGARDING SUBCONTRACTED SERVICES, dated as of February 19, 2009 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms and conditions hereof, this "Agreement"), is entered into between VitalChek Network, Inc., a Tennessee corporation ("VCN"), and Global Payments Direct, Inc., a New York corporation ("GPD"), and is made in reference to that certain Los Angeles County Agreement # co 021709-1, for Records Payment and Processing System and Related Services (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms and conditions thereof, the "Prime Agreement"), between VCN and the County of Los Angeles ("County"). Capitalized terms used herein (including in this introductory paragraph) without definition have the meanings given to such terms in the Prime Agreement.

WHEREAS, County and VCN have entered into the Prime Agreement pursuant to which VCN, in its capacity as "Contractor" thereunder, will provide certain Work under and as defined in the Prime Agreement;

WHEREAS, VCN desires to engage GPD to provide a subset of such Work, the scope of which Work is further described in the attached Exhibit B (Subcontracted Scope of Work) as the same may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms and conditions hereof; and

WHEREAS, VCN and GPD desire to set forth below the terms and conditions under which GPD will perform the Work described in the attached Exhibit B and to make County a third party beneficiary of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, VCN and GPD agree as follows:

1. Incorporation Terms and Conditions of the Prime Agreement. VCN and GPD agree that, to the extent of and with respect to GPD performance of the Work described in the attached Exhibit B ("Subcontracted Work"):

(a) With respect solely to those terms and conditions of the Prime Agreement referenced in the attached Exhibit A, VCN and GPD agree to be bound by such terms and conditions as if GPD were the "Contractor" under the Prime Agreement and VCN were "County" under the Prime Agreement, such terms and conditions of the Prime Agreement identified in Exhibit A being incorporated by this reference as if set forth herein; and

(b) With respect solely to those terms and conditions of the Prime Agreement referenced in the attached Exhibit A, GPD further agrees, to be bound by such terms and conditions directly to County as if GPD were the "Contractor" under the Prime Agreement.

Except with respect to the exceptions set forth in Section 1(a) above, in the event of any conflict or inconsistency between the terms and conditions of (A) the Prime Agreement or any exhibit, schedule, attachment or appendix thereto and (B) the attached Exhibit B, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Prime Agreement and any exhibits, schedules, or appendices thereto, and then to the terms and conditions of the attached Exhibit B.

2. Agreement Regarding Subcontracted Work. GPD agrees to provide the Subcontracted Work to County on behalf of VCN in accordance with the terms and conditions of this Agreement. GPD acknowledges and agrees that it shall be solely liable and responsible for any and all of its taxes, payments and compensation due, including compensation to its employees and agents, arising out of GPD's performance of the Subcontracted Work. The fees payable by VCN to GPD for such Subcontracted Work shall be set forth in a separate agreement between VCN and GPD.

3. County as Third Party Beneficiary. VCN and GPD understand and agree that this Agreement is entered into for the benefit of County and that County expressly is made a third party beneficiary of this Agreement. Accordingly, at any time and from time to time, County may compel VCN to enforce against GPD and on County's behalf, any and all rights and remedies VCN may have with respect to GPD's breach of this Agreement.

4. Representations and Warranties. Each of VCN and GPD represents and warrants to the other party (and to County as third party beneficiary under this Agreement) that this Agreement has been duly authorized, executed, and delivered by such party, and that such party has all necessary corporate power and authority to enter into this Agreement and to perform its respective obligations under this Agreement. Each party additionally represents and warrants to the other party (and to County as third party beneficiary under this Agreement) that this Agreement constitutes a legal, valid, and binding obligation of such party, enforceable against such party in accordance with its terms.

5. Amendments. Notwithstanding anything to the contrary in this Agreement, no amendment, modification, termination or waiver of any provision of this Agreement (including the exhibits attached hereto) shall be effective unless the same shall be in writing, signed by VCN and GPD, and acknowledged by County.

6. Assignment. Neither party may assign its rights and obligations under this Agreement (including the exhibits attached hereto) without prior written consent of the other party and prior written acknowledgement of County, provided that GPD may assign its rights and obligations under this Agreement without prior written consent to a subsidiary or affiliate or pursuant to a sale of all or substantially all of GPD's assets. In the event GPD shall assign its rights or obligations without VCN's prior written consent, VCN's sole remedy shall be terminate this Agreement, which VCN may exercise immediately upon notice to GPD.

7. Effect on Prime Agreement. With respect to the County's rights as a third party beneficiary under this Agreement, this Agreement, together with any and all exhibits hereto and

including all provisions of the Prime Agreement set forth in Exhibit A and incorporated by reference herein, constitutes the complete and exclusive statement of understanding between the parties and supersedes all previous agreements, written or oral, and all communications directly relating to the subject matter of this agreement. For purposes of clarification, (a) any separate agreement between VCN and GPD may not directly or indirectly limit the rights of (i) the County, as a third party beneficiary of this Agreement, under this Agreement or (ii) the County as a party to the Prime Agreement, and (b) as between GPD and VCN, without limiting County's rights as a third party beneficiary, nothing in this Agreement shall be construed to limit or otherwise affect the relationship between GPD and VCN or any other agreements which may exist between GPD and VCN.

8. Counterparts. This Agreement may be executed in any number of original or facsimile counterparts, each of which when taken together shall constitute an original.

9. Governing Law. This Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the state of California applicable to agreements made and to be performed within that state.

10. Replacement of Subcontractor. GPD acknowledges and agrees that VCN shall have the discretion to choose another provider for the Subcontracted Work (including, but not limited to, itself or an affiliated company) by obtaining the County's consent under Paragraph 18.37 of the Prime Agreement. Upon VCN's receipt of County's consent and execution of a subcontract with the replacement provider this Agreement shall terminate, unless a later termination date is otherwise identified in a notice from VCN. GPD may terminate this Agreement on ninety (90) days prior written notice to VCN.

11. Relationship. GPD and VCN shall act as independent contractors for all purposes under this Agreement. Nothing contained herein shall be deemed to constitute either party as an agent or representative of the other party, or both parties as joint venturers or partners for any purposes. GPD shall not be responsible for the acts or omissions of VCN under this Agreement or the Prime Agreement. Notwithstanding the foregoing, nothing in this Section 11 shall be construed to limit the County's rights as against VCN under the Prime Agreement.

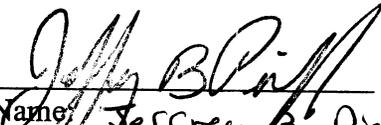
12. Entire Agreement. Nothing contained herein shall be construed as amending or modifying in any fashion any term or condition set forth in the Prime Agreement or any exhibit, schedule, attachment or appendix thereto. VCN expressly ratifies and affirms its rights and obligations under the Prime Agreement. GPD expressly acknowledges and agrees that, notwithstanding anything to the contrary in this Agreement, the Prime Agreement may be amended from time to time in accordance with the terms thereof without notice to GPD. Amendments to the Prime Agreement shall not be construed as amending this Agreement. In the event that VCN and GPD do not agree to amend this Agreement to reflect such change, either party may choose to terminate this Agreement subject to its respective rights in Section 10 of the Agreement.

13. Affiliates and Subsidiaries. Except in the event that GPD assigns this Agreement to an affiliate or subsidiary, in which case such assignee shall assume the obligations of GPD under this Agreement, the obligations contained in Paragraph 18 of Exhibit A shall not apply to the affiliates or subsidiaries of GPD.

* * *

IN WITNESS WHEREOF, VCN and GPD have caused this Agreement to be executed as of the day and year first above written.

VITALCHEK NETWORK, INC.

By: 
Name: Jeffrey B. Piefke
Title: Vice President & General manager

GLOBAL PAYMENTS DIRECT, INC.

By:  26
Name: Stelbyn P. Tomay
Title: CORPORATE SECRETARY

Exhibit A

Specified Additional Terms and Conditions: Paragraph references are to paragraphs of the Prime Agreement.

- Paragraph 7.7 (Confidentiality)
- Paragraph 14.0(b) (Authorization Warranty)
- Paragraph 18.4 (Compliance with Applicable Law, Etc.)
- Paragraph 18.6 (Compliance with Jury Service Program)
- Paragraph 18.7 (Conflict of Interest)
- Paragraph 18.9 (Consideration of GAIN/GROW Program Participants for Employment)
- Paragraph 18.10 (Contractor's Responsibility and Debarment)
- Paragraph 18.12 (Contractor's Warranty of Adherence to County's Child Support Compliance Program)
- Paragraph 18.19 (Governing Law, Jurisdiction, and Venue)
- Paragraph 18.20 (Independent Contractor Status)
- Paragraph 18.22 (General Insurance Requirements)
- Paragraph 18.23 (Insurance Coverage Requirements)
- Paragraph 18.26 (Nondiscrimination, Affirmative Action, and Assurances)
- Paragraph 18.29 (Notice to Employees Regarding Federal Earned Income Tax Credit)
- Paragraph 18.30 (Notice to Employees Regarding the Safely Surrendered Baby Law)
- Paragraph 18.42 (Termination for Improper Consideration)
- Paragraph 18.44 (Termination for Non-Adherence of County Lobbyist Ordinance)
- Paragraph 18.49 (Warranty Against Contingency Fees)

Exhibit A

Applicable Definitions:

"Association" as used herein shall mean any entity formed to administer and promote the use of Cards, including Visa U.S.A. Inc. and MasterCard International, Incorporated.

"Association Rules" as used herein shall mean the bylaws, rules and regulations of each Association, as they exist from time to time.

"Authorization" as used herein shall mean, with respect to each Transaction, the approval by or on behalf of the Card Issuer of a Cardholder's use of a Card to pay for all fees applicable to such Transaction, including the Transaction Fee, all RR/CC Fees and all shipping charges.

"Card" as used herein shall mean the plastic card or other evidence of credit or debit account, as applicable, and corresponding account number, issued by a Card Issuer to a Cardholder, and accepted by Contractor under this Agreement for payment of the RR/CC Fees. For purposes of this Agreement, credit accounts are at a minimum limited to Visa, MasterCard, and Discover and if applicable include American Express.

"Card Issuer" as used herein shall mean any financial institution which is a member bank of the Association or its agents, Discover and if applicable American Express. For purposes of this Agreement, Card Issuers are limited to those issuing Cards.

"Card Present Transaction" as used herein shall mean, with respect to the Department's use of the System on behalf of a Cardholder to pay one or more RR/CC Fees by Card where the Card is physically presented to the Department, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer.

"Cardholder" as used herein shall mean the person or entity issued a Card and a corresponding account number by a Card Issuer and which person or entity is entitled to use the Card. For purposes of this Agreement, Cardholders are limited to those Cardholders from time to time using the System (or, in the case of Card Present Transactions and Other Card Not Present Transactions, those Cardholders for which the Department from time to time uses the System) to pay RR/CC Fees.

"CISO" as used herein is the acronym of County's Chief Information Security Officer.

"CISP" as used herein is the acronym for the Visa U.S.A. Cardholder Information Security Program.

"County Product" as used herein, shall mean all plans, reports, acceptance test criteria, acceptance test plans, statements of work, departmental procedures and processes,

diagrams, facilities, tools, and information developed by County or by Contractor pursuant to and for delivery to County under the Agreement which are originated or created through the Contractor's Work pursuant to this Agreement, and all patent, copyrights, trademark, trade secret and other proprietary rights therein.

"Custom Programming Modifications" as used herein shall mean commercially reasonable County-requested customizations and modifications to the System designed to revise the System to meet County's evolving business and/or technical requirements, together with all Source Code, object code and Documentation, with respect to each Package.

"Data Security Guidelines" as used herein shall mean (a) all applicable security standards and guidelines that may be published from time to time by the Association, any Card Issuer, any Card processor or any PIN-Based Debit Network, including the CISP and PCI Data Security Standard and (b) all applicable County information technology and security (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by the CISO and provided by County's Project Director to Contractor.

"Deliverable" as used herein shall mean, with respect to each Package, the completed Tasks and/or other Work under this Agreement for the type of Transaction described in such Package, including those numbered Deliverables identified in each such Package.

"Department" or "RR/CC" as used herein shall mean the County's Department of Registrar-Recorder/County Clerk.

"Effective Date" as used herein shall mean the date identified in the Prime Agreement, which is the date as of which the Prime Agreement has been executed by an authorized representative of the Contractor and has been approved by the Board.

"Federal" as used herein shall mean the United States federal government.

"Maintenance and Support Services" as used herein shall mean support and maintenance services for the System described in Task No. 9 of each Package.

"Online Transaction" as used herein shall mean, with respect to a Cardholder's use of the System over the Internet to pay one or more RR/CC Fees by Card, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer.

"Operations Services" as used herein shall mean operations services for the System described in Task No. 11 of each Package.

"Other Card Not Present Transaction" as used herein shall mean, with respect to the Department's use of the System on behalf of a Cardholder to pay one or more RR/CC

Fees by Card where the Card is not physically presented to the Department, a collective reference to all steps necessary to obtain Authorization of such payment from the applicable Card Issuer. Other Card Not Present Transactions do not include Online Transactions.

"PCI" as used herein is the acronym for Payment Card Industry.

"Package" as used herein shall mean each of Packages 1 (Online Transactions), 2 (Card Present Transactions) and 3 (Other Card Not Present Transactions), together with all appendices, attachments and schedules thereto, attached to the Statement of Work, which describes all of the Work to be provided by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package. "Packages" refers to more than one Package.

"PIN-Based Debit Network" as used herein shall mean a national or regional on-line debit card network. Each network operates under its own set of operating rules and regulations.

"Real Property Records" as used herein shall mean real estate documents recorded and maintained by the Department.

"Registrar-Recorder/County Clerk" as used herein shall mean the Director or Acting Director of the Department and/or such person's designee.

"RR/CC Fees" as used herein shall mean (a) fees for obtaining one or more certified copies of one or more Vital Records or Real Property Records and (b) Other RR/CC Fees.

"Services" as used herein shall mean, with respect to each Package, any development, installation, configuration, implementation, Operations Services, Maintenance and Support Services, and other services performed by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package.

"Source Code" as used herein shall mean computer programming code in human readable form that is not suitable for machine execution without the intervening steps of interpretation or compilation.

"Specifications" as used herein shall mean, with respect to each Package, all functional, operational, technical and/or business specifications, requirements, features, standards and Deliverables for the System, all as set forth in the Documentation and/or this Agreement for such Package, including the County's RFP, the Contractor's Proposal, the SOW and/or any Custom Programming Modification Request.

"State" as used herein shall mean the State of California.

“System” as used herein shall mean, with respect to each Package, the System Software, System Hardware and Services for such Package. References to the System may include one or more components or modules thereof or the System as a whole.

"System Hardware" as used herein shall mean, with respect to each Package, all hardware supplied by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package, including, as applicable, the Workstations, the Terminals, the Authorization Server, and the other hardware described in such Package. References to the System Hardware may include one or more components or modules thereof or all System Hardware in the System.

“System Software” as used herein shall mean, with respect to each Package, all computer programs conceived, created, developed or otherwise supplied by or on behalf of Contractor pursuant to this Agreement for the type of Transaction described in such Package, together with all Source Code, object code and Documentation. System Software includes, with respect to each Package, the programs described in such Package, and the Interfaces, the Updates, and the Custom Programming Modifications for such Package. References to the System Software may include one or more components or modules thereof or all System Software in the System.

“Task” as used herein shall mean, with respect to each Package, one or more major areas of Work to be performed under this Agreement for the type of Transaction described in such Package, including those areas identified as a numbered Task or Subtask in each such Package, and all subtasks thereunder.

“Terminal” as used herein shall mean the equipment including separate keypad used to read Cards, transmit all information necessary to fully process Card Present Transactions and print Transaction receipts, and meeting the other Specifications.

"Transaction" as used herein shall mean an Online Transaction, a Card Present Transaction, or an Other Card Not Present Transaction, as the case may be. "Transactions" refers to more than one Online Transaction, Card Not Present Transaction, and/or Other Card Not Present Transaction.

“Updates” as used herein shall mean County-authorized upgrades, updates, enhancements, revisions, improvements, bug fixes, patches, and modifications, other than Custom Programming Modifications, to the System Software, in whole or in part, including to keep the System performing in accordance with applicable laws, rules and regulations, and to keep the System Software operating in accordance with the Specifications and otherwise with this Agreement.

“Vital Records” as used herein shall mean records of birth, death and marriage recorded and maintained by the Department.

“Work” as used herein shall mean, with respect to each Package, any and all Tasks, Deliverables, goods, Services and other work performed by or on behalf of Contractor

(including by Subcontractors, if any) pursuant to this Agreement for the type of Transaction described in such Package. Without limiting the foregoing, Work includes, with respect to each Package, provision of the System, including all System Software, System Hardware, and Services, and all equipment, labor, and other supplies required to perform the Services. Additionally, without limiting the foregoing, Work includes, with respect to each Package, provision of all packing materials for expedited shipping, but does not include paper, which shall be provided by the Department.

"Workstation" as used herein shall mean, with respect to each Package, a personal computer (including monitor, central processing unit, operating software, application software, keyboard and printer) meeting at least the Specifications in such Package.

Specified Additional Terms and Conditions: Paragraph references are to paragraphs of the Prime Agreement. Any differences between the provisions as set forth in this Exhibit A and as set forth in the Prime Agreement are solely with respect to the Agreement for Subcontracted Services, dated February 19, 2009, between VitalCheck Network, Inc., a Tennessee corporation ("VCN"), and Global Payments Direct, Inc., a New York corporation ("GPD"), to which this Exhibit A is attached, and have no impact on the Prime Agreement whatsoever.

- **Paragraph 7.7 (Confidentiality)**

7.7.1 The Contractor shall maintain the confidentiality of all County Product and all records, data and other information obtained from the County and/or any Cardholder during the course of performing Work under this Agreement (collectively, "Confidential Information") in accordance with all applicable Federal, State or local laws, ordinances, regulations, directives policies and procedures relating to confidentiality and in accordance with all applicable Association Rules, Card Issuer rules and regulations, Card processor rules and regulations, PIN-Based Network rules and regulations and Data Security Guidelines.

7.7.2 [Intentionally Omitted.]

7.7.3 The Contractor shall not use any Confidential Information for any reason other than as required to perform Work under this Agreement.

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

7.7.5 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands,

damages, liabilities, losses, costs and expenses, including, without limitation, reasonable defense costs and reasonable legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.7,. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.7 shall be conducted by Contractor and performed by counsel selected by Contractor. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such reasonable costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval, such approval not to be unreasonably withheld or delayed, provided that if County unreasonably refuses to provide its approval for a settlement, Contractor shall thereafter no longer be responsible for any amounts over and above the amount of settlement.

7.7.6 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Agreement. Contractor shall not disclose any Confidential Information to any other person or entity other than (a) its officers, employees, agents and subcontractors who have been so informed and as is necessary to carry out the express terms of this Agreement, (b) Card Issuers, Associations and PIN-Based Debt Networks as is necessary to carry out the express terms of this Agreement, and (c) as required by an order of any court of competent jurisdiction or under a valid subpoena from a government agency. In the case of clause (c), Contractor shall, to the extent legally permitted, provide County notice of receipt of any such court order or subpoena and, to the extent permitted by law, a reasonable opportunity to obtain relief from the obligations of disclosure.

7.7.7 Notwithstanding anything herein to the contrary, the Contractor acknowledges and agrees that it is responsible for any breach of the obligations set forth in this Paragraph 7.7 by any of its officers, employees, agents and Subcontractors providing Work hereunder and any other person or entity to whom the Contractor discloses the Confidential Information.

7.7.8 The Contractor acknowledges that a breach of this Paragraph 7.7 may result in irreparable injury to the County that may not be adequately compensated by monetary damages and that, in addition to the County's other rights under this Paragraph 7.7 and at law and in equity, the County shall have the right to seek injunctive relief to enforce the provisions of this Paragraph 7.7.

- **Paragraph 14.0(b) (Authorization Warranty)**

Without limiting the other representations and warranties included in this Agreement, Contractor represents and warrants as follows:

(b) The person executing this Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

- **Paragraph 18.4 (Compliance with Applicable Law, Etc.)**

18.4.1 Contractor, the Work and Contractor's performance of the Work shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

18.4.2 Contractor, the Work, and Contractor's performance thereof, shall comply with all applicable Data Security Guidelines, Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and/or PIN-Based Network rules and regulations in each case, as from time to time in effect. Notwithstanding the foregoing, upon Contractor's actual notice of revised Data Security Guidelines that Contractor cannot meet such revised standard in a commercially reasonable manner, Contractor may decline to meet such revised standard and County may terminate this Agreement upon written notice.

18.4.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, reasonable defense costs and reasonable legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, and any Data Security Guidelines, Association Rules, Card Issuer rules and regulations, Card processor rules and regulations and/or PIN-Based Network rules. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 18.4 shall be conducted by Contractor and performed by counsel selected by Contractor. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such reasonable costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval, such approval not to be unreasonably withheld or delayed, provided

that if County unreasonably refuses to provide its approval for a settlement, Contractor shall thereafter no longer be responsible for any amounts over and above the amount of settlement.

- **Paragraph 18.6 (Compliance with Jury Service Program)**

18.6.1 Jury Service Program

This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service (in this Paragraph 18.6, "Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit A-K and incorporated by reference into and made a part of this Agreement.

18.6.2 Written Employee Jury Service Policy

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

(b) For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County "Contractor" and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Agreement, the Subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

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

(d) Contractor’s violation of this Paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

- **Paragraph 18.7 (Conflict of Interest)**

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

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

- **Paragraph 18.10 (Contractor’s Responsibility and Debarment)**

18.10.1 Responsible Contractor

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

18.10.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

18.10.3 Non-responsible Contractor

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

18.10.4 Contractor Hearing Board

(a) If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board (as defined in Chapter 2.202 of the Los Angeles County Code).

(b) The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the

debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.

(c) After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

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

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

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

18.10.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County contractors.

- **Paragraph 18.19 (Governing Law, Jurisdiction, and Venue)**

18.19 This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Without limiting the foregoing, County and Contractor intend that this Agreement shall be subject to the provisions of the Uniform Commercial Code as enacted in California, and the Parties shall retain all of their rights and remedies thereunder. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

- **Paragraph 18.20 (Independent Contractor Status)**

18.20.1 This Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one Party shall not be, or be construed to be, the employees or agents of the other Party for any purpose whatsoever.

18.20.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

18.20.3 The Contractor understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Agreement.

18.20.4 The Contractor shall adhere to the provisions stated in Paragraph 7.7 (Confidentiality).

- **Paragraph 18.22 (General Insurance Requirements)**

18.22 Without limiting the Contractor's indemnification of the County and during the Term of this Agreement, the Contractor shall provide and maintain, and shall

require all of its Subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

18.22.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to County's Contract Program Monitor at the address set forth on Exhibit A-F (County Administration) prior to commencing Work under this Agreement. Such certificates or other evidence shall:

- (a) Clearly evidence all coverages required in this Agreement; and
- (b) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County Indemnitees as insureds for all activities arising from this Agreement;

18.22.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

18.22.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Agreement upon which the County may immediately terminate or suspend this Agreement. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

18.22.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- (a) Any accident or incident relating to Work performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- (b) Any third party claim or lawsuit filed against the Contractor arising from or related to Work performed by the Contractor under this Agreement.
- (c) Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to either County Project Manager.
- (d) Any loss, disappearance, destruction, misuse, or theft of any kind

whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Agreement.

18.22.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

18.22.6 Umbrella Insurance Policy: Notwithstanding the foregoing, to the extent that Contractor does not maintain insurance in accordance with the limits set forth in Paragraph 18.23, but maintains an umbrella insurance policy that exceeds such limits, Contractor shall be deemed in compliance with Paragraph 18.23.

- **Paragraph 18.23 (Insurance Coverage Requirements)**

18.23.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

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

18.23.2 Automobile Liability written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

18.23.3 Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other Federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

18.23.4 Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, and naming the County as loss payee.

Employee Dishonesty:	\$1 million
Theft, Disappearance and Destruction:	\$1 million
Computer Fraud:	\$1 million

18.23.5 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$2 million per occurrence and \$4 million aggregate. Contractor agrees to maintain the same or similar coverage through the purchase of renewal policies for a period of not less than two years beyond the termination date of this Agreement.

- **Paragraph 18.26 (Nondiscrimination, Affirmative Action, and Assurances)**

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

18.26.2 The Contractor shall certify to, and comply with, the provisions of Exhibit A-J (Contractor's EEO Certification).

18.26.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

18.26.4 The Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

18.26.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or

political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

18.26.7 If the County finds that any provisions of Paragraph 18.26 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.

- **Paragraph 18.29 (Notice to Employees Regarding Federal Earned Income Tax Credit)**

18.29 The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, a copy of which is attached hereto as Exhibit A-M.

- **Paragraph 18.30 (Notice to Employees Regarding the Safely Surrendered Baby Law)**

18.30 The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit A-L (Safely Surrendered Baby Law) of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

- **Paragraph 18.42 (Termination for Improper Consideration)**

18.42.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Agreement. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

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

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

- **Paragraph 18.44 (Termination for Non-Adherence of County Lobbyist Ordinance)**

18.44 The Contractor, and each County Lobbyist or County Lobbying firm as defined in the Los Angeles County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Agreement.

- **Paragraph 18.49 (Warranty Against Contingency Fees)**

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

18.49.2 For breach of this warranty, the County shall have the right to terminate this Agreement.

Exhibit A-F

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR (Operations):

Name: SHARON A. GONTERMAN

Title: Assistant Registrar-Recorder/County Clerk

Address: 12400 Imperial Highway, Room 5013
Norwalk, CA 90650

Telephone: (562) 462-2073

Facsimile: (562) 868-5984

E-Mail Address: sgonterman@rrcc.lacounty.gov

COUNTY PROJECT DIRECTOR (Technical):

Name: MICHAEL PETRUCELLO

Title: Assistant Registrar-Recorder/County Clerk

Address: 12400 Imperial Highway, Room 7001
Norwalk, CA 90650

Telephone: (562) 462-2712

Facsimile: (562) 863-2354

E-Mail Address: mpetrucello@rrcc.lacounty.gov

COUNTY PROJECT MANAGER (Operations):

Name: PORTIA SANDERS

Title: Assistant Division Manager

Address: 12400 Imperial Highway, Room 5013
Norwalk, CA 90650

Telephone: (562) 462-2983

Facsimile: (562) 868-5139

E-Mail Address: pdsanders@rrcc.lacounty.gov

COUNTY PROJECT MANAGER (Technical):

Name: JAIME PAILMA

Title: Assistant Division Manager

Address: 12400 Imperial Highway, Room 6001-C
Norwalk, CA 90650

Telephone: (562) 462-2252

Facsimile: (562) 462-2075

E-Mail Address: jpailma@rrcc.lacounty.gov

COUNTY CONTRACT PROJECT MONITOR:

Name: Marie Ketcheshawno

Title: Administrative Contract Monitor

Address: 12400 Imperial Highway, Room 5203
Norwalk, CA 90650

Telephone: (562) 462-2904

Facsimile: (562) 863-8407

E-Mail Address: mketcheshawno@rrcc.lacounty.gov

Exhibit A-J

CONTRACTOR'S EEO CERTIFICATION

Global Payments Direct, Inc.
Contractor Name
10 Glendale Parkway, Atlanta, GA 30328
Address
13-2749397
Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with the provisions of the Code of the County of Los Angeles, the contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. Yes No
2. The Contractor periodically conducts a self analysis or utilization analysis of its work force. Yes No
3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. Yes No
4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. Yes No

Suellyn P. Tornay Corporate Secretary

Authorized Official's Printed Name and Title


Authorized Official's Signature

2-17-09
Date

Exhibit A-K

Title 2 ADMINISTRATION Chapter 2.203.010 through 2.203.090 CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. “Contractor” means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
 - B. “Employee” means any California resident who is a full-time employee of a contractor under the laws of California.
 - C. “Contract” means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
-

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:

1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
2. The contractor has a long-standing practice that defines the lesser number of hours as full time.

E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

Exhibit A-L

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4088.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have legal custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public restrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's name and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The nurse was given a bracelet with a number matching the ankle placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The nurse was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no es necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizan bromuros para poder vincularlo. El bebé llevará un bromuro y el padre/madre o el adulto que lo entregó recibirá un bromuro igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambian de opinión pueden comenzar el proceso de reclutamiento recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4008.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen *custodia legal*.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, los 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de acabar con los problemas médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde están bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregó al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden ir en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en las veredas o en basuras públicas. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque sentían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a los enfermeros del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. La entregaron a la tía un bromuro con un número que coincidía con la palabra del bebé, pero se volvió como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del periodo de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



EXHIBIT A-M

NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT (IRS NOTICE 1015)



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2007)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2007 are less than \$39,783 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2008.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at www.irs.gov or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2007 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2007 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2007 and owes no tax but is eligible for a credit of \$825, he or she must file a 2007 tax return to get the \$825 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2008 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015 (Rev. 12-2007)
Cat. No. 206901

Exhibit B

Subcontracted Scope of Work

When VitalChek signs an agreement with a new customer, it applies for and receives from GPD a unique number that is used to process that customer's transactions through the GPD processing system, although VitalChek remains the customer of record for GPD. As a payment clearinghouse, when VitalChek receives a transaction request on behalf of a customer, it transmits basic transaction information (account number, card number, expiration date, amount of transaction, etc) to GPD through VitalChek software that has been certified by GPD as compatible with its systems. GPD in turn passes the request to the appropriate card company/bank for authorization, and returns the result (approval or decline) to VitalChek.

GPD also collects amounts due VitalChek from the credit card companies/card issuing banks and transmits those funds to VitalChek on an agreed upon basis. GPD also notifies VitalChek of any inquiries, disputes and/or chargebacks from consumers, and in turn transmits VitalChek's responses to the appropriate card issuing banks for resolution in accordance with industry rules.