

**SERVICE AGREEMENT**

This Service Agreement (“Agreement”) is dated January 24, 2023 and is between Harmony Research, a California Limited Liability Company (“Contractor”) located at 3400 Cottage Way, Ste G2 #11664 Sacramento CA 95825, and the County of Fresno, a political subdivision of the State of California (“County”).

**Recitals**

A. The County periodically conducts sales of tax-defaulted property, under California Revenue and Taxation Code, Division 1, Part 6, Chapter 7.

B. Not less than 45 days nor more than 120 days before a proposed sale of tax-defaulted properties, the County’s Auditor-Controller/Treasurer-Tax Collector (“Tax Collector”) is required to send notice of the proposed sale to the last known mailing address, if available, of parties of interest, which include (1) lienholders of record prior to the recordation of the tax deed to the purchaser after the sale of tax defaulted property, and (2) any person with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser after the sale of tax-defaulted property. The Tax Collector is required by law to make a reasonable effort to obtain the name and last known mailing address of all parties of interest.

C. The County wishes to engage the Contractor to perform party of interest searches on behalf of the Tax Collector for the County’s sales of tax-defaulted property according to the terms of this agreement.

D. The Contractor represents that it is ready, willing, and able to make a reasonable effort to obtain the name and last known mailing address of every party of interest in connection with the County’s sales of tax-defaulted property according to the terms of this agreement.

The parties therefore agree as follows:

**Article 1**

**Contractor’s Services**

1.1 **Scope of Services.** The Contractor shall perform all of the services provided in Exhibit A to this Agreement, titled “Scope of Services.”







1 (B) A notice delivered by first-class United States mail is effective three County  
2 business days after deposit in the United States mail, postage prepaid, addressed to the  
3 recipient.

4 (C) A notice delivered by an overnight commercial courier service is effective one  
5 County business day after deposit with the overnight commercial courier service,  
6 delivery fees prepaid, with delivery instructions given for next day delivery, addressed to  
7 the recipient.

8 (D) A notice delivered by telephonic facsimile transmission or by PDF document  
9 attached to an email is effective when transmission to the recipient is completed (but, if  
10 such transmission is completed outside of County business hours, then such delivery is  
11 deemed to be effective at the next beginning of a County business day), provided that  
12 the sender maintains a machine record of the completed transmission.

13 5.4 **Claims Presentation.** For all claims arising from or related to this Agreement,  
14 nothing in this Agreement establishes, waives, or modifies any claims presentation  
15 requirements or procedures provided by law, including the Government Claims Act (Division 3.6  
16 of Title 1 of the Government Code, beginning with section 810).

## 17 **Article 6**

### 18 **Termination and Suspension**

19 6.1 **Termination for Non-Allocation of Funds.** The terms of this Agreement are  
20 contingent on the approval of funds by the appropriating government agency. If sufficient funds  
21 are not allocated, then the County, upon at least 30 days' advance written notice to the  
22 Contractor, may:

23 (A) Modify the services provided by the Contractor under this Agreement; or

24 (B) Terminate this Agreement.

25 6.2 **Termination for Breach.**

26 (A) Upon determining that a breach (as defined in paragraph (C) below) has  
27 occurred, the County may give written notice of the breach to the Contractor. The written  
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1 notice may suspend performance under this Agreement, and must provide at least 30  
2 days for the Contractor to cure the breach.

3 (B) If the Contractor fails to cure the breach to the County's satisfaction within the  
4 time stated in the written notice, the County may terminate this Agreement immediately.

5 (C) For purposes of this section, a breach occurs when, in the determination of the  
6 County, the Contractor has:

- 7 (1) Obtained or used funds illegally or improperly;
- 8 (2) Failed to comply with any part of this Agreement;
- 9 (3) Submitted a substantially incorrect or incomplete report to the County; or
- 10 (4) Improperly performed any of its obligations under this Agreement.

11 **6.3 Termination without Cause.** In circumstances other than those set forth above, the  
12 County may terminate this Agreement by giving at least 30 days advance written notice to the  
13 Contractor.

14 **6.4 No Penalty or Further Obligation.** Any termination of this Agreement by the County  
15 under this Article 6 is without penalty to or further obligation of the County.

16 **6.5 County's Rights upon Termination.** Upon termination for breach under this Article  
17 6, the County may demand repayment by the Contractor of any monies disbursed to the  
18 Contractor under this Agreement that, in the County's sole judgment, were not expended in  
19 compliance with this Agreement. The Contractor shall promptly refund all such monies upon  
20 demand. This section survives the termination of this Agreement.

## 21 **Article 7**

### 22 **Independent Contractor**

23 **7.1 Status.** In performing under this Agreement, the Contractor, including its officers,  
24 agents, employees, and volunteers, is at all times acting and performing as an independent  
25 contractor, in an independent capacity, and not as an officer, agent, servant, employee, joint  
26 venturer, partner, or associate of the County.



1 **Article 10**

2 **Inspections, Audits, and Public Records**

3 10.1 **Inspection of Documents.** The Contractor shall make available to the County, and  
4 the County may examine at any time during business hours and as often as the County deems  
5 necessary, all of the Contractor's records and data with respect to the matters covered by this  
6 Agreement, excluding attorney-client privileged communications. The Contractor shall, upon  
7 request by the County, permit the County to audit and inspect all of such records and data to  
8 ensure the Contractor's compliance with the terms of this Agreement.

9 10.2 **State Audit Requirements.** If the compensation to be paid by the County under this  
10 Agreement exceeds \$10,000, the Contractor is subject to the examination and audit of the  
11 California State Auditor, as provided in Government Code section 8546.7, for a period of three  
12 years after final payment under this Agreement. This section survives the termination of this  
13 Agreement.

14 10.3 **Public Records.** The County is not limited in any manner with respect to its public  
15 disclosure of this Agreement or any record or data that the Contractor may provide to the  
16 County. The County's public disclosure of this Agreement or any record or data that the  
17 Contractor may provide to the County may include but is not limited to the following:

18 (A) The County may voluntarily, or upon request by any member of the public or  
19 governmental agency, disclose this Agreement to the public or such governmental  
20 agency.

21 (B) The County may voluntarily, or upon request by any member of the public or  
22 governmental agency, disclose to the public or such governmental agency any record or  
23 data that the Contractor may provide to the County, unless such disclosure is prohibited  
24 by court order.

25 (C) This Agreement, and any record or data that the Contractor may provide to the  
26 County, is subject to public disclosure under the Ralph M. Brown Act (California  
27 Government Code, Title 5, Division 2, Part 1, Chapter 9, beginning with section 54950).  
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1 (D) This Agreement, and any record or data that the Contractor may provide to the  
2 County, is subject to public disclosure as a public record under the California Public  
3 Records Act (California Government Code, Title 1, Division 7, Chapter 3.5, beginning  
4 with section 6250) ("CPRA").

5 (E) This Agreement, and any record or data that the Contractor may provide to the  
6 County, is subject to public disclosure as information concerning the conduct of the  
7 people's business of the State of California under California Constitution, Article 1,  
8 section 3, subdivision (b).

9 (F) Any marking of confidentiality or restricted access upon or otherwise made with  
10 respect to any record or data that the Contractor may provide to the County shall be  
11 disregarded and have no effect on the County's right or duty to disclose to the public or  
12 governmental agency any such record or data.

13 **10.4 Public Records Act Requests.** If the County receives a written or oral request  
14 under the CPRA to publicly disclose any record that is in the Contractor's possession or control,  
15 and which the County has a right, under any provision of this Agreement or applicable law, to  
16 possess or control, then the County may demand, in writing, that the Contractor deliver to the  
17 County, for purposes of public disclosure, the requested records that may be in the possession  
18 or control of the Contractor. Within five business days after the County's demand, the  
19 Contractor shall (a) deliver to the County all of the requested records that are in the Contractor's  
20 possession or control, together with a written statement that the Contractor, after conducting a  
21 diligent search, has produced all requested records that are in the Contractor's possession or  
22 control, or (b) provide to the County a written statement that the Contractor, after conducting a  
23 diligent search, does not possess or control any of the requested records. The Contractor shall  
24 cooperate with the County with respect to any County demand for such records. If the  
25 Contractor wishes to assert that any specific record or data is exempt from disclosure under the  
26 CPRA or other applicable law, it must deliver the record or data to the County and assert the  
27 exemption by citation to specific legal authority within the written statement that it provides to  
28 the County under this section. The Contractor's assertion of any exemption from disclosure is

1 not binding on the County, but the County will give at least 10 days' advance written notice to  
2 the Contractor before disclosing any record subject to the Contractor's assertion of exemption  
3 from disclosure. The Contractor shall indemnify the County for any court-ordered award of costs  
4 or attorney's fees under the CPRA that results from the Contractor's delay, claim of exemption,  
5 failure to produce any such records, or failure to cooperate with the County with respect to any  
6 County demand for any such records.

## 7 **Article 11**

### 8 **Disclosure of Self-Dealing Transactions**

9 11.1 **Applicability.** This Article 11 applies if the Contractor is operating as a corporation,  
10 or changes its status to operate as a corporation.

11 11.2 **Duty to Disclose.** If any member of the Contractor's board of directors is party to a  
12 self-dealing transaction, he or she shall disclose the transaction by completing and signing a  
13 "Self-Dealing Transaction Disclosure Form" (Exhibit C to this Agreement) and submitting it to  
14 the County before commencing the transaction or immediately after.

15 11.3 **Definition.** "Self-dealing transaction" means a transaction to which the Contractor is  
16 a party and in which one or more of its directors, as an individual, has a material financial  
17 interest.

## 18 **Article 12**

### 19 **General Terms**

20 12.1 **Modification.** Except as provided in Article 6, "Termination and Suspension," this  
21 Agreement may not be modified, and no waiver is effective, except by written agreement signed  
22 by both parties. The Contractor acknowledges that County employees have no authority to  
23 modify this Agreement except as expressly provided in this Agreement.

24 12.2 **Non-Assignment.** Neither party may assign its rights or delegate its obligations  
25 under this Agreement without the prior written consent of the other party.

26 12.3 **Governing Law.** The laws of the State of California govern all matters arising from  
27 or related to this Agreement.

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1       12.4   **Jurisdiction and Venue.** This Agreement is signed and performed in Fresno  
2 County, California. Contractor consents to California jurisdiction for actions arising from or  
3 related to this Agreement, and, subject to the Government Claims Act, all such actions must be  
4 brought and maintained in Fresno County.

5       12.5   **Construction.** The final form of this Agreement is the result of the parties' combined  
6 efforts. If anything in this Agreement is found by a court of competent jurisdiction to be  
7 ambiguous, that ambiguity shall not be resolved by construing the terms of this Agreement  
8 against either party.

9       12.6   **Days.** Unless otherwise specified, "days" means calendar days.

10       12.7   **Headings.** The headings and section titles in this Agreement are for convenience  
11 only and are not part of this Agreement.

12       12.8   **Severability.** If anything in this Agreement is found by a court of competent  
13 jurisdiction to be unlawful or otherwise unenforceable, the balance of this Agreement remains in  
14 effect, and the parties shall make best efforts to replace the unlawful or unenforceable part of  
15 this Agreement with lawful and enforceable terms intended to accomplish the parties' original  
16 intent.

17       12.9   **Nondiscrimination.** During the performance of this Agreement, the Contractor shall  
18 not unlawfully discriminate against any employee or applicant for employment, or recipient of  
19 services, because of race, religious creed, color, national origin, ancestry, physical disability,  
20 mental disability, medical condition, genetic information, marital status, sex, gender, gender  
21 identity, gender expression, age, sexual orientation, military status or veteran status pursuant to  
22 all applicable State of California and federal statutes and regulation.

23       12.10   **No Waiver.** Payment, waiver, or discharge by the County of any liability or obligation  
24 of the Contractor under this Agreement on any one or more occasions is not a waiver of  
25 performance of any continuing or other obligation of the Contractor and does not prohibit  
26 enforcement by the County of any obligation on any other occasion.

27       12.11   **Entire Agreement.** This Agreement, including its exhibits, is the entire agreement  
28 between the Contractor and the County with respect to the subject matter of this Agreement,

1 and it supersedes all previous negotiations, proposals, commitments, writings, advertisements,  
2 publications, and understandings of any nature unless those things are expressly included in  
3 this Agreement. If there is any inconsistency between the terms of this Agreement without its  
4 exhibits and the terms of the exhibits, then the inconsistency will be resolved by giving  
5 precedence first to the terms of this Agreement without its exhibits, and then to the terms of the  
6 exhibits.

7 12.12 **No Third-Party Beneficiaries.** This Agreement does not and is not intended to  
8 create any rights or obligations for any person or entity except for the parties.

9 12.13 **Authorized Signature.** The Contractor represents and warrants to the County that:

10 (A) The Contractor is duly authorized and empowered to sign and perform its  
11 obligations under this Agreement.

12 (B) The individual signing this Agreement on behalf of the Contractor is duly  
13 authorized to do so and his or her signature on this Agreement legally binds the  
14 Contractor to the terms of this Agreement.

15 12.14 **Electronic Signatures.** The parties agree that this Agreement may be executed by  
16 electronic signature as provided in this section.

17 (A) An "electronic signature" means any symbol or process intended by an individual  
18 signing this Agreement to represent their signature, including but not limited to (1) a  
19 digital signature; (2) a faxed version of an original handwritten signature; or (3) an  
20 electronically scanned and transmitted (for example by PDF document) version of an  
21 original handwritten signature.

22 (B) Each electronic signature affixed or attached to this Agreement (1) is deemed  
23 equivalent to a valid original handwritten signature of the person signing this Agreement  
24 for all purposes, including but not limited to evidentiary proof in any administrative or  
25 judicial proceeding, and (2) has the same force and effect as the valid original  
26 handwritten signature of that person.

1 (C) The provisions of this section satisfy the requirements of Civil Code section  
2 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3,  
3 Part 2, Title 2.5, beginning with section 1633.1).

4 (D) Each party using a digital signature represents that it has undertaken and  
5 satisfied the requirements of Government Code section 16.5, subdivision (a),  
6 paragraphs (1) through (5), and agrees that each other party may rely upon that  
7 representation.

8 (E) This Agreement is not conditioned upon the parties conducting the transactions  
9 under it by electronic means and either party may sign this Agreement with an original  
10 handwritten signature.

11 12.15 **Counterparts.** This Agreement may be signed in counterparts, each of which is an  
12 original, and all of which together constitute this Agreement.

13 [SIGNATURE PAGE FOLLOWS]  
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1 The parties are signing this Agreement on the date stated in the introductory clause.

2 Harmony Research

COUNTY OF FRESNO

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5 Sal Quintero, Chairman of the Board of  
6 Supervisors of the County of Fresno

7 Kathryn E. Alson, Managing Officer  
8 3400 Cottage Way, Ste G2 #11664  
9 Sacramento CA 95825

**Attest:**  
Bernice Seidel  
Clerk of the Board of Supervisors  
County of Fresno, State of California

10 By:   
Deputy

11 For accounting use only:

12 Org No.: 04100500  
13 Account No.: 7295  
14 Fund No.: 0001  
15 Subclass No.: 10000

## Exhibit A

### Scope of Services

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2 1. The Contractor shall perform Parties of Interest searches, as defined by California  
3 Revenue and Tax Code section 4675, on tax-defaulted properties, upon the request of the Tax  
4 Collector. Such searches must be completed to the satisfaction of the Tax Collector such that  
5 the Tax Collector may commence and complete the process to notify Parties of Interest in  
6 accordance with the provisions of Revenue and Tax Code. For each search for parties of  
7 interest, the Tax Collector may request further searches, diligences, information, or  
8 documentation from the Contractor as the Tax Collector may require, and the Contractor is  
9 obligated to promptly conduct such further searches and diligence, and to promptly provide such  
10 information and documentation, unless the Contractor certifies in writing that the information and  
11 documentation requested is unavailable or nonexistent.

12 2. The Contractor shall provide required information to the Tax Collector within 45 days (or  
13 next County business day thereafter, if the 45th day falls on a weekend or a County holiday)  
14 after the Contractor receives from the Tax Collector a tax sale chain list under section 2.1 of this  
15 Agreement. After completing its search, the Contractor shall return the access database file (in  
16 \*.mdx format) to the Tax Collector including all party of information added by the Contractor to  
17 the original file. In addition, required information that the Contractor shall provide includes, but is  
18 not limited to, all of the following, which shall be provided in electronic format (PDF) via Secure  
19 File Transfer Protocol (SFTP) through a portal to be provided by the County; except that if SFTP  
20 is not available, then the Contractor shall provide all of the following in hard copy:

- 21 a. A "tax sale chain response," in substantially the form of the exemplar attached to this  
22 agreement as Exhibit A-1, listing of each and every party of interest for all properties  
23 on the list provided by the County, including the name and current address, or last  
24 known address, of each party of interest, and all of the information shown in the  
25 Exhibit A-1 exemplar. For each property, the first parties of interest listed in the  
26 report shall be the current assessee(s) or property owner(s). The name and address  
27 for each and every party of interest shown in the tax sale chain response should be  
28 the same as shown on the tax sale chain provided by the Tax Collector, except that if

## Exhibit A

1 the Contractor discovers other addresses for the party of interest (which might be  
2 more current), the Contractor shall provide those other addresses.

3 b. Copies of all pertinent documents, including but not limited to recorded documents,  
4 with all relevant identifying information and numbers used by the Contractor to  
5 determine whether a person or entity is a party of interest. Such identifying  
6 information and numbers may include, but are not limited to, deed of trust title and  
7 number and Recorder's document number.

8 c. Identification by name and Recorder's document number, if any, of all liens, including  
9 but not limited to homestead liens, financing liens, and liens created by proceedings  
10 under any special benefit assessment law, such as the Improvement Act of 1911, the  
11 Improvement Bond Act of 1915, the Mello-Roos Community Facilities Act of 1982.

12 d. All IRS liens, if any, for each subject parcel, in electronic PDF files that are named by  
13 parcel number with all other supporting documentation discovered during the course  
14 of the search in a separately identified section of all documents used to identify each  
15 and every party of interest, if those documents are not already included above.

16 3. For each annual tax sale during the term of this agreement, the Contractor shall deliver all  
17 written reports to the Tax Collector on or before requested due date. The Contractor shall pay a  
18 penalty at the rate of \$500 for each calendar day that any written report is late. The tax  
19 Collector, in its sole discretion, may cancel that penalty for any day to which it applies.

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## Exhibit B

### Compensation

The Contractor will be compensated for performance of its services under this Agreement as provided in this Exhibit B, subject to the limitations provided in Article 3, "Compensation, Invoices, and Payments," of this Agreement. The Contractor is not entitled to any compensation except as expressly provided in this Exhibit B.

The County will pay compensation to the Contractor for searches, as follows:

PER PARCEL (initial search)	\$ 215.14
Date Down Per Parcel (update search within 90 days of sale)	\$ 25.00
Update Searches from Prior Year	\$ 97.00
Hard Copy Reports (per page)	\$ 0.25
Electronic Reports	\$ NO CHARGE

An "initial search" is the first search performed by the Contractor for a given parcel.

A "date down" or "update search" is a further search performed by the Contractor if the parcel does not sell upon first offering and is reoffered to the public within 90 days after the first offering.

An "update search from the prior year" is a search performed by the Contractor for a parcel that the Contractor performed a search for in the preceding year.

The County has no obligation to pay compensation to the Contractor for any search until after the Contractor has delivered a written report of that search as provided in Exhibit A, "Scope of Services."

# Exhibit C

## Self-Dealing Transaction Disclosure Form

In order to conduct business with the County of Fresno ("County"), members of a contractor's board of directors ("County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest."

The definition above will be used for purposes of completing this disclosure form.

### Instructions

(1) Enter board member's name, job title (if applicable), and date this disclosure is being made.

(2) Enter the board member's company/agency name and address.

(3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:

a. The name of the agency/company with which the corporation has the transaction; and

b. The nature of the material financial interest in the Corporation's transaction that the board member has.

(4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.

The form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

## Exhibit C

**(1) Company Board Member Information:**

<b>Name:</b>	Kathryn E Alson	<b>Date:</b>	12/23/2022
<b>Job Title:</b>	Managing member		

**(2) Company/Agency Name and Address:**

Harmony Research LLC  
3400 Cottage Way Ste G2 # 11664  
Sacramento CA 95825

**(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to)**

Party of interest Research for Fresno County Tax Collector

**(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code § 5233 (a)**

no remedies shall be granted in any action for a self-dealing transaction if the Attorney General or the court has approved the transaction before or after it was consummated.

**(5) Authorized Signature**

<b>Signature:</b>		<b>Date:</b>	12/23/2022
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# Exhibit D

## Insurance Requirements

### 1. Required Policies

Without limiting the County's right to obtain indemnification from the Contractor or any third parties, Contractor, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of this Agreement.

- (A) **Commercial General Liability.** Commercial general liability insurance with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000). This policy must be issued on a per occurrence basis. Coverage must include products, completed operations, property damage, bodily injury, personal injury, and advertising injury. The Contractor shall obtain an endorsement to this policy naming the County of Fresno, its officers, agents, employees, and volunteers, individually and collectively, as additional insureds, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insureds will apply as primary insurance and any other insurance, or self-insurance, maintained by the County is excess only and not contributing with insurance provided under the Contractor's policy.
- (B) **Automobile Liability.** Automobile liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages. Coverage must include any auto used in connection with this Agreement.
- (C) **Workers Compensation.** Workers compensation insurance as required by the laws of the State of California with statutory limits.
- (D) **Employer's Liability.** Employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.
- (E) **Professional Liability.** Professional liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and an annual aggregate of Three Million Dollars (\$3,000,000). If this is a claims-made policy, then (1) the retroactive date must be prior to the date on which services began under this Agreement; (2) the Contractor shall maintain the policy and provide to the County annual evidence of insurance for not less than five years after completion of services under this Agreement; and (3) if the policy is canceled or not renewed, and not replaced with another claims-made policy with a retroactive date prior to the date on which services begin under this Agreement, then the Contractor shall purchase extended reporting coverage on its claims-made policy for a minimum of five years after completion of services under this Agreement.

### 2. Additional Requirements

- (A) **Verification of Coverage.** Within 30 days after the Contractor signs this Agreement, and at any time during the term of this Agreement as requested by the County's Risk Manager or the County Administrative Office, the Contractor shall deliver, or cause its broker or producer to deliver, to the County Risk Manager, at 2220 Tulare Street, 16th Floor, Fresno, California 93721, or [HRRiskManagement@fresnocountyca.gov](mailto:HRRiskManagement@fresnocountyca.gov), and by mail or email to the person identified to receive notices under this Agreement,

## Exhibit D

1 certificates of insurance and endorsements for all of the coverages required under this  
2 Agreement.

- 3 (i) Each insurance certificate must state that: (1) the insurance coverage has been  
4 obtained and is in full force; (2) the County, its officers, agents, employees, and  
5 volunteers are not responsible for any premiums on the policy; and (3) the  
6 Contractor has waived its right to recover from the County, its officers, agents,  
7 employees, and volunteers any amounts paid under any insurance policy  
8 required by this Agreement and that waiver does not invalidate the insurance  
9 policy.
- 10 (ii) The commercial general liability insurance certificate must also state, and include  
11 an endorsement, that the County of Fresno, its officers, agents, employees, and  
12 volunteers, individually and collectively, are additional insureds insofar as the  
13 operations under this Agreement are concerned. The commercial general liability  
14 insurance certificate must also state that the coverage shall apply as primary  
15 insurance and any other insurance, or self-insurance, maintained by the County  
16 shall be excess only and not contributing with insurance provided under the  
17 Contractor's policy.
- 18 (iii) The automobile liability insurance certificate must state that the policy covers any  
19 auto used in connection with this Agreement.
- 20 (iv) The professional liability insurance certificate, if it is a claims-made policy, must  
21 also state the retroactive date of the policy, which must be prior to the date on  
22 which services began under this Agreement.

23 (B) **Acceptability of Insurers.** All insurance policies required under this Agreement must be  
24 issued by admitted insurers licensed to do business in the State of California and  
25 possessing at all times during the term of this Agreement an A.M. Best, Inc. rating of no  
26 less than A: VII.

27 (C) **Notice of Cancellation or Change.** For each insurance policy required under this  
28 Agreement, the Contractor shall provide to the County, or ensure that the policy requires  
the insurer to provide to the County, written notice of any cancellation or change in the  
policy as required in this paragraph. For cancellation of the policy for nonpayment of  
premium, the Contractor shall, or shall cause the insurer to, provide written notice to the  
County not less than 10 days in advance of cancellation. For cancellation of the policy  
for any other reason, and for any other change to the policy, the Contractor shall, or shall  
cause the insurer to, provide written notice to the County not less than 30 days in  
advance of cancellation or change. The County in its sole discretion may determine that  
the failure of the Contractor or its insurer to timely provide a written notice required by  
this paragraph is a breach of this Agreement.

(D) **County's Entitlement to Greater Coverage.** If the Contractor has or obtains insurance  
with broader coverage, higher limits, or both, than what is required under this  
Agreement, then the County requires and is entitled to the broader coverage, higher  
limits, or both. To that end, the Contractor shall deliver, or cause its broker or producer  
to deliver, to the County's Risk Manager certificates of insurance and endorsements for

## Exhibit D

1 all of the coverages that have such broader coverage, higher limits, or both, as required  
2 under this Agreement.

3 (E) **Waiver of Subrogation.** The Contractor waives any right to recover from the County, its  
4 officers, agents, employees, and volunteers any amounts paid under the policy of  
5 worker's compensation insurance required by this Agreement. The Contractor is solely  
6 responsible to obtain any policy endorsement that may be necessary to accomplish that  
7 waiver, but the Contractor's waiver of subrogation under this paragraph is effective  
8 whether or not the Contractor obtains such an endorsement.

9 (F) **County's Remedy for Contractor's Failure to Maintain.** If the Contractor fails to keep  
10 in effect at all times any insurance coverage required under this Agreement, the County  
11 may, in addition to any other remedies it may have, suspend or terminate this  
12 Agreement upon the occurrence of that failure, or purchase such insurance coverage,  
13 and charge the cost of that coverage to the Contractor. The County may offset such  
14 charges against any amounts owed by the County to the Contractor under this  
15 Agreement.

16 (G) **Subcontractors.** The Contractor shall require and verify that all subcontractors used by  
17 the Contractor to provide services under this Agreement maintain insurance meeting all  
18 insurance requirements provided in this Agreement. This paragraph does not authorize  
19 the Contractor to provide services under this Agreement using subcontractors.  
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