

# LOS ANGELES FIRE DEPARTMENT



**JAIME E. MOORE**  
FIRE CHIEF

June 11, 2026

**BOARD OF FIRE COMMISSIONERS**  
FILE NO. 26-027

TO: Board of Fire Commissioners

FROM:  Jaime E. Moore, Fire Chief

SUBJECT: THIRD AMENDED AND RESTATED AGREEMENT NO. C-140300 BETWEEN THE LOS ANGELES FIRE DEPARTMENT AND ASERETH MEDICAL SERVICES, INC. FOR AS-NEEDED TEMPORARY LICENSED PHARMACIST STAFFING SERVICES

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

## SUMMARY

The Los Angeles Fire Department (LAFD or Department) has a licensed Pharmacist on staff to procure, stock, store, and dispense controlled medications for Emergency Medical Services (EMS) personnel located throughout LAFD facilities. When the Pharmacist is not available, the LAFD requires as-needed temporary pharmacists licensed by the California State Board of Pharmacy to provide these services.

The LAFD entered into Agreement No. C-140300 (Agreement) with Asereth Medical Services, Inc. (Asereth) for as-needed temporary licensed pharmacist staffing services, for a three-year term, from May 23, 2022 through May 22, 2025, and for an annual amount not to exceed \$22,000 per year. Two one-year options to extend the term have been exercised, with the current agreement to expire on May 22, 2027.

This report represents the Third Amended and Restated Agreement No. C-140300, requesting an increase to the contract amount by \$88,000, for a maximum compensation amount not to exceed \$198,000.

## RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Third Amended and Restated Agreement No. C-140300 with Asereth Medical Services, Inc. for as-needed temporary licensed pharmacist staffing services, to increase the contract amount by \$88,000, for a total maximum compensation not to exceed \$198,000, subject to the availability of funding.
2. Transmit the Third Amended and Restated Agreement No. C-140300 to the Mayor for review and approval, in accordance with Executive Directive No. 3.

**DISCUSSION**

On July 20, 2021, the LAFD issued Request for Proposals (RFP) No. 2021-038-005 for as-needed licensed pharmacist staffing services. Asereth was subsequently awarded a contract to provide these services, and entered into Agreement No. C-140300, for a three-year term, from May 23, 2022 through May 22, 2025, and for an annual amount not to exceed \$22,000, with two one-year options to extend the term.

On May 14, 2025, a First Amended and Restated Agreement No. C-140300 was executed in order to exercise the first option to extend the term for one year, through May 22, 2026, and increase the compensation amount by \$22,000, for a total contract amount of \$88,000.

On April 16, 2026, a Second Amended and Restated Agreement No. C-140300 was executed in order to exercise the second option to extend the term for one year, through May 22, 2027, and increase the compensation amount by \$22,000, for a total contract amount of \$110,000.

The Third Amended and Restated Agreement No. C-140300 increases the compensation amount by \$88,000 for the term from May 23, 2026 through May 22, 2027, for a total contract amount of \$198,000. The reason for the increase is that in the event LAFD's Pharmacist is not available for an extended period of time, the services of a temporary pharmacist will need to be engaged in order to continue the procurement, stocking, and delivery of the controlled medications to LAFD Paramedics, Advanced Practitioners and EMS Captains. The increase in the compensation covers the services of a temporary pharmacist in the event the length of the engagement exceeds the \$22,000 amount.

The City Attorney has reviewed and approved the Third Amended and Restated Agreement No. C-140300 as to legal form.

Pursuant to the Los Angeles Administrative Code Section 10.5(b)(2), the increase in compensation is within the contract exemption limit and does not require Council approval.

**FISCAL IMPACT**

Funding for this agreement is available in the Department's Targeted Destination Ambulance Services (Kaiser) Fund, Account 3844RA.

Board Report prepared by Matthew Conroy, Battalion Chief, Emergency Medical Services Bureau, Administration and Training Section, and Damian A. Pacheco, Senior Management Analyst I Emergency Medical Services Bureau.

Attachment

**THIRD AMENDED AND RESTATED AGREEMENT NO. C-140300  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
ASERETH MEDICAL SERVICES, INC.  
FOR  
AS-NEEDED, TEMPORARY LICENSED PHARMACIST STAFFING SERVICES**

**THIS THIRD AMENDED AND RESTATED AGREEMENT** (“Agreement”) is made and entered into by and between the City of Los Angeles, a municipal corporation (“City”), acting by and through the Los Angeles Fire Department (“Department” or “LAFD”), and Asereth Medical Services, Inc., a California corporation, (“Contractor”) (collectively, the “Parties,” or individually, a “Party”), with reference to the following:

**WHEREAS**, the LAFD is a Los Angeles County, Department of Health Services (County) approved Emergency Medical Services (EMS) provider agency; and

**WHEREAS**, the LAFD responses to EMS calls for service may necessitate administering controlled medications to patients for proper and effective treatment; and

**WHEREAS**, to continue fulfilling its public safety responsibilities in the provision of emergency medical services, the LAFD must utilize the services of a pharmacist licensed by the California State Board of Pharmacy, in compliance with state and federal regulations, to procure, stock, store and dispense controlled medications at Department facilities; and

**WHEREAS**, on July 20, 2021, the LAFD issued a Request for Proposals (RFP) under City Charter Section 372 for as-needed, temporary licensed pharmacist staffing services; and

**WHEREAS**, the Contractor responded to the RFP, and the LAFD has determined that the Contractor possesses the qualifications and experience necessary to provide the services requested; and

**WHEREAS**, on May 23, 2022, the Parties entered into Agreement No. C-140300 (“Original Agreement”), pursuant to which Contractor agreed, for consideration and upon the terms and conditions provided in the Original Agreement, to perform the above-referenced services; and

**WHEREAS**, on May 14, 2025, the Parties entered into a First Amended and Restated Agreement to: (a) exercise the first option to extend the term of the Original Agreement for an additional one-year period, to expire on May 22, 2026, (b) increase contract funding by \$22,000, for a new total contract amount not to exceed \$88,000, (c) replace Exhibit B – Standard Provisions for City Contracts (Rev. 10/21)[v.4] with Exhibit B –

Standard Provisions for City Contracts (Rev. 1/25 [v.2]); and (d) make certain other changes deemed necessary by the Parties; and

**WHEREAS**, on April 16, 2026, the Parties entered into a Second Amended and Restated Agreement to: (a) exercise the second option to extend the term of the Original Agreement for an additional one-year period, to expire on May 22, 2027; (b) increase contract funding by \$22,000, for a new total contract amount not to exceed \$110,000; and (c) make certain other changes deemed necessary by the Parties; and

**WHEREAS**, the Parties now wish to: (a) increase the hourly rate to \$131.77; (b) increase the contract funding by \$88,000, for a new total contract amount not to exceed \$198,000; (c) replace Exhibit B – Standard Provisions for City Contracts (Rev. 1/25 [v.2]) with Exhibit B – Standard Provisions for City Contracts (Rev. 5/26 [v.1]); and (d) make certain other changes deemed necessary by the Parties.

**NOW, THEREFORE**, in consideration of the promises, representations, covenants and agreements provided below, the Parties agree as follows:

## **1.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES**

### **1.1. Parties to the Agreement**

1.1.1. City – The City of Los Angeles, a municipal corporation, acting by and through the Los Angeles Fire Department, having its principal office at 200 North Main Street, 18<sup>th</sup> Floor, Los Angeles, California, 90012.

1.1.2. Contractor – Asereth Medical Services, Inc., a California corporation, having its principal office at 257 S. Fair Oaks Avenue, Suite 200, Pasadena, California 91105.

### **1.2. Representatives of the Parties and Service of Notices**

The representatives of the respective Parties who are authorized to administer this Agreement and to whom formal notices, demands, and communications will be given are as follows:

1.2.1. The City's representative is, unless otherwise stated in the Agreement:

Fire Chief  
Los Angeles Fire Department  
200 North Main Street, Room 1800  
Los Angeles, California, 90012

With copies to:

Assistant Chief  
Emergency Medical Services Bureau  
Los Angeles Fire Department  
200 North Main Street, Room 1880  
Los Angeles, California, 90012

The Contractor's representative is, unless otherwise stated in the Agreement:

Theresa A. Taylor, Pharm. D.  
President and Director of Operations  
Asereth Medical Services, Inc.  
257 S. Fair Oaks Avenue, Suite 200  
Pasadena, California 91105

- 1.3. Formal notices, demands and communications to be given hereunder by either Party must be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- 1.4. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice must be provided as described in this Agreement, within five (5) business days of said change. As used in this section, "business days" shall refer to the days the City is open to the public for business.

## **2.0 TERM OF THE AGREEMENT**

- 2.1 The term of this Agreement shall commence on May 23, 2022, and shall end on May 22, 2027, unless otherwise terminated earlier as provided herein.
- 2.2 The Board of Fire Commissioners has authorized the Fire Chief to extend the Original Agreement for a total of two (2) additional years, exercisable in one (1) year increments, utilizing the amendment process described in Section PSC-4 of the Standard Provisions for City Contracts (Rev. 5/26 [v.1]), attached hereto and incorporated herein as Exhibit B. Any amendments to extend the term of this Agreement are contingent on the availability of funds and the Contractor having provided satisfactory services under this Agreement.
- 2.3 Due to the need for Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that the Contractor's services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.

### **3.0 SERVICES TO BE PROVIDED BY THE CONTRACTOR**

3.1. The Contractor shall provide the LAFD with an as-needed licensed primary pharmacist and back-up pharmacist(s) to provide the services involving the use of automated drug delivery systems, as described in the As-Needed, Temporary Pharmacist Scope of Services, attached hereto and incorporated herein as Exhibit A. The services, as detailed in Exhibit A, include the following:

3.1.1. Signing for all controlled medication deliveries;

3.1.2. Following the established policies and procedures under the established professional and Federal guidelines regarding the documentation, storage, preparation, distribution, and access of the controlled medications; and

3.1.3. Maintaining personal vehicles in good working order and properly insured for the safe-keeping and safe transport of the controlled medications.

3.2. As soon as possible after execution of this Agreement, the Contractor shall meet with the LAFD to discuss the Scope of Services and the skills and minimum qualifications required of the designated pharmacist(s). The Contractor shall not charge the LAFD for this meeting.

Thereafter, on an as-needed basis and upon request by the LAFD, the Contractor shall meet in person or by telephone with the Department to discuss any concerns the Department may have regarding the performance by the pharmacist(s) and any refinement of the Scope of Services. The Contractor shall not charge the LAFD for said meetings.

3.3. The Contractor shall identify three to five licensed pharmacists, with at least two (2) years of experience as a pharmacist, for the LAFD to interview. The LAFD will select one primary pharmacist and one or two back-up pharmacists. The back-up pharmacists will provide the services described in Exhibit A of this Agreement whenever the primary pharmacist is not available.

3.4. The designated pharmacists are employees of the Contractor, and are not employees of the City or the LAFD.

3.5. The LAFD is a Covered Healthcare Entity with the City organization, and in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and as part of this Agreement, the LAFD entered into a separate Business Associate Agreement (BAA) with the Contractor to ensure the security of LAFD records containing Protected Health Information (PHI). Said BAA is attached hereto and incorporated herein as Attachment No. 1. The designated pharmacist(s) will have access to PHI in order to reconcile the medication and comply with federal regulations and standards. The Contractor shall ensure that

the designated pharmacist(s) assigned to provide services to the LAFD are in compliance with HIPAA regarding LAFD records containing PHI.

3.6. The LAFD shall have the right to have the designated pharmacist or back-up pharmacist replaced whenever the pharmacist's performance is not satisfactory.

#### 4.0 COMPENSATION AND METHOD OF PAYMENT

##### 4.1. Compensation

4.1.1. The City shall pay the Contractor for satisfactory services rendered by the pharmacist(s) at an hourly rate of \$131.77, plus mileage at the Internal Revenue Service rate for travel while performing the services described in Exhibit A for the City. Mileage is not paid for travel from and to the pharmacist's home before and after on-duty hours. A GPS Tracking Service is included in the cost. Total compensation shall not exceed the maximum contract amount of \$198,000, based on the following:

<b>Year</b>	<b>Contract Amount</b>
Year 1 (5/23/22 - 5/22/23)	\$22,000
Year 2 (5/23/23 - 5/22/24)	\$22,000
Year 3 (5/23/24 - 5/22/25)	\$22,000
Year 4 (5/23/25 - 5/22/26)	\$22,000
Year 5 (5/23/26 - 5/22/27)	\$110,000
<b>Total Contract Amount</b>	<b>\$198,000</b>

4.1.2. The Contractor further understands and agrees that execution of this Agreement does not guarantee that any or all of these funds will be expended.

4.1.3. Notwithstanding any other provision in this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payment as provided in said Agreement. Contractor agrees that services provided by Contractor, purchases made by Contractor, or expenses incurred by Contractors in excess of said appropriation(s) shall be free and without charge to City and City shall have no obligation to pay for said services, purchase's or expenses. Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until City appropriates additional funds for this Agreement.

## 4.2. Method of Payment

### 4.2.1. Invoices

For services provided under this Agreement, the Contractor shall be paid by the City in accordance with Section 4.1 of this Agreement and other conditions and provisions of this Section after receipt and approval of the Contractor's invoices by the City. Notwithstanding the foregoing, City shall not be responsible for any late fees, late charges, interest, or penalties.

The Contractor shall submit invoices to:

Assistant Chief  
Emergency Medical Services Bureau  
Los Angeles Fire Department  
200 North Main Street, Room 1880  
Los Angeles, California 90012

The invoice must contain the following:

- a. Name and address of company or firm;
- b. Name and address of the Fire Department;
- c. Date of the invoice and period covered;
- d. Reference to contract number;
- e. Description of the completed task, amount due for the task, and name of the pharmacist performing the task;
- f. Payment terms, total due, and due date;
- g. Certification by a duly authorized officer of the Contractor;
- h. Discounts and terms (if applicable), and
- i. Remittance address (if different from company address).

Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to City Charter Section 262(a), which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury.

## 5.0 NON-EXCLUSIVE AGREEMENT

The City and Contractor understand and agree that this is a non-exclusive Agreement to provide services to the City and the LAFD and that the City or the LAFD reserve the right to enter into an agreement with other contractors to provide similar services during the term of this Agreement.

## **6.0 CITY CONTRACTING REQUIREMENTS**

### **6.1 Standard Provisions**

By entering into this Agreement with the City, the Contractor agrees to abide by the Standard Provisions for City Contracts (Rev. 5/26 [v.1]), attached hereto and incorporated herein as Exhibit B.

## **7.0 ORDER OF PRECEDENCE**

This Agreement, and any exhibits, attachments or documents incorporated herein by inclusion or by reference, constitutes the complete and entire Agreement between the City and the Contractor. In the event of any inconsistency between the body of this Agreement and the exhibits and attachment, the order of precedence will be as follows:

- 1) Third Amended and Restated Agreement No. C-140300
- 2) Exhibit B – Standard Provisions for City Contracts (Rev. 5/26 [v.1])
- 3) Second Amended and Restated Agreement No. C-140300
- 4) First Amended and Restated Agreement No. C-140300
- 5) Original Agreement
- 6) Exhibit A – Asereth Medical Services, Inc. Scope of Services
- 7) Attachment No. 1 – Business Associate Agreement (HIPAA)

## **8.0 ENTIRE AGREEMENT**

This Agreement, and any attachments or documents incorporated herein by inclusion or reference, constitutes the full and complete Agreement between the Parties and supersedes any prior representation, understandings, communications, commitments, agreements, or proposals, oral or written. Any changes to this Agreement must be in a written amendment, signed by the duly authorized representatives of both Parties. No verbal agreement or conversation with any officer or employee of either Party will affect or modify any of the terms and conditions of this Agreement. The Parties acknowledge that they have read and understand the Agreement and had an opportunity to consult with counsel of their choosing. Neither Party shall be deemed the drafter of this Agreement. Ambiguities, if any, in this Agreement shall not be construed against any Party merely because this Agreement or any of its provisions have been prepared by a particular Party.

## **9.0 NO THIRD-PARTY BENEFICIARIES**

Nothing herein is intended to create a third-party beneficiary in any subcontractor. The City has no obligation to any subcontractor. No privity is created with any subcontractor by this Agreement. Even if the Contractor uses

subcontractors, Contractor remains responsible for complete and satisfactory performance of the terms of this Agreement.

#### **10.0 COUNTERPARTS/NUMBER OF PAGES**

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures. This Agreement includes nine (9) pages, two (2) Exhibits and one (1) Attachment.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

**THE CITY OF LOS ANGELES,  
A Municipal Corporation**

**ASERETH MEDICAL SERVICES, INC.,  
A California Corporation**

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract

By: \_\_\_\_\_  
Jaime E. Moore  
Fire Chief  
Los Angeles Fire Department

By: \_\_\_\_\_  
Theresa Taylor, Pharm. D.  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:  
HYDEE FELDSTEIN SOTO, City Attorney**

By: \_\_\_\_\_  
Omar Taylor  
Secretary

By: \_\_\_\_\_  
Stephanie Cao  
Deputy City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:  
PATRICE Y. LATTIMORE, City Clerk**

By: \_\_\_\_\_  
Deputy City Clerk

Date: \_\_\_\_\_

\*Approved signature methods for California corporations:

A. Two signatures: One of the Chairman of the Board of Directors, President, or Vice President, and one of the Secretary, Chief Financial Officer, or Assistant Treasurer. The signature of a single individual holding offices in each category is also acceptable.

Or

B. One signature of a corporate-designated individual together with a properly attested resolution of the Board of Directors or copy of the Bylaws authorizing the individual to sign.

City Agreement Number: C-140300 RA-3

# **EXHIBIT A**

## **ASERETH MEDICAL SERVICES, INC.**

### **SCOPE OF SERVICES**

**ASERETH MEDICAL SERVICES, INC.**  
**AS-NEEDED, TEMPORARY PHARMACIST SCOPE OF SERVICES**

The Contractor shall provide an as-needed, temporary licensed pharmacist that will provide the following services to the Los Angeles Fire Department (LAFD). The services to be provided by the pharmacist will involve the use of automated drug delivery systems: The Pyxis CII safe (also referred to as the "Central Medication Safe") and the Pyxis MedStations ADS machines to be located at several LAFD satellite locations. The LAFD will provide training to the pharmacist on the use and operation of the Pyxis products. The LAFD will order the medication from an approved pharmaceutical vendor for delivery to the LAFD Supply & Maintenance Division.

1. Personally sign for all controlled medication deliveries for LAFD at LAFD Supply & Maintenance Division, located at 140 North Avenue 19, Los Angeles, California 90031 and secure the medications in a central safe in the Medical Supplies Office (Central Medication Safe) at this location.
2. Assist with the adherence to policies and procedures that meet the established professional and federal guidelines that ensure safe controlled medication storage, distribution, access, and use wherever they are deployed, including meeting required environmental conditions for the storage and handling of controlled medications.
3. Complete all required documentation to ensure compliance with federal/Drug Enforcement Administration (DEA) policies regarding the procurement, distribution, and administration of controlled medications.
4. Follow established standards for safety, accuracy, and timeliness of any required forms or reports in order to be in full compliance with applicable local, state, and federal standards regarding the prescribing, procurement and distribution of controlled medications.
5. Assist with the identification of data to be captured and the reports to be generated for monitoring medication use, waste reconciliation, and discrepancies.
6. Prepare medications for external usage; break down bulk medical supplies into dispensable units and restock Central Medication Safe and all satellite automated medication dispensing machines; maintain medications under all required security, as prescribed by Federal and State laws. This will entail transporting controlled medication to and from the Central Medication Safe to all satellite locations via an approved locking transport container (to be provided by the LAFD) and in a manner approved by the board of Pharmacy and regulations established by the DEA.

7. Assess medication inventory levels of Central Medication Safe and satellite automated medication dispensing machines; restock Central Medication Safe and satellite automated medication dispensing machines based on pre-determined thresholds; maintain security and control of all medications during transport; and rotate medications to minimize expiration of unused controlled medications.
8. Reconcile each and every use of a controlled medication with a specific patient via specific booklet numbers from the electronic patient care reports.
9. Run periodic queries to identify any unusual controlled medication usage by paramedics in the field.
10. Maintain records of all controlled medication deliveries and all corresponding regulatory/compliance forms and documents.
11. Regularly survey controlled medication inventories to ensure that medications are rotated and are not kept or dispensed past their expiration dates.
12. Ensure that medications are maintained in satisfactory environmental conditions and that there is no evidence of any tampering of controlled medications.
13. Maintain an inventory of controlled medications received and dispensed; audit inventory of controlled medications and assure that adequate pharmaceutical supplies are maintained.
14. Maintain diligence in security and control of medications.
15. Notify the LAFD Assistant Chief immediately upon learning of any controlled medication discrepancy, potential diversion issue, or controlled medication tampering.
16. Maintain controlled medication formulary.
17. Enter and update approved users of automated dispensing machines; assign template, privilege and access level of automated dispensing machines; and assist in proper configuration and authorized access of Central Medication Safe.
18. Monitor automated dispensing machine status and manage medication error messages.
19. The pharmacist must provide their own personal vehicle for use in carrying out the services described in this Scope of Services. The vehicle must be maintained in good working order and properly insured, and must have security measures to ensure safe-keeping and safe transport of medication by the pharmacist.

## **EXHIBIT B**

### **STANDARD PROVISIONS FOR CITY CONTRACTS (Rev. 5/26 [v.1])**

**STANDARD PROVISIONS FOR CITY CONTRACTS**  
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## STANDARD PROVISIONS FOR CITY CONTRACTS

### **PSC-1. CONSTRUCTIONS OF PROVISIONS AND TITLES HEREIN**

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

As used in this Contract, unless otherwise specified in the Contract, the term "Written Notice" or "Writing" may include correspondence sent via electronic mail, certified mail, or through the United States Postal Service.

### **PSC-2. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT**

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**. In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction and venue, and agrees to bring all such actions, exclusively in state or federal courts located in the County of Los Angeles, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

### **PSC-3. TIME OF EFFECTIVENESS**

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;

- C. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract; and
- D. The Office of the City Attorney has indicated in Writing (including electronic communication), its approval of this Contract as to form.

**PSC-4. INTEGRATED CONTRACT/AMENDMENT**

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only in Writing and signed by the duly authorized representatives of both parties, including the Office of the City Attorney as to form.

**PSC-5. FORCE MAJEURE/EXCUSABLE DELAYS**

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract if the delay or failure arises out of a Force Majeure Event. Force Majeure Events include but are not limited to fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), government furloughs, government shutdowns, freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar and unforeseeable events. For the party to be excused from performance for its delay or failure resulting from a Force Majeure Event, in each case, the delay or failure to perform must have been unforeseeable at the time of contract, and be beyond the control and without any fault or negligence of the party delayed or failing to perform. Notwithstanding the foregoing, **CONTRACTOR** shall not be entitled to terminate this Contract due to a Force Majeure Event in the event that **CONTRACTOR** is engaged to perform services in response to that event.

**CONTRACTOR's** non-performance shall not be excused by a delay or failure to perform by a Subcontractor resulting from a Force Majeure Event, unless (1) the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them and (2) the **CONTRACTOR** establishes that the goods or services to be furnished by the Subcontractor could not have been obtained from other sources in sufficient time to permit **CONTRACTOR** to perform timely. In the event **CONTRACTOR's** delay or failure to perform is a result of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

**PSC-6.      WAIVER**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

**PSC-7.      SUSPENSION**

At **CITY's** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon delivery of the notice of suspension in accordance with the Contract, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

**PSC-8.      TERMINATION**

A.      Termination for Convenience

**CITY** may terminate this Contract for **CITY's** convenience at any time by providing **CONTRACTOR** notice in Writing, which shall include the effective date of termination. Upon delivery of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination, provided that such amounts are approved, in Writing, by **CITY** in advance of the work being performed. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY's** ownership of rights provided herein.

B.      Termination for Breach of Contract

1.      Except as provided in PSC-5, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may immediately terminate this Contract by giving **CONTRACTOR** notice in Writing of the default and termination. Unless otherwise specified in **CITY's** termination notice, termination by **CITY** shall be effective three (3) days after the date of delivery of notice in Writing. Alternatively, in the event of a default, **CITY**, at its sole discretion, may send **CONTRACTOR** a default notice in Writing identifying the default and the time period to cure the default to the sole satisfaction of City. Additionally, **CITY's** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the

default, which shall be submitted to **CITY** within the time period allowed by the default notice. At **CITY's** sole discretion, **CITY** may accept or reject **CONTRACTOR's** plan. If: (1) **CITY** rejects **CONTRACTOR's** plan; (2) the default cannot be cured; or (3) **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR's** breach of this Contract.

2. If the default under this Contract is due to **CONTRACTOR's** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and **CONTRACTOR's** obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY's** requirements and provides written evidence to **CITY** that **CONTRACTOR** has obtained the required insurance coverage.
3. A breach of PSC-21, PSC-22, PSC-23, PSC-34, or PSC-37, or any unauthorized use of City Data or AI System, shall be deemed a breach of this Contract. **CITY** may require immediate suspension of the affected processing or services and may terminate this Contract if **CONTRACTOR** fails to cure within the period stated in **CITY's** notice, or immediately if the breach is not reasonably curable or presents an imminent risk to City Data, **CITY** systems, or the health, safety, or legal rights of any person.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates City, state, or federal laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
  - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person is informed that it is the target or subject of a local, state, or federal government investigation, or is criminally diverted, charged with, indicted for, convicted of, pleads nolo contendere to, forfeits bail, or fails to appear in court for a hearing, related to any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
  - b. Acts of Moral Turpitude include, but are not limited to: crimes set forth in California Penal Code Section 667.5, California Penal Code Section 1192.7, and California Public Resources Code Section 5164(a)(2) regardless of whether such acts are punishable by felony or misdemeanor conviction.

- c. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
    - d. **CITY** shall be entitled to terminate this contract for breach due to an Act of Moral Turpitude.
  - 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
  - 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-8(A) Termination for Convenience.
  - 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in Writing all other parties contracted with under the terms of this Contract within five (5) calendar days of the termination.

**PSC-9. INDEPENDENT CONTRACTOR**

**CONTRACTOR** is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

**PSC-10. CONTRACTOR'S PERSONNEL**

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. In the event that **CITY** is dissatisfied with the performance of any **CONTRACTOR** personnel, **CITY** and **CONTRACTOR** shall meet in person, virtually, or telephonically to attempt to resolve such concerns.

**CONTRACTOR** shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and

paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR's** Subcontractors, and **CITY** reserves the right to require replacement of any Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR's** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

Any employee, agent, or Subcontractor with access to City Data or Confidential Information shall be subject to written confidentiality obligations and appropriate privacy and security training. For purposes of this Contract, any third party that hosts, stores, transmits, supports, analyzes, or otherwise processes City Data or provides a material AI System used in performance of this Contract shall be deemed a Subcontractor or Subprocessor subject to **CITY's** prior written approval under this PSC-10.

#### **PSC-11. ASSIGNMENT AND DELEGATION**

**CONTRACTOR** may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract by operation of law or otherwise, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

For the purposes of this Contract, any change of control of **CONTRACTOR** resulting from an amalgamation, merger, corporate reorganization, arrangement, business sale, or asset shall be deemed an assignment or delegation.

#### **PSC-12. PERMITS**

**CONTRACTOR** and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for **CONTRACTOR's** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR's** performance of this Contract.

#### **PSC-13. CLAIMS FOR LABOR AND MATERIALS/UNEMPLOYMENT**

**CONTRACTOR** shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

**PSC-14. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED**

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY's** Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

**PSC-15. RETENTION OF RECORDS, AUDIT AND REPORTS**

**CONTRACTOR** shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. Except in circumstances where either federal, state, or local law requires a longer period of retention, these records shall be retained for a period of no less than five (5) years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract ("Retention Period"). The records will be subject to examination and audit by authorized **CITY** personnel or **CITY's** representatives at any time.

**CONTRACTOR** acknowledges that this is an agreement with the Municipal Corporation of Los Angeles, and, as such, upon request by the Office of the Mayor, City Attorney, or Controller, agrees to provide such entities with access to any information, records, or data related to this Contract. **CONTRACTOR** shall provide any reports requested by **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

Any Confidential Information and protected Personal Information contained in the records during the retention period will remain subject to the obligations and restrictions contained in the Contract. **CONTRACTOR** will not use the retained Confidential Information or Personal Information for any purpose.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY's** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract. At any time prior to or during Retention Period, **CONTRACTOR** shall, upon written request by **CITY**, provide all City Data to **CITY** in an electronic format, e.g. USB flash drive. Within thirty (30) days following the expiration of Retention Period, **CONTRACTOR** shall securely dispose of all City Data in its possession and provide **CITY** with written certification that it has completed secure disposal.

For purposes of this PSC-15, records pertaining to the performance of this Contract include records reasonably necessary to demonstrate **CONTRACTOR's** compliance with PSC-21, PSC-22, PSC-23, PSC-34, and PSC-37, including Subprocessor approvals, security assessments, incident reports, and policies or certifications made available to **CITY**. Retention of City Data itself shall remain subject to PSC-22.

**PSC-16. BONDS**

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code (“LAAC”) Sections 11.47 et seq. and any successor sections.

**PSC-17. INDEMNIFICATION**

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands, deficiencies, judgments, settlements, costs, and expenses of any kind, including, but not limited to, attorney's fees (both in house and outside counsel), costs of experts and consultants, damages or liability of any nature whatsoever whether foreseeable or unforeseeable (including, but not limited to, as related to death, personal injury, property damage, or economic loss), relating to or, arising in any manner by reason of the acts, errors, omissions or willful misconduct by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. Without limiting the foregoing, such obligations apply to claims, losses, demands, and expenses arising out of or relating to any Security Incident or Data Breach, any unauthorized access to, acquisition, use, disclosure, loss, alteration, or destruction of City Data, any violation of PSC-21, PSC-22, PSC-23, PSC-34, or PSC-37, or any allegation that **CONTRACTOR's** use of an AI System under this Contract caused invasion of privacy, unlawful discrimination, defamation, or other injury, in each case to the extent caused by **CONTRACTOR** or its Subcontractors. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

**PSC-18. INTELLECTUAL PROPERTY INDEMNIFICATION**

**CONTRACTOR**, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY's** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any

other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

For purposes of this PSC-18, intellectual property and proprietary information claims include claims arising from any software, dataset, AI System, model, training or fine-tuning data, prompt library, or output used or provided by **CONTRACTOR** or its Subcontractors in connection with the services. If any service, Work Product, or deliverable becomes, or in **CONTRACTOR's** reasonable judgment is likely to become, subject to such a claim, **CONTRACTOR** shall, at its expense and in addition to its defense and indemnity obligations, promptly: (1) procure for **CITY** the right to continue using the affected item; (2) replace or modify the affected item so that it becomes noninfringing without materially reducing functionality, security, or performance; or (3) if neither of the foregoing is commercially reasonable, refund the fees allocable to the affected item and assist **CITY** in an orderly transition. **CONTRACTOR** shall have no obligation under this paragraph to the extent a claim arises solely from modifications made by **CITY** other than through **CONTRACTOR**, use of the affected item contrary to the documentation or this Contract after notice by **CONTRACTOR**, or combination with items not supplied or approved by **CONTRACTOR** where the claim would not have arisen but for such combination.

#### **PSC-19. INTELLECTUAL PROPERTY WARRANTY**

**CONTRACTOR** represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

**CONTRACTOR** further represents and warrants that: (1) **CONTRACTOR** and its Subcontractors have obtained and will maintain all rights, licenses, consents, notices, and permissions necessary for the technologies, datasets, AI Systems, and other materials used to perform this Contract and to grant the rights granted to **CITY** herein, including any required rights relating to voice, image, likeness, biometric, or other protected data; (2) no Contractor Materials, Work Product, or AI-generated deliverable provided to **CITY** is subject to any license, use restriction, or other encumbrance that would require **CITY** to disclose source code, grant rights to third parties, or accept restrictions inconsistent with this Contract, except as expressly disclosed in writing and approved by **CITY**; and (3) **CONTRACTOR** will not use City Data to train or improve any AI System except as expressly permitted under PSC-23.

#### **PSC-20. TECHNOLOGY, DATA AND AI DEFINITIONS**

For purposes of these Standard Provisions for City Contracts, the following terms apply:

“AI System” means any machine-based system, including any generative artificial intelligence, large language model, machine learning model, algorithmic or automated decision system, or similar technology, that infers from the inputs it receives how to

generate outputs such as text, images, audio, video, code, classifications, scores, predictions, recommendations, or decisions.

“City Data” means all data, content, records, information, text, audio, video, images, software, documents, Personal Information, credentials, metadata, logs, prompts, inputs, outputs, feedback, configurations, and other information, in any form, that is: (i) provided by or on behalf of **CITY** to **CONTRACTOR**; (ii) made available to **CONTRACTOR** by **CITY**’s personnel, residents, users, agents, systems, or devices; or (iii) collected, received, accessed, stored, hosted, transmitted, generated, derived, created, or otherwise processed by **CONTRACTOR** or its Subprocessors in connection with this Contract, in each case where such information identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked to **CITY**, any individual or household, **CITY** operations, or **CITY** systems. City Data includes any data embodied in Work Product and any prompts, inputs, outputs, logs, and evaluation data used or generated in connection with any AI System under this Contract. City Data does not include Contractor Materials, and does not include De-Identified Data solely to the extent **CONTRACTOR** is expressly permitted to use such De-Identified Data under PSC-22.

“Contractor Materials” means preexisting or independently developed materials, services, software, source code, object code, models, algorithms, routines, templates, know-how, tools, methods, documentation, and other intellectual property that were not created specifically for **CITY** under this Contract and were not developed using City Data or **CITY** funding.

“Data Breach” means any unauthorized acquisition, access, use, disclosure, exfiltration, loss, theft, destruction, alteration, or compromise of City Data, or of the security, confidentiality, or integrity of City Data, whether or not such event constitutes a breach under applicable law.

“De-Identified Data” means data that cannot reasonably be used to infer information about, or otherwise be linked to, **CITY**, any individual, household, device, or **CITY** system, and with respect to which **CONTRACTOR** has implemented technical and organizational measures designed to prohibit re-identification and onward disclosure except as permitted by law.

“Personal Information” means any information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household, and any other data subject to privacy, confidentiality, security, breach notification, consumer protection, identity theft, employment, or similar laws, including sensitive personal information, personally identifiable information, protected health information, payment card data, financial account information, biometric information, credentials, education records, and government-issued identifiers.

“Security Incident” means any actual or reasonably suspected event that materially threatens or adversely affects the confidentiality, integrity, availability, or resilience of City

Data or of the systems used to provide the services, including malware, ransomware, denial of service, unauthorized access attempts, or material outages, but excluding unsuccessful routine scans, pings, or blocked attacks that do not result in unauthorized access to City Data or material degradation of the services.

“Subprocessor” means any subcontractor or other third party, including any cloud, hosting, support, analytics, payment, or AI provider, engaged by **CONTRACTOR** or its Subcontractors to host, access, receive, store, transmit, or otherwise process City Data or to provide a material technology service used in performance of this Contract.

#### **PSC-21. OWNERSHIP AND LICENSE**

- A. City Data. **CITY** retains all right, title, and interest in and to City Data. No rights in City Data are granted to **CONTRACTOR** except the limited, nonexclusive, nontransferable right to use City Data solely as necessary to perform this Contract and solely in accordance with this Contract and **CITY’s** written instructions. **CONTRACTOR** shall not sell, license, rent, disclose, release, transfer, assign, encumber, or otherwise exploit City Data and shall not assert any lien, withholding right, setoff, or other encumbrance against City Data.
- B. Work Product. Unless otherwise expressly provided in this Contract, all finished and unfinished works, tangible or intangible, originated and prepared by **CONTRACTOR** or its Subcontractors specifically for **CITY** under this Contract, including, without limitation, documents, reports, analyses, studies, specifications, manuals, software, code, configurations, interfaces, databases, designs, audiovisual materials, websites, domain names, inventions, discoveries, and other deliverables (each, a “Work Product”; collectively, “Work Products”), together with all intellectual property rights therein, shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all right, title, and interest worldwide in and to such Work Products. **CONTRACTOR** shall execute any documents reasonably necessary for **CITY** to perfect, memorialize, or record **CITY’s** ownership of rights provided herein.
- C. AI-Generated Output. To the extent any Work Product or portion thereof is generated or assisted by an AI System or is not capable of assignment or exclusive ownership as a matter of law, **CONTRACTOR** hereby grants to **CITY** a perpetual, irrevocable, worldwide, royalty-free, fully paid-up license, with the right to sublicense to **CITY’s** contractors and service providers acting on **CITY’s** behalf, to use, reproduce, modify, display, perform, distribute, create derivative works from, and otherwise exploit such Work Product or output for any **CITY** purpose.
- D. Contractor Materials. **CONTRACTOR** retains ownership of Contractor Materials. To the extent any Contractor Materials are incorporated into, delivered with, or reasonably necessary for **CITY** to use any Work Product or receive the benefits of the services, **CONTRACTOR** grants to **CITY** a nonexclusive, perpetual, irrevocable, worldwide, royalty-free, fully paid-up license, with the right to

sublicense to **CITY's** contractors and service providers acting on **CITY's** behalf, to use, execute, reproduce, display, perform, configure, maintain, support, and, if delivered in source or editable form, modify such Contractor Materials solely as necessary for **CITY** to use the Work Product and receive the benefits of the services.

- E. Third-Party Materials. For all materials, software, data, or other items delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure for **CITY**, at no additional cost to **CITY**, all rights necessary for **CITY** to use such items for **CITY** purposes and to receive the full benefit of this Contract.
- F. Restrictions on Disclosure. **CONTRACTOR** shall not provide or disclose any Work Product or City Data to any third party except as expressly permitted under this Contract or approved in writing by **CITY**.
- G. Subcontracts. Any subcontract or other agreement entered into by **CONTRACTOR** relating to this Contract shall preserve and protect **CITY's** rights in City Data and Work Product and shall state that no Subprocessor or subcontractor obtains any ownership interest in either.
- H. Equitable Relief. **CONTRACTOR** agrees that a monetary remedy for breach of this PSC-21 may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this PSC-21 by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

## **PSC-22.     DATA PROTECTION**

- A. General Standard. **CONTRACTOR** shall protect City Data using administrative, technical, physical, and organizational safeguards no less rigorous than accepted industry standards and no less protective than those **CONTRACTOR** uses for its own information of similar sensitivity, and in all events consistent with applicable law and the nature of the services and City Data. **CONTRACTOR** shall maintain a written information security program, incident response plan, and business continuity and disaster recovery capabilities appropriate to the services.
- B. Permitted Use; Restricted Use. **CONTRACTOR** shall collect, access, use, retain, disclose, store, and otherwise process City Data only for the limited and specified purpose of performing this Contract, complying with applicable law, and as otherwise expressly authorized in writing by **CITY**. **CONTRACTOR** shall limit access to City Data to personnel and approved Subprocessors with a need to know for performance of this Contract and who are bound by written confidentiality and data protection obligations at least as protective as this Contract. In addition to the

confidentiality obligations in PSC-37, **CONTRACTOR** shall not: (i) sell, share, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate City Data to any third party except as expressly authorized by **CITY** or required by law; (ii) use City Data for advertising, marketing, profiling for unrelated purposes, product development unrelated to the services, or any commercial purpose other than performance of this Contract; (iii) combine City Data with data from other customers or sources except as necessary to provide the services and subject to written controls that prevent unauthorized use or disclosure; or (iv) move, store, or permit access to City Data outside the United States without **CITY's** prior written approval.

- C. Data Minimization and Retention. **CONTRACTOR** shall collect and use only the minimum City Data reasonably necessary to perform this Contract, and shall retain City Data only for the duration reasonably necessary for the permitted purpose or as otherwise required by law or **CITY's** written instructions. If retention is required by law or PSC-15, such retained City Data shall remain subject to all protections of this Contract.
- D. Security Controls. Without limiting the foregoing, **CONTRACTOR** shall, to the extent applicable to the services, implement and maintain: (i) logical access controls based on least privilege and unique user identification; (ii) multi-factor authentication for remote access, privileged access, and access to systems hosting City Data where technically feasible; (iii) encryption of City Data in transit and at rest, to the extent commercially reasonable and appropriate to the sensitivity of the City Data and the architecture of the services, and in all cases for portable media and internet transmissions; (iv) malware protection, endpoint monitoring, and timely security patching and vulnerability management appropriate to risk; (v) logging and monitoring reasonably sufficient to detect, investigate, and respond to unauthorized access or use; (vi) secure configuration, secure development where software or AI-based services are provided, and change management; (vii) secure disposal of media containing City Data; (viii) periodic privacy and security training for personnel with access to City Data; and (ix) segregation of City Data from other data through logical or physical separation appropriate to the services.
- E. Subprocessors. **CONTRACTOR** shall not permit any Subprocessor to access or process City Data without **CITY's** prior written approval as required hereunder and a written agreement binding the Subprocessor to obligations no less protective than this Contract, including the restrictions in this PSC-22 and PSC-23. **CONTRACTOR** remains fully responsible for all acts and omissions of its Subprocessors.
- F. Security Incidents and Data Breaches. **CONTRACTOR** shall notify **CITY** in writing without unreasonable delay, and in any event no later than twenty-four (24) hours after discovery of any Security Incident or Data Breach. Such notice shall include, to the extent known at the time, the nature of the incident, the categories of City Data affected, the date and time or estimated date and time of the incident, the

systems affected, the measures taken or proposed to address it, and a point of contact. **CONTRACTOR** shall promptly take all reasonable steps to contain, investigate, mitigate, and remediate the incident; preserve relevant evidence; provide **CITY** with regular status updates at least daily until resolution, or more frequently if reasonably requested by **CITY**; and cooperate fully with **CITY**, its representatives, insurers, auditors, and law enforcement. **CONTRACTOR** shall not notify any third party, regulator, or affected individual, or issue any public statement, regarding any Security Incident or Data Breach involving City Data without **CITY's** prior written approval, unless required by law, in which case **CONTRACTOR** shall, to the extent legally permitted, consult with **CITY** in advance and provide **CITY** a copy of the proposed notice. **CONTRACTOR** shall reimburse **CITY** for reasonable documented third-party costs incurred by **CITY** to investigate, respond to, mitigate, notify, and remediate any Security Incident or Data Breach to the extent caused by **CONTRACTOR** or its Subprocessors, including legally required notice, call center support, credit or identity monitoring where reasonably appropriate, forensic services, data restoration, and other reasonable incident response costs.

- G. **Assessments and Audit Cooperation.** Upon **CITY's** reasonable request, not more than once annually except following a Security Incident, Data Breach, or material change in **CONTRACTOR's** security controls, **CONTRACTOR** shall provide **CITY** with then-current summaries of relevant independent security assessments, certifications, or audit reports, such as SOC 2 Type II, ISO 27001, or comparable reports, if available, together with remediation status for material findings relevant to the services. If such reports are unavailable, **CONTRACTOR** shall complete **CITY's** reasonable security questionnaire and provide reasonable supporting documentation sufficient to demonstrate compliance with this PSC-22. **CITY** or its designated representative may, upon reasonable notice and during normal business hours, perform a reasonable review of **CONTRACTOR's** compliance with this PSC-22 and PSC-23, subject to reasonable confidentiality, security, and operational safeguards. Any such review shall be limited to information and systems relevant to the services and City Data and shall not unreasonably interfere with **CONTRACTOR's** business operations or expose data of other customers.
- H. **Return, Transition, and Deletion.** Upon **CITY's** request, expiration, or termination of this Contract, **CONTRACTOR** shall promptly, and in no event later than thirty (30) days unless otherwise directed by **CITY**, return to **CITY** all City Data in a reasonably usable format designated by **CITY** and securely delete all copies of City Data in **CONTRACTOR's** and its Subprocessors' possession or control, except to the extent retention is required by law or by immutable backup media not reasonably accessible in the ordinary course. Any retained City Data shall remain subject to this Contract until deleted. Upon request, **CONTRACTOR** shall certify in writing its completion of the return and deletion obligations. The return of City Data in a reasonably usable format and the deletion certification required by this subsection shall be provided at no additional charge. Additional transition services

requested by **CITY** beyond those ordinary obligations shall be provided at the rates, if any, set forth in this Contract, or otherwise at mutually agreed rates.

- I. Legal Requests and Public Records. **CONTRACTOR** shall promptly notify **CITY** of any subpoena, court order, public records request, or other legal demand seeking City Data or Confidential Information, unless prohibited by law. **CONTRACTOR** shall not respond or produce City Data except as required by law and after giving **CITY** a reasonable opportunity to seek protective relief or otherwise direct the response. **CONTRACTOR** shall reasonably assist **CITY** in responding to requests for records relating to this Contract.
- J. Limited Use of De-Identified Data. **CONTRACTOR** may use De-Identified Data solely for internal security, fraud prevention, service support, capacity planning, and improvement of the services provided to **CITY**, provided that **CONTRACTOR** does not identify **CITY**, any individual, household, device, or **CITY** system, does not sell or share such data, and does not use such data to train or improve any general-purpose or third-party AI System without **CITY's** prior written approval.
- K. By entering into this Contract, **CONTRACTOR** certifies that it understands and will comply with the restrictions in this PSC-22 and PSC-23. This PSC-22 shall survive expiration or termination of this Contract.

**PSC-23. ARTIFICIAL INTELLIGENCE AND AUTOMATED PROCESSING**

- A. Disclosure and Approval. **CONTRACTOR** shall not use any AI System that processes City Data, generates deliverables for **CITY**, interacts with the public or **CITY** personnel on **CITY's** behalf, or materially informs services or decisions under this Contract, or permit any Subprocessor to do so, without prior written disclosure to **CITY** of the AI System or provider, intended use case, categories of City Data processed, hosting region, retention practices, and material limitations reasonably known to **CONTRACTOR** that may affect accuracy, reliability, security, confidentiality, intellectual property, or bias. No such AI System or material AI feature may be enabled for **CITY** without **CITY's** prior written consent if it materially changes how City Data is processed or materially changes the risk profile of the services.
- B. No Model Training or Secondary Use. Except as expressly authorized in a written amendment signed by **CITY**, **CONTRACTOR** shall not, and shall cause its Subprocessors and AI providers not to, use City Data to train, retrain, fine-tune, or otherwise improve any AI System or model, whether general-purpose or customer-specific. Any retention of prompts, inputs, outputs, or feedback for abuse monitoring, safety review, or troubleshooting must be disclosed to **CITY** in advance, limited to the minimum necessary, protected as City Data, and not used for model training or generalized product improvement.

- C. Responsibility and Human Oversight. **CONTRACTOR** remains fully responsible for all services performed with or through an AI System. **CONTRACTOR** shall implement reasonable governance and quality controls appropriate to the use case, including documented intended use, change management, testing for material errors and security risks, and human review before any AI-generated output is relied upon for material legal, financial, employment, eligibility, benefits, enforcement, or safety decisions affecting any individual, unless **CITY** expressly authorizes otherwise in writing and applicable law permits such use.
- D. Output and Records. Any output, report, recommendation, code, content, or other deliverable generated by an AI System for **CITY** under this Contract shall be treated as Work Product or City Data, as applicable. Upon **CITY's** reasonable request, **CONTRACTOR** shall identify whether a deliverable was materially generated or modified using an AI System. **CONTRACTOR** shall, upon **CITY's** reasonable request, maintain and provide records sufficient to identify the AI System used, the material version or model family, the date of use, and the categories of City Data processed in connection with the services, except to the extent disclosure would reveal **CONTRACTOR's** trade secrets unrelated to **CITY's** use, in which case **CONTRACTOR** shall provide a reasonably informative summary.
- E. Changes and Suspension. **CONTRACTOR** shall provide **CITY** with reasonable advance written notice of any material change in an AI System or AI provider used to perform the services that is reasonably likely to affect City Data, security, confidentiality, functionality, or the risk profile of the services. If **CITY** reasonably determines that an AI System presents a material risk to City Data, **CITY** systems, or affected individuals, **CITY** may direct **CONTRACTOR** to suspend the applicable AI-enabled processing until the risk is remediated to **CITY's** reasonable satisfaction.

This PSC-23 shall survive expiration or termination of this Contract.

#### **PSC-24. INSURANCE**

During the term of this Contract and without limiting **CONTRACTOR's** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY's** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

The insurance must name **CITY** as an additional insured with respect to liability coverage. No policies or certificates with respect to such insurance may be cancelled or materially changed without at least thirty (30) days' prior written notice by the respective insurer to **CITY**.

**PSC-25. BEST TERMS/MOST FAVORED NATIONS**

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the same or better terms, prices, and discounts that are offered by **CONTRACTOR** to any person or entity for similar goods and services provided under this Contract. In the event that **CONTRACTOR** offers any customers pricing lower than that offered to **CITY** during the term of this **CONTRACT**, **CONTRACTOR** must immediately notify **CITY** in writing and provide those same terms to **CITY**.

**PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR**'s profession, doing the same or similar work under the same or similar circumstances.

**CONTRACTOR** further warrants that: (1) the services and any systems used to provide them will materially conform to the specifications, documentation, and representations made to **CITY** regarding functionality, security, retention, and AI use; (2) **CONTRACTOR** has implemented and will maintain the safeguards required by PSC-22 and PSC-23; (3) to **CONTRACTOR**'s knowledge, and except as disclosed to **CITY** in writing, the services will not contain viruses, malware, back doors, time bombs, or other malicious code intentionally inserted by **CONTRACTOR**; and (4) any deliverable materially generated or supported by an AI System will be subject to reasonable human review and quality controls appropriate to its intended use before delivery to **CITY**.

**PSC-27. NON-DISCRIMINATION IN EMPLOYMENT/AFFIRMATIVE ACTION**

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.

B. The requirements of Section 10.8.2.1 of the LAAC, including the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.

*Standard Provisions for City Contracts (5/26 [v.1])*

- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include a provision requiring compliance with Sections 10.8.3, and 10.8.4 of the LAAC.

**PSC-28. ADDITIONAL STATE LAW AND ORDINANCE COMPLIANCE**

In addition to complying with all federal, state, and local laws, as part of **CONTRACTOR's** contractual obligations to the **CITY**, **CONTRACTOR** agrees to comply with the following state laws, local ordinances, and directives, as amended from time to time (\*subcontractors are not exempt):

\*Living Wage Ordinance (Los Angeles Administrative Code Section 10.37 et seq.)

\*Worker Retention Ordinance (Los Angeles Administrative Code Section 10.36 et seq.)

Slavery Disclosure Ordinance (Los Angeles Administrative Code Section 10.41 et seq.)

\*First Source Hiring (Los Angeles Administrative Code Section 10.44 et seq.)

Iran Contracting Act 2010 (California Public Contract Code Sections 2200-2208)

Border Wall Contracting (Los Angeles Administrative Code Section 10.50.1 et seq.)

\*Local Business Preference (Los Angeles Administrative Code Section 10.25 et seq.)

\*MBE/WBE/SBE/EBE/DVBE/OBE (Executive Directive #14 (Villaraigosa))

\*Contractor Responsibility (Los Angeles Administrative Code Section 10.40 et seq.)

City Contractor Evaluations (Los Angeles Administrative Code Section 10.39 et seq.)

\*Prevailing Wage (Los Angeles Administrative Code Section 10.7.1)

\*Child Support Assignment Orders (Los Angeles Administrative Code Section 10.10)

Restrictions on Campaign Contributions and Fundraising in City Elections (Los Angeles Administrative Code Section 49.7.35)

Compliance with California Public Resources Code Section 5164 (CA Public Resources Code Section 5164)

Time Off For Voting (CA Elections Code Section 14000 and 14001)

Zero Waste (Los Angeles Administrative Code Section 10.53)

Any subcontract entered into by a **CONTRACTOR** for work performed under this Contract must include a provision specifically requiring the subcontractor's compliance with each of the above provisions marked with an (\*) asterisk.

**PSC-29. ACCESS AND ACCOMMODATIONS**

**CONTRACTOR** represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities, including equal access to facilities, services, and programs without regard to any person's citizenship or immigration status to the maximum extent that federal and state permits.
- D. **CONTRACTOR** shall ensure all web and mobile applications, and web and mobile content, developed, provided to, or maintained on behalf of **CITY**, comply with applicable federal and state accessibility laws, including the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. Section 12101 et seq. and its implementing regulations at 28 C.F.R. Part 35, including Section 35.200 et seq. and subsequent amendments, and California Government Code Section 11135, and shall conform to Web Content Accessibility Guidelines (WCAG) 2.1 Level AA, or any successor standard.

**CONTRACTOR** understands that **CITY** is expressly relying upon these certifications and representations as a material condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-30. BUSINESS INCLUSION PROGRAM**

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program, including subcontractor outreach, as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Regional Alliance Marketplace for

Procurement (“RAMP”) at <https://www.rampla.org>, to perform and document outreach to Small, Emerging, Disabled Veteran, Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of such effort, without prior written approval of **CITY**.

**PSC-31.     RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS AND FUNDRAISING IN CITY ELECTIONS**

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’s** principals, and **CONTRACTOR’s** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”) shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve (12) months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #\_\_\_\_\_. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve (12) months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten (10) business days if it changes during the twelve (12) month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at [ethics.lacity.org](http://ethics.lacity.org) or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

**PSC-32.     CONTRACTORS’ USE OF CRIMINAL HISTORY FOR CONSIDERATION OF EMPLOYMENT APPLICATIONS**

**CONTRACTOR** shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 et seq., as

amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-33. LIMITATION OF CITY'S OBLIGATION TO MAKE PAYMENT TO CONTRACTOR**

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

**PSC-34. COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT CARD DATA SECURITY STANDARDS**

If **CONTRACTOR** stores, processes, transmits, or can access payment card data, financial account information, taxpayer information, or credentials that permit access to accounts or payment instruments, **CONTRACTOR** shall comply with all applicable identity theft, payment card, consumer protection, and data security laws and standards, including laws related to payment devices, credit and debit card fraud, the Fair and Accurate Credit Transactions Act ("FACTA"), and the then-current Payment Card Industry Data Security Standards ("PCI DSS"). **CONTRACTOR** shall use such information solely for the purpose of performing this Contract, shall not store authentication data after authorization except as expressly permitted by applicable standards, and shall implement reasonable measures to prevent skimming, credential compromise, and unauthorized account access. During the performance of any service to install, program, maintain, or update payment devices or payment applications, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA. Upon request, **CONTRACTOR** shall provide **CITY** with current attestation or other evidence of compliance reasonably acceptable to **CITY**. Any payment Security Incident shall be handled in accordance with PSC-22.

**PSC-35. POSSESSORY INTEREST TAX**

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax at its own expense. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

**PSC-36. TAXES**

**CONTRACTOR** shall report and pay all taxes, fees, levies, imposts, duties, assessments, charges and withholdings of any similar nature, however designated (including, any value added, transfer, sales, use, gross receipts, business, occupation, excise, personal property, real property, stamp or other taxes) (“Taxes”) now or hereafter imposed or assessed by governmental body, agency or taxing authority in connection with this Contract, whether assessed on **CONTRACTOR** or **CITY**, other than any such Taxes required by law to be reported and paid by the **CITY**. **CITY** shall within 120 days of invoice reimburse **CONTRACTOR** for all such Taxes paid by **CONTRACTOR** on **CITY’s** behalf, excluding Taxes on or measured by the overall gross receipts, net income, or the like of **CONTRACTOR** or its affiliates.

**PSC-37. CONFIDENTIALITY**

All City Data, Personal Information, Work Product, security information, system architecture, credentials, records, documents, materials, and other nonpublic information provided by **CITY** to **CONTRACTOR** or accessed, received, created, or developed by **CONTRACTOR** or its Subcontractors in connection with this Contract (collectively, “Confidential Information”) are confidential. Confidential Information does not include information that **CONTRACTOR** can demonstrate by contemporaneous written records: (1) was lawfully known to **CONTRACTOR** without restriction before disclosure by **CITY**; (2) was independently developed without use of Confidential Information; or (3) becomes publicly available through no breach of this Contract; provided, however, that City Data, Personal Information, Work Product, and security information shall remain Confidential Information unless expressly released in writing by **CITY** or made public by **CITY**.

**CONTRACTOR** shall protect Confidential Information using at least the same degree of care it uses to protect its own confidential information of a similar nature, and in no event less than reasonable care. **CONTRACTOR** shall not access, use, reproduce, disclose, distribute, transfer, publish, or permit access to Confidential Information except as necessary to perform this Contract, as expressly authorized in writing by **CITY**, or as required by law. **CONTRACTOR** shall restrict access to Confidential Information to personnel and approved Subprocessors with a need to know and who are bound by written obligations of confidentiality and restricted use at least as protective as those contained in this Contract.

**CONTRACTOR** shall promptly notify **CITY** of any actual or attempted unauthorized access to Confidential Information and of any subpoena, court order, public records request, or other legal process seeking Confidential Information, unless prohibited by law. If disclosure is required by law, **CONTRACTOR** shall disclose only the minimum information legally required and, to the extent legally permitted, provide **CITY** a reasonable opportunity to seek protective relief or otherwise direct the response. **CONTRACTOR** shall not issue press releases or other public statements referencing **CITY’s** Confidential Information without **CITY’s** prior written approval.

Upon **CITY's** request or expiration or termination of this Contract, **CONTRACTOR** shall return or securely destroy Confidential Information in accordance with PSC-22. This provision shall survive expiration or termination of this Contract.

**PSC-38. CONTRACTOR DATA REPORTING**

If **CONTRACTOR** is a for-profit, privately owned business, **CONTRACTOR** shall, within thirty (30) days of the effective date of the Contract and on an annual basis thereafter (i.e., within thirty (30) days of the annual anniversary of the effective date of the Contract), report the following information to **CITY** via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by **CITY**: **CONTRACTOR's** and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). **CONTRACTOR** shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by **CITY**.

**PSC-39. SIGNATURES**

This Contract may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or handwritten signatures scanned into .pdf format (or another electronic format designated by **CITY**) and sent by e-mail shall be deemed original signatures. Each party further agrees, and acknowledges that it is such party's intent, that if such party signs this Contract using an electronic signature, it is signing, and accepting this Contract and that signing this Contract using an electronic signature evidences the equivalent intent of a handwritten or facsimile signature on this Contract.

**Exhibit 1**

**INSURANCE CONTRACTUAL REQUIREMENTS**

## **EXHIBIT 1**

### **INSURANCE CONTRACTUAL REQUIREMENTS**

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low-cost alternative for contractors who are unable to obtain City-required insurance.

### **CONTRACTUAL REQUIREMENTS**

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

**7. California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

**8. Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

**9. Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

## Required Insurance and Minimum Limits

Name: Asereth Medical Services, Inc.

Date: 09/29/2021

Agreement/Reference: As-Needed Licensed Pharmacist Staffing Services

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	Limits
<hr/>	
<input checked="" type="checkbox"/> <b>Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)</b>	WC <u>Statutory</u> EL <u>\$1,000,000</u>
<input type="checkbox"/> Waiver of Subrogation in favor of City <span style="margin-left: 200px;"><input type="checkbox"/> Longshore &amp; Harbor Workers</span> <input type="checkbox"/> Fire Legal Liability <span style="margin-left: 200px;"><input type="checkbox"/> Jones Act</span>	
<hr/>	
<input checked="" type="checkbox"/> <b>General Liability</b>	<u>\$1,000,000</u>
<input checked="" type="checkbox"/> Products/Completed Operations <span style="margin-left: 200px;"><input type="checkbox"/> Sexual Misconduct</span> <input type="checkbox"/> Fire Legal Liability <span style="margin-left: 200px;"></span> <input type="checkbox"/>	
<hr/>	
<input type="checkbox"/> <b>Automobile Liability</b> (for any and all vehicles used for this contract, other than commuting to/from work)	
<hr/>	
<input checked="" type="checkbox"/> <b>Professional Liability</b> (Errors and Omissions)	<u>\$1,000,000</u>
Discovery Period <u>12 Months After Completion of Work or Date of Termination</u>	
<hr/>	
<input type="checkbox"/> <b>Property Insurance</b> (to cover replacement cost of building - as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage <span style="margin-left: 200px;"><input type="checkbox"/> Boiler and Machinery</span> <input type="checkbox"/> Flood <span style="margin-left: 200px;"><input type="checkbox"/> Builder's Risk</span> <input type="checkbox"/> Earthquake <span style="margin-left: 200px;"><input type="checkbox"/></span>	
<hr/>	
<input type="checkbox"/> <b>Pollution Liability</b>	
<hr/>	
<input type="checkbox"/> <b>Surety Bonds - Performance and Payment (Labor and Materials) Bonds</b>	100% of the contract price
<input type="checkbox"/> <b>Crime Insurance</b>	

**Other:** 1) Professional Liability Insurance is required for any Contractor or Sub-Contractor that requires a Licensed Professional to perform their duties as part of this Agreement.  
2) If a Contractor has no employees and decides not to cover himself/herself for Worker's Compensation, please complete the form titled "Request for Waiver of Workers' Compensation Insurance Requirement" located at <http://cao.lacity.org/risk/InsuranceForms.htm>

# **ATTACHMENT No. 1**

## **BUSINESS ASSOCIATE AGREEMENT (HIPAA)**

**BUSINESS ASSOCIATE AGREEMENT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
ASERETH MEDICAL SERVICES, INC.**

**TO COMPLY WITH THE PRIVACY AND SECURITY RULES REQUIRED UNDER THE  
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996**

This **Business Associate Agreement** (the "Agreement"), is made as of the \_\_\_\_ day of \_\_\_\_\_, 2022, (the "Effective Date"), by and between the City of Los Angeles (a designated "Hybrid Entity" by and through its Fire Department ("LAFD"), a designated "Health Care Component" of "Hybrid Entity" City of Los Angeles) (jointly "Covered Entity") and Asereth Medical Services, Inc. (the "Business Associate") (collectively the "Parties") to comply with the privacy and security standards required under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), adopted by the U.S. Department of Health and Human Services and as amended January 25, 2013, [45 C.F.R. Parts 160, 162 and 164; Volume 78 Fed. Reg. No. 17, Pages 5566 through 5702, January 23, 2013] and, in order to satisfy the electronic storage requirements of the Health Information Technology for Economic and Clinical Health Act as incorporated in the American Recovery and Reinvestment Act of 2009 (hereinafter referred to as "HITECH"), and any applicable state confidentiality laws.

**RECITALS**

**WHEREAS**, Business Associate ("BA") will provide the services of as-needed, temporary pharmacists licensed by the California State Board of Pharmacy to procure, stock, store and dispense controlled medications throughout LAFD facilities as stipulated in the Contract;

**WHEREAS**, the Covered Entity ("CE") and BA have entered into the Contract under which the CE will need to disclose to BA certain "Protected Health Information" ("PHI") that is subject to protection under HIPAA and HITECH;

**WHEREAS**, HIPAA requires that CE receive adequate assurances that BA will comply with certain obligations with respect to the PHI received in the course of providing services to or on behalf of CE;

**NOW THEREFORE**, in consideration of the mutual promises and covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**A. DEFINITIONS**

Terms used in this Agreement, but not otherwise defined, shall have the meaning ascribed by the HIPAA Final Regulations and the HITECH Act, as amended

## BUSINESS ASSOCIATE AGREEMENT

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as of January 23, 2013.

1. **Breach** means the acquisition, access, use, or disclosure of protected health information in a manner not permitted under subpart E of 45 C.F.R. Part 164.
2. **Business Associate** ("BA") shall have the meaning ascribed in 45 C.F.R. §160.103 and refers to Asereth Medical Services, Inc. for purposes of this Agreement.
3. **Contract** means Los Angeles City Contract Number \_\_\_\_\_ and all amendments by and between the City of Los Angeles ("City") and Asereth Medical Services, Inc. which includes, but is not limited to, performing the activities related to providing the services of as-needed, temporary pharmacists licensed by the California State Board of Pharmacy to procure, stock, store and dispense controlled medications throughout LAFD facilities.
4. **Covered Entity** ("CE") means the City of Los Angeles (a designated "Hybrid Covered Entity" by and through its Fire Department, a designated "Health Care Component" of "Hybrid Entity" City of Los Angeles).
5. **Designated Record Set** means a group of records maintained by or for a Covered Entity that are: (i) medical records about individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, and case or medical management record system maintained by or for a health plan; and/or (iii) used, in whole or in part, by or for the Covered Entity to make decisions about individuals. For purposes of this definition, the term "record" means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for a Covered Entity.
6. **Health Care Component** ("HCC") means those portions of the Hybrid Entity that perform HIPAA-related activities. The Los Angeles Fire Department (LAFD) became a HCC by the Los Angeles City Council action which adopted the recommendation of the Personnel Committee meeting on July 30, 2010 [Council File No. 10-1181] or as modified [Council File No. R3-0240; August 16, 2013].
7. **HITECH Act** ("HITECH") means the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act, and any amendments, regulations, rules and guidance issued thereto and the relevant dates for compliance.
8. **HIPAA Final Regulations** means 45 C.F.R. Parts 160, 162 and 164 as amended on January 23, 2013 and effective on March 23, 2013 but only to

the extent it allies to a Covered Entity, Hybrid Entity and/or Business Associate.

9. **Hybrid Entity** (“HE”) means, for purposes of this Agreement, the City of Los Angeles, a single legal municipal entity that is (i) a Covered Entity; (ii) whose business activities include both covered and non-covered HIPAA functions; and (iii) that has designated its LAFD, along with other portions of the City of Los Angeles, as a HHCs pursuant to 45 C.F.R. §160.103.
10. **Individual** means the person who is the subject of the Protected Health Information as defined in 45 C.F.R. §160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. §502(g).
11. **Protected Health Information** (“PHI”) means the Individually Identifiable Health Information (“IIHI”) described in 45 C.F.R. §160.103 that is transmitted electronically, maintained electronically, or transmitted or maintained in any other form or medium.
12. **Required by Law** means the mandate contained in law that compels a use or disclosure of PHI under 45 C.F.R. §164.512(a) (1) and (2).
13. **Secretary** means the Secretary of the Department of Health and Human Services or their designee under 45 C.F.R. §160.103.
14. **Security Incident** any use or disclosure of information not provided for by this “Agreement” of which the BA becomes aware, including breaches of unsecured protected health information as defined by 45 C.F.R. §164.402.
15. **Subcontractor** means a person or entity that, creates, receives, maintains or transmits protected health information on behalf of the business associate. (45 C.F.R. §160.103(3)(iii))

**B. DISCLOSURE OF PHI TO BUSINESS ASSOCIATE**

In connection with the services provided by BA to or on behalf of CE, described in this Agreement, CE may disclose PHI to BA for the purpose of providing the services of as-needed, temporary pharmacists licensed by the California State Board of Pharmacy to procure, stock, store and dispense controlled medications throughout LAFD facilities. At no time shall BA use or disclose PHI or other related documents to any 3<sup>rd</sup> party.

BA shall comply with its obligations under this Agreement and with all obligations of a BA under HIPAA, HITECH, and other related laws and any implementing

## BUSINESS ASSOCIATE AGREEMENT

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regulations, as they exist at the time this Agreement is executed and as they are amended, for so long as this Agreement is in place. Specifically, the BA will comply with all the obligations and assume the liability for failure to do so as provided for in the Final Rules reflected in the Federal Register, Vol. 78, No. 17, commencing at Page 5677, dated, January 25, 2013 which implements among other things Section 13401 of HITECH.

### **C. OBLIGATIONS OF COVERED ENTITY**

1. CE shall notify BA of any limitation(s) in its Notice of Privacy Practices of Covered Entity in accordance with 45 C.F.R. §164.520, to the extent that such limitation may affect BA's use or disclosure of PHI.
2. CE shall notify BA of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect BA's use or disclosure of PHI.
3. CE shall notify BA of any restriction to the use or disclosure of PHI that CE has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect BA's use or disclosure of PHI.
4. CE shall not request BA to use or disclose PHI in any manner that would not be permissible under HIPAA if done by CE. [45 C.F.R. §164.504(e)(2)(i)]
5. CE will make a determination as to whether a use or disclosure of PHI by BA is a Breach within the meaning of 45 C.F.R. §164.402 necessitating notification under 45 C.F.R. §164.404, 164.406 and 164.408.

### **D. OBLIGATIONS OF BUSINESS ASSOCIATE**

BA agrees to comply with applicable federal and state privacy and security laws, specifically the provisions of the HIPAA Administrative Simplification to the extent applicable to business associates.

1. Use and Disclosure of PHI. Except as otherwise permitted by this Agreement or applicable law, BA shall not use or disclose PHI other than as permitted or required by the Agreement or as Required By Law, except as necessary to conduct the practices of the LAFD as described in this Agreement and the Contract to or on behalf of the CE. These activities may include the transmitting or receiving of PHI, as may be required from time to time, to other business associates or covered entities on behalf of CE. BA shall not use or disclose PHI that would violate the HIPAA Rules if used or disclosed by CE. Provided, however, BA may use and disclose PHI as necessary for the proper management and administration of BA, or to carry out its legal responsibilities. BA shall in such cases:

## BUSINESS ASSOCIATE AGREEMENT

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- (a) Provide information to members of its workforce using or disclosing PHI regarding the confidentiality requirements of the HIPAA Final Rules and this Agreement;
  - (b) Obtain reasonable assurances from the person or entity to whom the PHI is disclosed that: (i) the PHI will be held confidential and further used and disclosed only as Required by Law or for the purpose for which it was disclosed to the person or entity; and (ii) the person or entity will notify BA of any instances of which it is aware in which confidentiality of the PHI has been breached;
  - (c) Notification to Covered Entity. Agree to notify the designated Privacy Officer of CE of any instances of which it is aware in which the PHI is used or disclosed for a purpose that is not otherwise provided for in this Agreement or for a purpose not expressly permitted by the HIPAA Rules within 72 hours of discovery of the improper use or disclosure. The determination as to whether a use or disclosure for a purpose not provided for by this Agreement is a Breach within the meaning of 45 C.F.R. §164.402 shall be determined by the CE using the criteria determined in 45 C.F.R. §164.402 (2)(i)-(iv) after BA notifies CE of the use or disclosure of the PHI;
  - (d) Breach Notification. BA agrees to follow 45 C.F.R. §164.410 after first notifying CE of the use or disclosure not provided by this Agreement and CE makes a determination that a breach has occurred pursuant to paragraph C(5) of this Agreement; and
  - (e) For purposes of the Breach Notification provision in 45 C.F.R. §164.410, BA in this Agreement is **not** the agent of CE.
2. Data Aggregation. In the event that BA works for more than one covered entity, BA is not permitted to use and disclose PHI for data aggregation purposes, however, only in order to analyze data for permitted health care operations, and only to the extent that such use is permitted under the HIPAA Administrative Simplification.
  3. De-identified Information. BA may use and disclose de-identified health information if (i) the use is disclosed to CE in writing and permitted in writing by CE in its sole discretion and (ii) the de-identification is in compliance with 45 C.F.R. §164.502(d), and the de-identified health information meets the standard and implementation specifications for de-identification under 45 C.F.R. §164.514(a) and (b).
  4. Safeguards. BA shall maintain appropriate safeguards to ensure that PHI is not used or disclosed other than as provided by this Agreement or as

## BUSINESS ASSOCIATE AGREEMENT

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required by law. BA shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic PHI it creates, receives, maintains, or transmits on behalf of CE.

5. Minimum Necessary. BA shall attempt to ensure that all uses and disclosures of PHI which pertain to the billing or operations of the CE are subject to the principle of "minimum necessary use and disclosure," i.e., that only PHI that is the minimum necessary to accomplish the intended purpose of the use, disclosure, or request is used or disclosed.
6. Disclosure to Agents and Subcontractors. If BA discloses PHI received from CE, to agents, including a subcontractor, BA shall require the agent or subcontractor to agree to the same restrictions and conditions as apply to BA under this Agreement. BA shall ensure that any agent, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect the confidentiality, integrity, and availability of the PHI that it creates, receives, maintains, or transmits on behalf of the CE. BA shall be liable to CE for any acts, failures or omissions of the agent or subcontractor in providing the services as if they were BA's own acts, failures or omissions, to the extent permitted by law. BA further expressly warrants that its agents or subcontractors will be specifically advised of, and will comply in all respects with, the terms of this Agreement.
7. Individual Rights Regarding Designated Record Sets. If BA maintains a Designated Record Set on behalf of CE, BA agrees as follows:
  - (a) Individual Right to Copy or Inspection. BA agrees that if it maintains a Designated Record Set for CE that is not maintained by CE, it will, in the event any Individual delivers directly to BA a request for access to PHI, in order for CE to respond to such Individual, forward such request to CE in order to meet the requirements of 45 C.F.R. §164.524(a)(1). Under the HIPAA Final Rules, CE is required to take action on such requests as soon as possible, but not later than 30 days following receipt of the request. [45 C.F.R. §164.524(b)(2).] BA agrees to make reasonable efforts to assist CE in meeting this deadline. The information shall be provided in the form or format requested if it is readily producible in such form or format; or in summary, if the Individual has agreed in advance to accept the information in summary form. A reasonable, cost-based fee for copying health information may be charged. If CE maintains the requested records, CE, rather than BA shall permit access according to its policies and procedures implementing the HIPAA Administrative Simplification.
  - (b) Individual Right to Amendment. BA agrees, if it maintains PHI in a Designated Record Set, to make the Designated Record Set available to

CE for amendments to PHI pursuant to 45 C.F.R. §164.526.

(c) Accounting of Disclosures. BA agrees to maintain documentation of the information required to provide an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528, and to make this information available to CE upon CE's request, in order to allow CE to respond to an Individual's request for accounting of disclosures. Under the HIPAA Final Rules, CE is required to take action on such requests as soon as possible but not later than 60 days following receipt of the request. BA agrees to use its best efforts to assist CE in meeting this deadline. Such accounting must be provided without cost to the individual or CE if it is the first accounting requested by an individual within any 12 month period; however, a reasonable, cost-based fee may be charged for subsequent accountings if BA informs the CE in advance of the fee and is afforded an opportunity to withdraw or modify the request. Such accounting is limited to disclosures that were made in the **six (6)** years prior to the request (not including disclosures prior to the compliance date of the HIPAA Administrative Simplification and shall be provided for as long as BA maintains the PHI.

8. Internal Practices, Policies and Procedures. Except as otherwise specified herein, BA shall make available its internal practices, policies and procedures relating to the use and disclosure of PHI, received from or on behalf of CE to the Secretary or his or her agents for the purpose of determining CE's compliance with the HIPAA Rules, or any other health oversight agency, or to CE. Records requested that are not protected by an applicable legal privilege will be made available in the time and manner specified by CE or the Secretary.
9. Notice of Privacy Practices. BA shall abide by the limitations of CE's Notice of which it has knowledge. Any use or disclosure permitted by this Agreement may be amended by changes to CE's Notice; provided, however, that the amended Notice shall not affect permitted uses and disclosures on which BA relied prior to receiving notice of such amended Notice.
10. Withdrawal of Authorization. If the use or disclosure of PHI in this Agreement is based upon an Individual's specific authorization for the use or disclosure of his or her PHI, and the Individual revokes such authorization, the effective date of such authorization has expired, or such authorization is found to be defective in any manner that renders it invalid, BA shall, if it has notice of such revocation, expiration, or invalidity, cease the use and disclosure of the Individual's PHI except to the extent it has relied on such use or disclosure, or if an exception under the HIPAA Administrative Simplification expressly applies.

11. Knowledge of HIPAA Rules. BA agrees to review and understand the HIPAA Rules as it applies to BA, and to comply with the applicable requirements of the HIPAA Rule, as well as any applicable amendments.
12. Security Incident. BA agrees to immediately report to the CE any security incident of which BA becomes aware within 72 hours of discovery of the security incident.

**E. TERM AND TERMINATION**

1. Term. The Term of this Agreement shall be effective as of the Effective Date of the Contract, and shall terminate when all of the PHI provided by CE to BA, or created or received by BA on behalf of CE, is destroyed or returned to CE, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
2. Termination for Cause. Upon CE's knowledge of a material breach by BA, CE shall either:
  - (a) Provide an opportunity for BA to cure the breach or end the violation and terminate this Agreement and the Contract if BA does not cure the breach or end the violation within the time specified by CE;
  - (b) Immediately terminate this Agreement and the Contract if BA has breached a material term of this Agreement and cure is not possible; or
  - (c) If neither termination nor cure is feasible, CE shall report the violation to the Secretary.
3. Effect of Termination.
  - (a) Except as provided in paragraph (b) of this section, upon termination of this Agreement, for any reason, BA shall return or destroy all PHI received from CE, or created or received by BA on behalf of CE. This provision shall apply to PHI that is in the possession of subcontractors or agents of BA. BA shall retain no copies of the PHI and shall confirm, in writing, to the CE that all PHI has been returned to the CE or destroyed and, state the method of destruction.
  - (b) In the event that BA determines that returning or destroying the PHI is infeasible, BA shall provide to CE written notification of the conditions that make return or destruction infeasible. Upon discovering that return or destruction of PHI is infeasible, BA shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so

long as BA maintains such PHI.

F. **MISCELLANEOUS**

1. **Indemnification.**

(a) To the extent permitted by law, BA agrees to indemnify and hold harmless CE from and against all claims, demands, liabilities, judgments or causes of action of any nature for any relief, elements of recovery or damages recognized by law (including, without limitation, attorney's fees, defense costs, and equitable relief), for any damage or loss incurred by CE arising out of, resulting from, or attributable to any acts or omissions or other conduct of BA or its agents in connection with the performance of BA's or its agents' and/or subcontractor's duties under this Agreement including and not limited to the cost of breach notification under Paragraph D.1.(d) of this Agreement. This indemnity shall not be construed to limit CE's rights, if any, to common law indemnity.

(b) CE shall have the option, at its sole discretion, to employ attorneys selected by it to defend any such action described in F(1)(a) above, the costs and expenses of which shall be the responsibility of BA. CE shall provide BA with timely notice of the existence of such proceedings and such information, documents and other cooperation as reasonably necessary to assist BA in establishing a defense to such action.

(c) These indemnities shall survive termination of this Agreement, and CE reserves the right, at its option and expense, to participate in the defense of any suit or proceeding through counsel of its own choosing.

2. **Mitigation.** If BA violates this Agreement or the HIPAA Rules, BA agrees to mitigate any damage caused by such breach, and bear any such related costs.

3. **Rights of Proprietary Information.** CE retains any and all rights to the proprietary information, confidential information, and PHI it releases to BA.

4. **Survival.** The respective rights and obligations of BA under Section E. 3 (Effect of Termination) of this Agreement shall survive the termination of this Agreement.

5. **Notices.** Any notices pertaining to this Agreement, including breach "Notification to the Covered Entity" made pursuant to Paragraph D1(c) of this Agreement, shall be given in writing and shall be deemed duly given when personally delivered to a Party or a Party's authorized representatives as listed below or sent by means of a reputable

BUSINESS ASSOCIATE AGREEMENT

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overnight carrier, or sent by means of certified mail, return receipt requested, postage prepaid. A notice sent by certified mail shall be deemed given on the date of receipt or refusal of receipt. All notices shall be addressed to the appropriate Party as follows:

If to Covered Entity (for Breach Notification):

**Kathleen Devereux** (HIPAA Privacy Officer)

Los Angeles Fire Department  
Professional Standards Division  
201 N. Figueroa St., 12<sup>th</sup> Floor  
Los Angeles, CA 90012  
Tel: (213) 202-3147  
Fax: (213) 202-3198

If to Covered Entity LAFD (For all other Matters)

**Kristin M. Crowley**, Fire Chief

Los Angeles Fire Department  
200 N. Main St., Room 1800  
Los Angeles, CA 90012  
(213) 978-3838  
(213) 978-3814 Fax

And:

**S. Jenny Park**, Fire Administrator

Los Angeles Fire Department  
200 N. Main St., Room 1630  
Los Angeles, CA 90012  
(213) 978-3731  
(213) 978-3414 Fax

And:

If to Business Associate:

**Theresa A. Taylor**, Pharm. D., President

Asereth Medical Services, Inc.  
257 S. Fair Oaks Avenue, Suite 200  
Pasadena, California 91105  
(626) 449-0099  
(626) 449-7388 Fax

6. Amendments. This Agreement may not be changed or modified in any manner except by an instrument in writing signed by a duly authorized officer of each of the Parties hereto. The Parties, however, agree to amend this Agreement from time to time as necessary, in order to allow CE to comply with the requirements of the HIPAA Rules.
7. Choice of Law. This Agreement and the rights and the obligations of the Parties hereunder shall be governed by and construed under the laws of the State of California, without regard to applicable conflict of laws principles.
8. Assignment of Rights and Delegation of Duties. This Agreement is binding upon and inures to the benefit of the Parties hereto and their respective successors and permitted assigns. However, neither party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding any provisions to the contrary; however, CE retains the right to assign or delegate any of its rights or obligations hereunder to any City department or office in a manner consistent with the HIPAA Rules. Assignments made in violation of this provision are null and void.
9. Nature of Agreement. Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the Parties or any of their affiliates, (ii) any fiduciary duty owed by one Party to another party or any of its affiliates, or (iii) a relationship of employer and employee between the Parties.
10. No Waiver. Failure or delay on the part of either Party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. No provision of this Agreement may be waived by either Party except by a writing signed by an authorized representative of the Party making the waiver.
11. Equitable Relief. Any disclosure of misappropriation of PHI by BA in violation of this Agreement will cause CE irreparable harm, the amount of which may be difficult to ascertain. BA therefore agrees that CE shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining BA from any such further disclosure or breach, and for such other relief as CE shall deem appropriate. Such rights are in addition to any other remedies available to CE at law or in equity. BA expressly waives the defense that a remedy in damages will be adequate, and further waives any requirement in an action for specific performance or injunction for the posting of a bond by CE.

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12. Severability. The provisions of this Agreement shall be severable, and if any provision of this Agreement shall be held or declared to be illegal, invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect as though such illegal, invalid or unenforceable provision had not been contained herein.
13. No Third Party Beneficiaries. Nothing in this Agreement shall be considered or construed as conferring any right or benefit on a person not party to this Agreement nor imposing any obligations on either Party hereto to persons not a party to this Agreement.
14. Headings. The descriptive headings of the articles, sections, subsections of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.
15. Interpretation: Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits CE to comply with the HIPAA rules and any applicable state confidentiality laws. The provisions of this Agreement shall prevail over the provisions of any other agreement that exists between the Parties that may conflict with, or appear inconsistent with, any provision of this Agreement or the HIPAA Rules.
16. Regulatory References. A citation in this Agreement to the Code of Federal Regulations shall mean the cited section as that section may be amended from time to time.
17. Counterparts/Electronic Signatures. This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which, when executed, shall be deemed to be an original but all of which, taken together, shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

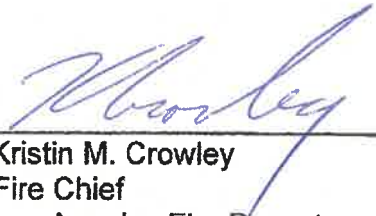
[Signature Page to Follow]

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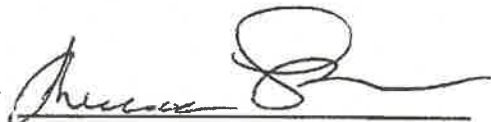
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives.

For: THE CITY OF LOS ANGELES

DATE: 5/3/22

By:   
Kristin M. Crowley  
Fire Chief  
Los Angeles Fire Department

For: ASERETH MEDICAL SERVICES, INC, A California Corporation


By:\*   
Theresa A. Taylor, Pharm. D.  
President

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By:   
Judith D. Thompson  
Deputy City Attorney

DATE: 4/12/2022



By:\*\*   
Omar Taylor  
Secretary

DATE: 5/23/22

DATE: 04/13/2022

ATTESTED:

HOLLY L. WOLCOTT, City Clerk

By:    
Deputy City Clerk 05/23/2022

Agreement Number: C-140300

**NOTE:** If Contractor is a corporation, two signatures are required.

\* The signature of President, Chairman of Board, or Vice President is required here and

\*\*An additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.