

CONTRACT #CA1720691

This contract (the "Contract") entered into this ____ day of _____, 2016, and between SHELBY COUNTY GOVERNMENT, hereinafter referred to as "COUNTY" and Avertest, hereinafter referred to as "PROVIDER".

WITNESSETH

WHEREAS, the COUNTY has the need for the provision of professional services to provide for random drug screenings for specialty court and pretrial service participants; and

WHEREAS, the COUNTY issued a Request for Proposals ("RFP") Number 16-005-78, on June 27, 2016, and PROVIDER responded to said RFP on July 25, 2016; and

WHEREAS, the PROVIDER has the knowledge and expertise to provide such services; and

WHEREAS, the COUNTY awarded the RFP to PROVIDER on September 7, 2016; and

WHEREAS, the parties are desirous of entering into a contract setting forth the terms and conditions under which the PROVIDER will provide said services.

NOW THEREFORE, for and in consideration of mutual promises and covenants herein contained, the parties hereto agree as follows:

I. SCOPE OF WORK

1. The PROVIDER shall provide the services as outlined within the COUNTY's RFP #16-005-78 and PROVIDER's response thereto which is attached hereto as Exhibit "A" and incorporated herein by reference as if stated verbatim (the "Services").

II. TERM AND COMPENSATION

1. The term of this Contract (the "Term") will commence upon the execution of this Contract and continue through June 30, 2017 with the option to renew for four (4) additional

one (1) year periods upon the same terms and conditions and upon the mutual written agreement of the parties.

2. The COUNTY agrees to compensate the PROVIDER for the provision of the Services the sum total not to exceed TWO HUNDRED EIGHTY THOUSAND ONE HUNDRED FIFTY-ONE AND 00/100(\$280,151.00) Dollars (the "Fee") during the term of this Contract which shall include all reimbursable expenses.
3. The Fee shall be paid in accordance with the cost proposal on the attached Exhibit A.
4. The PROVIDER shall submit invoices to the COUNTY (each specialty court and pretrial services shall be invoiced separately for services provided for their designated participants on a monthly basis for Services performed during the preceding month. Invoices shall be submitted in duplicate to the addresses set forth in Paragraph 32 of this Contract to the attention of the persons identified. The COUNTY shall pay such invoices within thirty (30) days of its receipt and approval of said invoices. The COUNTY is not obligated to pay, and will withhold from payment, any amounts the COUNTY has in dispute with the PROVIDER based on PROVIDER'S non-performance or negligent performance of any of the Services under this Contract.
5. PROVIDER shall not be permitted or authorized to incur costs beyond the extent that purchase orders have been issued on approved contracts and/or purchases prior to the commencement date, during the term of the contract, and/or subsequent to the termination date of County contracts or purchases without prior, expressly written, appropriate authorization pursuant to County purchasing procedures and rules and regulations. County is not obligated to pay nor shall PROVIDER be entitled to receive payments for contract fees and expenses incurred in violation of this provision

III. GENERAL CONDITIONS

The parties further agree as follows:

1. CONTROL

All Services by the PROVIDER will be performed in a manner satisfactory to the COUNTY, and in accordance with the

generally accepted business practices and procedures of the COUNTY.

2. PROVIDER'S PERSONNEL

The PROVIDER certifies that it presently has adequate qualified personnel to perform all Services required under this Contract. All work performed during the Term of this Contract will be supervised by the PROVIDER. The PROVIDER further certifies that all of its employees assigned to serve the COUNTY have such knowledge and experience as required to perform the duties assigned to them. Any employee of the PROVIDER who, in the opinion of the COUNTY, is incompetent, or whose conduct becomes detrimental to the work, shall immediately be removed from association with the Services under this Contract.

3. INDEPENDENT STATUS

a. Nothing in this Contract shall be deemed to represent that the PROVIDER, or any of the PROVIDER's employees or agents, are the agents, representatives, or employees of the COUNTY. The PROVIDER/CONSULTANT will be an independent PROVIDER over the details and means for performing the Services under this Contract. Anything in this Contract which may appear to give the COUNTY the right to direct the PROVIDER as to the details of the performance of the Services under this Contract or to exercise a measure of control over the PROVIDER is solely for purposes of compliance with local, state and federal regulations and means that the PROVIDER will follow the desires of the COUNTY only as to the intended results of the scope of this Contract.

b. It is further expressly agreed and understood by PROVIDER that neither it nor its employees or agents are entitled to any benefits which normally accrue to employees of the COUNTY; that PROVIDER has been retained by the COUNTY to perform the Services specified herein (not hired) and that the remuneration specified herein is considered fees for the Services performed (not wages) and that invoices submitted to the COUNTY by PROVIDER for the Services performed shall be on the PROVIDER's letterhead.

4. REPORTS

PROVIDER shall prepare and submit quarterly reports of its activities, funded under this Contract, to the originating department and the Contract Administration Department of the COUNTY. The reports shall include an itemization of the use of COUNTY's funds and shall be inclusive of specific Services delivered. Any such reports provided to the COUNTY shall be prepared with the understanding that the COUNTY may make such reports available to the public.

The quarterly reports and all books of account and financial records that are specific to the work performed in accordance with this Contract may be subject to audit by the Director of the Division of Administration and Finance of the COUNTY. The COUNTY shall have the right to withhold future disbursement of funds under this Contract and any future Contracts until this provision has been met.

5. TERMINATION OR ABANDONMENT

a. It shall be cause for the immediate termination of this Contract if, after its execution, the COUNTY determines that:

i) Either the PROVIDER or any of its principals, partners or corporate officers, if a corporation, including the corporation itself, has pled nolo contendere, or has pled or been found guilty of a criminal violation, whether state or federal, involving, but not limited to, governmental sales or purchases, including but not limited to the rigging of bids, price fixing, or any other collusive and illegal activity pertaining to bidding and governmental contracting; or

ii) PROVIDER has subcontracted, assigned, delegated, transferred its rights, obligations or interests under this Contract without the COUNTY's consent or approval; or

iii) PROVIDER has filed bankruptcy, become insolvent or made an assignment for the benefit of creditors, or a receiver, or similar officer has been appointed to take charge of all or part of PROVIDER assets.

b. The COUNTY may terminate the Contract upon five (5)

days written notice by the COUNTY or its authorized agent to the PROVIDER for PROVIDER's failure to provide the Services specified under this Contract.

- c. This Contract may be terminated by either party by giving thirty (30) days written notice to the other, before the effective date of termination (the "Termination Date"). In the event of such termination, the PROVIDER shall be paid for all Services rendered prior to the Termination Date, provided the PROVIDER shall have delivered to COUNTY such statements, accounts, reports and other materials as required under this Contract; however, PROVIDER shall not be compensated for any anticipatory profits that have not been earned as of the date of the Termination Date. All Services completed by PROVIDER prior to the Termination Date shall be documented and tangible work documents shall be transferred to and become the sole property of the COUNTY prior to payment for the Services rendered.
- d. Notwithstanding the above or any section herein to the contrary, PROVIDER shall not be relieved of liability to the COUNTY for damages sustained by the COUNTY by virtue of any breach of the Contract by PROVIDER and the COUNTY may withhold any payments to PROVIDER for the purpose of setoff until such time as the exact amount of damages due the COUNTY from PROVIDER is determined.

6. COMPENSATION FOR CORRECTIONS

No compensation shall be due or payable to PROVIDER pursuant to this Contract for any PROVIDER's Services performed by the PROVIDER in connection with effecting of corrections to the design of the Services, when such corrections are required as a direct result of negligence by the PROVIDER to properly fulfill any of his obligations as set forth in this Contract.

7. SUBCONTRACTING, ASSIGNMENT OR TRANSFER

- a. Any subcontracting, assignment, delegation or transfer of all or part of the rights, responsibilities, or interest of either party to this Contract is prohibited unless by written consent of the other party. No subcontracting, assignment, delegation or transfer shall relieve the PROVIDER from performance of the Services under this Contract. The COUNTY shall not be responsible for the fulfillment of the PROVIDER's obligations to its

transferors or subcontractors.

- b. Upon the request of the other party, the subcontracting, assigning, delegating or transferring party shall provide all documents evidencing the subcontract, assignment, delegation or transfer.

8. CONFLICT OF INTEREST

The PROVIDER covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any manner with the performance of the Services. The PROVIDER warrants that no part of the total Contract Fee shall be paid directly or indirectly to any officer or employee of the COUNTY as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to the PROVIDER in connection with any work contemplated or performed relative to this Contract.

9. CONTINGENT FEES

The PROVIDER/CONSULTANT warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the PROVIDER, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the PROVIDER any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the COUNTY will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

10. EMPLOYMENT OF COUNTY WORKERS

The PROVIDER will not engage, on a full, part-time, or any other basis during the Term of the Contract, any professional or technical personnel who are or have been at any time during the Term of the Contract in the employ of the COUNTY.

11. ACCESS TO RECORDS

During all phases of the work and Services to be provided hereunder, PROVIDER agrees to permit duly authorized agents and employees of the COUNTY to enter PROVIDER's offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be

accomplished at meetings that are arranged at mutually agreeable times and places. The PROVIDER will maintain all books, documents, papers, accounting records, and other evidence pertaining to the Fee paid under this Contract and make such materials available at their offices at all reasonable times during the Term of this Contract and for three (3) years from the date of payment under this Contract for inspection by the COUNTY or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof. Copies of said records shall be furnished to the COUNTY upon request.

12. ARBITRATION

Any dispute concerning a question of fact in connection with the work not disposed of by agreement between the PROVIDER and the COUNTY will be referred to the Shelby County Contract Administrator or its duly authorized representative, whose decision regarding same will be final.

13. RESPONSIBILITIES FOR CLAIMS AND LIABILITIES

- a. PROVIDER shall indemnify, defend, save and hold harmless the COUNTY, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the Services hereunder, whether performed by the PROVIDER its subcontractors, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.
- b. PROVIDER expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the PROVIDER shall in no way limit the responsibility to indemnify, defend, save and hold harmless the COUNTY or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.
- c. The COUNTY has no obligation to provide legal counsel or defense to PROVIDER or its subcontractors in the event that a suit, claim or action of any character

is brought by any person not a party to this agreement against PROVIDER as a result of or relating to performance of the Services under this Contract.

- d. Except as expressly provided herein, the COUNTY has no obligation for the payment of any judgment or the settlement of any claims against PROVIDER as a result of or relating to performance of the Services under this Contract.
- e. PROVIDER shall immediately notify the COUNTY of any claim or suit made or filed against PROVIDER or its subcontractors regarding any matter resulting from or relating to PROVIDER's performance of the Services under this Contract and will cooperate, assist and consult with the COUNTY in the defense or investigation thereof.

14. GENERAL COMPLIANCE WITH LAWS

- a. The PROVIDER certifies that it is qualified or will take steps necessary to qualify to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of the Services under this Contract.
- b. The PROVIDER is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the performance of the Services. The preceding shall include, but is not limited to, compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements, and the Americans with Disabilities Act (ADA).
- c. This Contract will be interpreted in accordance with the laws of the State of Tennessee. By execution of this Contract, the PROVIDER agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Contract will be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this Contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

15. NON-DISCRIMINATION

The PROVIDER hereby agrees, warrants, and assures compliance with the provisions of Title VI and VII of the Civil Rights Act of 1964 and all other federal statutory laws which provide in whole or in part that no person shall be excluded from participation or be denied benefits of or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the PROVIDER on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee State Constitutional or statutory law. The PROVIDER shall upon request show proof of such non-discrimination and shall post in conspicuous places available to all employees and applicants notices of non-discrimination.

16. ENTIRE AGREEMENT

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations or agreements, whether oral or written.

17. AMENDMENT

This Contract may be modified or amended only by written instrument signed by both parties.

18. SEVERABILITY

If any provision of this Contract is held to be unlawful, invalid or unenforceable under any present or future laws, such provision shall be fully severable; and this Contract shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Contract shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Contract a legal, valid and enforceable provision as similar in terms to such unlawful, invalid or unenforceable provision as possible.

19. NO WAIVER OF CONTRACTUAL RIGHT

No waiver of any term, condition, default, or breach of this Contract, or of any document executed pursuant hereto, shall be effective unless in writing and executed by the party making such waiver; and no such waiver shall operate as a waiver of either (a) such term, condition, default, or breach on any other occasion or (b) any other term, condition, default, or breach of this Contract or of such document. No delay or failure to enforce any provision in this Contract or in any document executed pursuant hereto shall operate as a waiver of such provision or any other provision herein or in any document related hereto. The enforcement by any party of any right or remedy it may have under this Contract or applicable law shall not be deemed an election of remedies or otherwise prevent such party from enforcement of one or more other remedies at any time.

20. MATTERS TO BE DISREGARDED

The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Contract.

21. SUBJECT TO FUNDING

This Contract is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Contract are not appropriated by Shelby County Government for any of its fiscal period during the Term hereof, then this Contract will be terminated. In the event of such termination, the PROVIDER shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the Termination Date.

22. TRAVEL EXPENSES

Travel is not reimbursable under this contract.

23. NON-LIABILITY FOR PROVIDER EMPLOYEE TAXES

Neither PROVIDER nor its personnel are COUNTY's employees, and COUNTY shall not take any action or provide PROVIDER's personnel with any benefits and shall have no liability for the following:

- a. Withholding FICA (Social Security) from PROVIDER's payments;
- b. Making state or federal unemployment insurance contributions on behalf of PROVIDER or its personnel;
- c. Withholding state and federal income tax from payment to PROVIDER;
- d. Making disability insurance contributions on behalf of PROVIDER;
- e. Obtaining workers' compensation insurance on behalf of PROVIDER or PROVIDER's personnel.

24. INCORPORATION OF OTHER DOCUMENTS

- a. PROVIDER shall provide Services pursuant to this Contract in accordance with the terms and conditions set forth within the Shelby County Request for Proposals/Bids as well as the Response of PROVIDER thereto, all of which are maintained on file within the Shelby County Purchasing Department and incorporated herein by reference.
- b. It is understood and agreed between the parties that in the event of a variance between the terms and conditions of this Contract and any amendment thereto and the terms and conditions contained either within the Request for Proposals/Bids or the Response thereto, the terms and conditions of this Contract as well as any amendment shall take precedence and control the relationship and understanding of the parties.

25. CONTRACTING WITH LOCALLY OWNED SMALL BUSINESSES

The PROVIDER shall take affirmative action to assure that Locally Owned Small Businesses that have been certified by the COUNTY are utilized when possible as sources of supplies and equipment, construction and services.

26. RIGHT TO REQUEST REMOVAL OF PROVIDER'S EMPLOYEES

The COUNTY may interview the personnel PROVIDER assigns to COUNTY's work. COUNTY shall have the right, at any time, to request removal of any employee(s) of PROVIDER, whom COUNTY deems to be unsatisfactory for any reason. Upon such request, PROVIDER shall use all reasonable efforts to promptly replace such employee(s) with substitute employee(s) having appropriate skills and training.

27. INCORPORATION OF WHEREAS CLAUSES

The foregoing whereas clauses are hereby incorporated into this Contract and made a part hereof.

28. Waiver Of Proprietary Interest

Notwithstanding anything to the contrary contained herein or within any other document supplied to County by the Provider, the Provider understands and acknowledges that the County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to the County by Provider due to services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.

29. DISCLOSURE OF REPORTS, DATA OR OTHER INFORMATION

Notwithstanding anything to the contrary contained herein or within any other document supplied to COUNTY by PROVIDER, PROVIDER understands and acknowledges that COUNTY is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to COUNTY by PROVIDER due to Services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.

30. ORGANIZATION STATUS AND AUTHORITY

a. PROVIDER represents and warrants that it is a corporation, limited liability company, partnership, or other entity duly organized, validly existing and in good standing under the laws of the state of Tennessee; it has the power and authority to own its properties and assets and is duly qualified to carry on its business in every jurisdiction wherein such

qualification is necessary.

- b. The execution, delivery and performance of this Contract by the PROVIDER has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the organizational documents of PROVIDER, any provision of any indenture, agreement or other instrument to which PROVIDER is a party, or by which PROVIDER's respective properties or assets are bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien , charge or encumbrance of any nature whatsoever upon any of the properties or assets.

31. Warranty

The Provider warrants to the County that all Services shall be performed in accordance with acceptable standards in the industry applicable to the Services. The Provider shall correct, at its sole cost and expense, any work reasonably deemed to be unsatisfactory by the County. The Provider warrants to the County that all Services shall be in strict compliance with the terms of this Contract, and all applicable governmental laws, rules and regulations

32. Rights in Data

The County shall become the owner, and the Provider shall be required to grant to the County, or its successors, a perpetual, non-exclusive, non-transferable, royalty-free right, in the County's name, to use any deliverables provided by the Provider under this Contract, regardless of whether they are proprietary to the Provider or to any third parties.

33. INSURANCE REQUIREMENTS

- a. The PROVIDER shall purchase and maintain, in a company or companies licensed to do business in the State of Tennessee, such insurance as will protect the County from claims which may arise out of or result from the PROVIDER's operations under the Contract, whether such operations are performed by himself or by any subcontractors or by anyone directly or indirectly employed by any of them, or by anyone for whose acts the PROVIDER or subcontractor

may be liable.

- b. The insurance required shall be written for not less than any limits of liability specified or required by law, whichever is greater. Shelby County Government, its elected officials, appointees and employees will be named as additional insured. All policies will provide for sixty (60) days written notice to COUNTY of cancellation or material change in coverage provided. Ten (10) days written notice is applicable to nonpayment of premium. If policy terms and conditions do not allow for notice to COUNTY, PROVIDER will immediately notify COUNTY and provide evidence of replacement coverage with no lapse. The PROVIDER will maintain throughout the life of this Contract insurance, through insurers rated A- or better by A.M. Best, in the following minimum requirements:

i) Professional Liability Insurance - \$1,000,000.00 per claim/\$3,000,000.00 annual aggregate, indicating if coverage is on occurrence basis or claims-made.

ii) Commercial General Liability Insurance - \$1,000,000.00 limit per occurrence bodily injury and property damage/\$1,000,000.00 personal and advertising injury/\$2,000,000.00 General Aggregate/\$2,000,000.00 Products-completed Operations Aggregate, indicating the coverage is provided on a claims-made or on an occurrence basis. The insurance shall include coverage for the following:

- a. Premises/Operation;
- b. XCU coverage, where applicable;
- c. Products/Completed Operations;
- d. Contractual Liability;
- e. Independent Contractors;
- f. Broad Form Property Coverage;
- g. Personal Injury.

iii) Workers Compensation and Employers' Liability Insurance - Workers Compensation statutory limits as required by Tennessee. This policy should include Employers' Liability Coverage for \$1,000,000.00 per accident.

Business Automobile Liability Insurance - \$1,000,000.00 each accident for property damage and personal injury. Coverage is to be provided

on all owned/leased autos, non-owned autos and hired autos.

- iv) Errors & Omissions Insurance - minimum of \$1,000,000 per claim or occurrence/\$2,000,000 annual aggregate. Coverage is to be included for all employed Providers and any contracted providers. Indicate if coverage is on occurrence basis or claims-made.

- c. PROVIDER shall provide County with a current copy of the Certificate of Insurance at the time of contracting and shall maintain said insurance during the entire Contract period as well as provide renewal copies on each anniversary date. The certificate holder is to read:

Shelby County Government
Contracts Administration -
County Attorney's Office
160 N. Main, Suite 950
Memphis, TN 38103

- d. Upon termination or cancellation of any claims-made insurance currently in effect under this Contract, the PROVIDER shall purchase an extended reporting endorsement and furnish evidence of same to the County.

- e. Any coverage applicable to COUNTY will apply as primary and non-contributory regardless of any insurance or self-insurance maintained by the COUNTY.

31. NOTICE/INVOICES/TESTING RESULTS

Invoices and testing results shall be forward to the following persons:

Invoices of person being tested for Drug Court should be forwarded to:

Angela Parkerson
Drug Court
201 Poplar, Suite LL-56
Memphis, TN 38103
Angela.Pakerson@shelbycountyttn.gov

Invoices of person being tested for Mental Health Court and Pre Trial Services should be forwarded to:

Deneka Kirby
Pre Trial Service
201 Poplar, Room 8-01
Memphis, TN 38103
Deneka.Kirby@shelbycountyttn.gov

Any notices required or permitted to be given under the provisions of this Contract shall be effective only if in writing and delivered either in person to the COUNTY's authorized agent or by First Class or U.S. Mail to the addresses set forth below, or to such other person or address as either party may designate in writing and deliver as herein provided:

COUNTY: Shelby County - Division of Community Services

160 N. Main Street 2nd Floor
Memphis, Tennessee 38103
Attn.: Kim Daugherty

and

Shelby County Government
Contract Administration -
County Attorney's Office
160 N. Main St., Suite 950
Memphis, Tennessee 38103

VENDOR: Avertest
Jason Herzog
1700 Bayberry Court, Suite 105
Richmond VA 23226

32. DATA SECURITY

CONTRACTOR warrants to the COUNTY and State that it agrees to meet the spirit and intent of all compliance requirements relating to the content of data accessed. This includes but is not limited to Payment Card Industry (PCI) data, as defined by PCI Security Standard v3.1, Protected Health Information (PHI), as defined under the in Code of Federal Regulations, Title 45, Subtitle A, Subchapter C, Part 160, Subpart A, §160.103 (45 C.F.R. §160.103), and Personally Identifiable Information (PII), as defined in the National Institute of Standards and Technology Special Publication 800-122 sections 2.1 and 2.2, in electronic and/or paper format. CONTRACTOR will sign any documents that are reasonably necessary to keep

the State and the COUNTY in compliance, including, but not limited to, Data Security - Vendor Acknowledgement agreement and Acceptable Use Policy, and to abide by SCG ITS security policies including, but not limited to, the SCG Network Security and Information Security policies.

CONTRACTOR shall apply all vendor-issued security updates for system hardware and software components maintained by the CONTRACTOR within 30 days of issuance.

Upon notification by the COUNTY, the CONTRACTOR shall assure that all vulnerabilities specific to the systems maintained and identified by the COUNTY Approved Scanning Vendor (ASV), using the common vulnerability scoring system (CVSS), as not meeting compliance requirements, including but not limited to PCI Data Security Standards (DSS) and Health Insurance Portability and Accountability Act (HIPAA), are patched, updated, or otherwise modified to assure they meet said compliance requirements.

The Contractor shall promptly report to Information Technology Security Officer any breaches of Shelby County Government data and will implement immediate, appropriate corrective actions to contain and prevent recurrence.

- i) **HIPAA** -CONTRACTOR warrants to the COUNTY and State that it is familiar with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract. CONTRACTOR warrants that it will cooperate with the COUNTY and State in the course of performance of the Contract so that all parties will be in compliance with HIPAA, including cooperation and coordination with COUNTY and State privacy officials and other compliance officers required by HIPAA and its regulations. CONTRACTOR will sign any documents that are reasonably necessary to keep the State and the COUNTY in compliance with HIPAA, including, but not limited to, business associate agreements.
- ii) **PCI-DSS**-CONTRACTOR warrants to the COUNTY that it is familiar with the requirements established by the Payment Card Industry Security Standards Council for PCI Data Security Standards (PCI-DSS) and will comply with all applicable PCI-DSS requirements in the

course of this Contract. CONTRACTOR agrees to indemnify and hold the COUNTY, its officers, employees, and agents, harmless for, from and against any and all claims, causes of action, suits, judgments, assessments, costs (including reasonable attorneys' fees) and expenses arising out of or relating to any breach of COUNTY or COUNTY customer credit card or identity information due to the CONTRACTOR's actions.

- v) **Personally Identifiable Information (PII)** - CONTRACTOR warrants to the COUNTY that it will protect any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

IN WITNESS WHEREOF, the parties hereto have set their signatures for the purposes contained herein, on the day and date first above written.

APPROVED AS TO FORM:
AND LEGALITY:

SHELBY COUNTY GOVERNMENT

Contract Administration/
Assistant County Attorney

Mark H. Luttrell, Jr., Mayor

Avertest

BY: _____

TITLE: _____

CORPORATE ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____

Before me, the undersigned Notary Public, in and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself/herself to be president or other officer authorized by appropriate Corporate action and/or Resolution to execute the preceding instrument of the _____, the within named bargainor, a corporation, and that he as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself/herself as _____.

WITNESS my hand and official seal at office this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Exhibit A