

**LEGAL SERVICES AGREEMENT
BETWEEN THE COUNTY OF SANTA CLARA AND
SHEUERMAN, MARTINI & TABARI, APC**

THIS LEGAL SERVICES AGREEMENT (hereinafter referred to as the "Agreement") is by and between the COUNTY OF SANTA CLARA (hereinafter referred to as "COUNTY") and the law firm of SHEUERMAN, MARTINI & TABARI, APC (hereinafter referred to as "CONTRACTOR").

1. Retention of CONTRACTOR.

COUNTY hereby retains CONTRACTOR as an independent contractor through the services of the following key persons: David Sheuerman, Esq., and such other partners, associate attorneys, and staff members employed by the firm as CONTRACTOR deems necessary and the COUNTY's County Counsel ("County Counsel"), or her designee, approves pursuant to Section 3 of this Agreement. CONTRACTOR will not replace any of the key persons named above without the prior, express approval of the County Counsel or her designee.

CONTRACTOR is retained to provide legal services to COUNTY with respect to complex litigation matters.

2. Performance by CONTRACTOR.

In the performance of this Agreement, CONTRACTOR will provide only those services which are necessary to carry out the work for COUNTY in an efficient and effective manner. CONTRACTOR will avoid unnecessary duplicate efforts on the part of CONTRACTOR and CONTRACTOR's partners, associate attorneys, and staff members. Intra-office conferences are acceptable where such conferences reduce the cost of compensation paid or reimbursement made for related, actual, reasonable and necessary, out-of-pocket expenses to CONTRACTOR.

The CONTRACTOR will provide the following services at no additional charge to the COUNTY:

- (a) A quarterly claims review;
- (b) Twenty-four (24) hour access via telephone to a minimum of one attorney employed by CONTRACTOR and qualified to advise on all matters relating to the services within the scope of this Agreement;
- (c) Staff briefings with COUNTY agencies and related duties required by the COUNTY in establishing and maintaining a comprehensive risk management program directed at minimizing claims liability exposure of the COUNTY;

- (d) In-house training for the COUNTY's Office of the County Counsel and/or other COUNTY departments regarding areas of the CONTRACTOR'S legal specialty; and,
- (e) Other miscellaneous services generally rendered at no cost to a major client by a reputable defense law firm.

3. Compensation of CONTRACTOR.

Total compensation for the services and reimbursable expenses pursuant to this Agreement will not exceed \$200,000 per year. CONTRACTOR will notify COUNTY when 75% of the maximum compensation limit has been billed.

COUNTY will be obligated to compensate CONTRACTOR pursuant to the terms and conditions of this Agreement only for the performance, to the reasonable satisfaction of the COUNTY, of those tasks which take place during the term of this Agreement. COUNTY will not be obligated to compensate CONTRACTOR for any work, services, or functions performed by CONTRACTOR which do not arise directly from the performance of tasks relating to litigation for the COUNTY, including, but not limited to, work, services or functions performed by CONTRACTOR: (1) in seeking to obtain COUNTY's business or negotiating with COUNTY to enter into this Agreement, or (2) in providing COUNTY with documentation, explanations, or justifications concerning the adequacy or accuracy of its invoices for the performance of services under this Agreement and resolving the same to the reasonable satisfaction of COUNTY, or (3) in providing audit letters to the COUNTY's auditors regarding any litigation handled by CONTRACTOR.

A. Fee Compensation:

COUNTY agrees to pay and CONTRACTOR agrees to accept as full compensation for performance of tasks under this Agreement the following sum per hour per person:

| | | | |
|-------------------------|-----------|------------------------|-----------|
| David Sheuerman, Esq. | \$ 190.00 | Susan O. Fish, Esq. | \$ 190.00 |
| Alan L. Martini, Esq. | \$ 190.00 | Deborah Phillips, Esq. | \$ 190.00 |
| Cyrus A. Tabari, Esq. | \$ 190.00 | Paralegals | \$ 110.00 |
| James J. Zenere, Esq. | \$ 190.00 | | |
| Michael J. Garvin, Esq. | \$ 190.00 | | |

Upon the prior approval of the County Counsel or her designee, CONTRACTOR may provide additional partners, associate attorneys or paralegals employed by its firm to perform

services under this Agreement, provided such additional persons are compensated by the COUNTY for performance of tasks under this Agreement at a rate agreed to by the County Counsel, not to exceed each such person's customary billing rate per hour.

B. Expenses:

CONTRACTOR will be reimbursed at cost for actual, reasonable, and necessary out-of-pocket expenses, as follows: filing fees, printing and photographic reproduction expenses, court reporter's fees, and all other directly-related expenses, excluding telephone charges, prorated computer research charges, facsimile charges, and postage charges. CONTRACTOR will also not be reimbursed for secretarial, clerical, word processing or typist services (including overtime hours worked), or normal office operating expenses.

C. Travel:

Travel time and travel expenses outside the San Francisco Bay Area will only be reimbursed if in compliance with this Section 3C and if CONTRACTOR obtains the prior approval of County Counsel.

Travel Time: CONTRACTOR will be reimbursed for travel time to or from Santa Clara County. CONTRACTOR will be reimbursed up to a maximum of .50 hours per day for travel time within the Santa Clara County boundaries.

Travel Expenses: CONTRACTOR will be reimbursed for actual and reasonable parking costs. CONTRACTOR will be reimbursed for mileage or other reasonable transportation costs outside of the San Francisco Bay Area. CONTRACTOR will not be reimbursed for mileage for any travel within the San Francisco Bay Area. In no event will the amount paid to Contractor for travel expenses exceed the amount determined by County Counsel to be reasonable in accordance with the County's travel policy.

4. Payment and Record-keeping.

Subject to Section 3 of this Agreement, payment of compensation for the services provided and reimbursement for related, actual, reasonable and necessary, out-of-pocket expenses incurred which are described herein will be made by COUNTY after submission of an itemized invoice by CONTRACTOR every 30 days.

All such invoices will have sufficient detail as may be required by the COUNTY's Controller, including, but not limited to:

- (a) The specific nature of each task performed as services under this Agreement;
- (b) The name of the partner, associate attorney, or staff member who performed each such task;

- (c) The number of hours worked by each such person for each such task;
- (d) The hourly rate for each such person performing each such task; and
- (e) The related, actual, reasonable and necessary, out-of-pocket expenses incurred, as provided for in paragraph 3 of this Agreement.

In addition to the requirements of this section of this Agreement, each invoice will set forth a summary of hours worked by each partner, associate attorney and staff member for the applicable billing period and the product of such summary of hours worked by each person multiplied by each such person's billing rate, as set forth herein.

In preparing invoices, CONTRACTOR will segregate each task performed on a daily basis. CONTRACTOR will also prepare its invoices in an organized manner, facilitating an efficient review of the services performed and the expenses incurred to provide COUNTY with a clear and complete picture of how much time was devoted to specific tasks and projects, and the cost associated therewith. CONTRACTOR will not combine unrelated tasks as a single entry in lieu of setting forth the hours of work performed by a partner, associate attorney, or staff member on each specific task. For each invoice, CONTRACTOR will provide supporting documentation for all out-of-pocket expenses.

CONTRACTOR will keep complete records of the services provided, as described in this section of this Agreement, together with all related actual, reasonable and necessary, out-of-pocket expenses applicable to the work provided under this Agreement. The COUNTY's Controller, or his duly authorized representatives, will be given reasonable access to all of these records for the purposes of an audit under this Agreement. In addition, CONTRACTOR will be subject to the examination and audit of such records by the State Auditor for a period of three (3) years after final payment under this Agreement.

5. Case Status Reports.

CONTRACTOR will prepare and send case status reports to the COUNTY's Employee Services Agency, Risk Management Division on a reasonable schedule to be given by the assigned claims adjuster. These case status reports will be directed to the assigned claims adjuster unless advised otherwise in writing by the COUNTY.

6. Term of Agreement.

This Agreement shall commence on July 1, 2008 and continue in full force and effect through June 30, 2010, unless it is terminated by either or both parties as provided in this Agreement.

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7. Termination.

COUNTY may terminate this Agreement at any time, either in whole or in part, by giving seven (7) days written notice specifying the effective date and scope of such termination. CONTRACTOR may terminate this Agreement at any time, either in whole or in part, by giving thirty (30) days written notice specifying the effective date and scope of such termination. However, if CONTRACTOR elects to terminate this Agreement, the COUNTY's rights under any pending matter arising from CONTRACTOR's services hereunder will not be prejudiced due to such termination as required by the Rules of Professional Conduct of the State Bar of California. Upon date of termination, all rights, powers, privileges and authority granted to CONTRACTOR under this Agreement will cease, and CONTRACTOR will have the duties provided in Section 9 below.

8. Termination For Cause.

COUNTY will have the right to terminate this Agreement after written notice to CONTRACTOR and after the expiration of any cure period provided for below, upon the occurrence of any of the following events of default:

- (a) Failure of CONTRACTOR to perform any covenant or obligation set forth in this Agreement or any other agreement with COUNTY;
- (b) An attempt by CONTRACTOR to assign, delegate or subcontract without COUNTY's consent as provided herein;
- (c) Failure by CONTRACTOR to maintain insurance as required under this Agreement;
- (d) Filing by or against CONTRACTOR of any petition for bankruptcy, any assignment by CONTRACTOR for the benefit of creditors, the levy of a writ of attachment or execution against CONTRACTOR's property or the appointment of a receiver for CONTRACTOR or CONTRACTOR's property; or
- (e) Unauthorized or excessive billing by CONTRACTOR.

Except as otherwise provided in this Agreement, CONTRACTOR will not be in default hereunder unless CONTRACTOR fails to correct such default within a period of ten (10) days after written notice given by COUNTY to CONTRACTOR identifying the default. Notwithstanding the foregoing, if a default cannot be cured within such ten day period, CONTRACTOR will not be in default hereunder if and for so long as CONTRACTOR shall, diligently and in good faith, have commenced to remedy the default within such ten day period, shall prosecute to completion with diligence and continuity the remedying of default, and shall remedy such default within a reasonable time to COUNTY's satisfaction. In the case of a notice

of default to CONTRACTOR, no new work will be undertaken by CONTRACTOR after the date of receipt of the notice, without the express consent of the COUNTY.

9. Duties Upon Termination.

Upon termination of the Agreement, all finished or unfinished documents, data, studies, maps, photographs, reports, and other materials (hereinafter collectively referred to as "materials") prepared by CONTRACTOR under this Agreement will become the property of the COUNTY and will be promptly delivered to the COUNTY. Upon receipt of such materials, CONTRACTOR will be paid for services performed and reimbursable expenses incurred to the date of termination. In the event this Agreement is terminated prior to the dismissal of a claim handled by CONTRACTOR on behalf of the COUNTY, CONTRACTOR will do all other things reasonably necessary to cause an orderly transition of services without detriment to the rights of the COUNTY.

10. COUNTY Responsibilities.

COUNTY will comply with all reasonable requests of the CONTRACTOR in connection with the preparation and presentation of the defense of claims against the COUNTY. COUNTY will reimburse CONTRACTOR or directly pay the actual, reasonable costs of investigation, photography, accident reconstruction, and other non-legal services necessary in any such defense, but only with the prior approval of the COUNTY's designated claims adjuster.

11. Non-Exclusive Remedies.

The COUNTY's right to terminate this Agreement is not its exclusive remedy but is in addition to all other remedies provided to the COUNTY by law, in equity, or under the provisions of this Agreement.

12. No Special Damages.

In no event will COUNTY be liable to CONTRACTOR for any indirect, special or consequential damages or lost profits arising out of or relating to this Agreement or the performance or breach thereof.

13. Conflict of Interest.

CONTRACTOR promises, covenants, and warrants that the performance of its services and representation to COUNTY under this Agreement will not result in a conflict of interest as that term is used in the Rules of Professional Conduct of the State Bar of California. In the event of a conflict of interest or potential conflict, CONTRACTOR must disclose such conflict to the COUNTY's County Counsel and shall request the COUNTY's Board of Supervisors waive such conflict on a case-by-case basis.

14. Relationship of Parties; Independent Contractor.

CONTRACTOR will perform all work and services described herein as an independent CONTRACTOR and not as an officer, agent, servant or employee of the COUNTY. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed as to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement. The parties are not, and will not be construed to be in a relationship of joint venture, partnership or employer-employee. Neither party will have the authority to make any statements, representations or commitments of any kind on behalf of the other party, or to use the name of the other party in any publications or advertisements, except with the written consent of the other party or as explicitly provided herein. CONTRACTOR will be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any. No person performing the work or services described herein will be considered an officer, agent, servant or employee of the COUNTY, nor will any such person be entitled to any benefits available or granted to employees of the COUNTY.

15. Assignment; Subcontracting.

The services to be performed by CONTRACTOR are personal in character. Accordingly, CONTRACTOR is prohibited from: (1) assigning or subcontracting this Agreement; or (2) delegating any duties or obligations hereunder in any manner whatsoever, either voluntarily or by operation of law, unless COUNTY first approves in writing such assignment, subcontract or delegation by written instrument executed and approved in the same manner as this Agreement. COUNTY may give or withhold such approval in its sole and absolute discretion. Any purported assignment or subcontract by CONTRACTOR in violation of these restrictions will confer no rights on any other party and will, at COUNTY's sole option, be void.

16. Nondiscrimination.

CONTRACTOR shall comply with all applicable Federal, State, and local laws and regulations including Santa Clara County's policies concerning nondiscrimination and equal opportunity in contracting. Such laws include but are not limited to the following: Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; The Rehabilitation Act of 1973 (Sections 503 and 504); California Fair Employment and Housing Act (Government Code sections 12900 et seq.); and California Labor Code sections 1101 and 1102. CONTRACTOR shall not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training including apprenticeship, hiring, employment, utilization, promotion, layoff, rates of pay or other forms of compensation. Nor shall CONTRACTOR discriminate in provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual

orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

17. Governing Law; Venue.

This Agreement will be construed and enforced in accordance with the laws of the State of California. Proper venue for legal action regarding this Agreement will be in the County of Santa Clara.

18. Integrated Agreement.

This instrument, including the exhibits attached hereto, which are made a part of this Agreement, contains the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. The parties further intend this Agreement will constitute the complete and exclusive statement of its terms and no extrinsic evidence whatsoever, including prior drafts hereof and changes therefrom, may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

19. Amendment.

Neither this Agreement nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by both parties hereto or except as otherwise expressly provided herein.

20. Non-Waiver of Rights.

No failure by COUNTY to insist upon the strict performance of any obligation of CONTRACTOR under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, without regard to the length of time for which such failure continues, and no acceptance of any monies, will constitute a waiver of such breach or of COUNTY's right to demand strict compliance with such term, covenant or condition of this Agreement. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. Any consent by COUNTY hereunder will not relieve CONTRACTOR of any obligation to secure the consent of COUNTY in any other or future instance under the terms of this Agreement.

21. Contracting Principles Provisions.

This contract is a Type I service contract, subject to the Resolution of Contracting Principles adopted by the Board of Supervisors on October 28, 1997. Accordingly, CONTRACTOR will comply with all of the following:

(a) CONTRACTOR will, during the term of this contract, comply with all applicable federal, state, and local rules, regulations, and laws.

(b) CONTRACTOR will maintain financial records adequate to show that COUNTY funds paid under the contract were used for purposes consistent with the terms of the contract. These records shall be maintained during the term of this contract and for a period of three (3) years from termination of this contract or until all claims, if any, have been resolved, whichever period is longer, or longer if otherwise required under other provisions of this contract.

The failure of CONTRACTOR to comply with this Section or any portion thereof may be considered a material breach of this contract and may, at the option of the COUNTY, constitute grounds for the termination and/or non-renewal of the contract. CONTRACTOR will be provided reasonable notice of any intended termination or non-renewal on the grounds of noncompliance with this Section, and the opportunity to respond and discuss the COUNTY's intended action.

22. Protocol.

The protocol to be followed by CONTRACTOR in providing services under this Agreement is set forth in Exhibit A, attached hereto and incorporated herein by this reference.

23. Indemnification and Insurance.

The indemnification and insurance requirements for CONTRACTOR are set forth in Exhibit B, attached hereto and incorporated herein by this reference.

24. Pro Bono Legal Services Requirement.

CONTRACTOR certifies that CONTRACTOR will make a good faith effort to provide at least 30 hours of pro bono legal services during each year of the Agreement multiplied by the number of full time attorneys in the firm in conformance with Policy No. 5.17 of the COUNTY Board of Supervisors and comply with all additional terms of the Policy as set forth in Exhibit C, attached hereto and incorporated herein by this reference. The number of hours shall be prorated on a calendar day basis for any contract period that is less than a full year.

25. HIPAA Compliance.

Contractor will comply with the Business Associate Provisions as set forth in Exhibit D, attached hereto and incorporated herein by this reference.

26. Notices.

All notices required by this Agreement will be in writing and will be deemed to have

been duly given only if delivered personally or deposited in the United States mail, postage prepaid, return receipt required, addressed to the other party at the address or addresses set forth below or at such other address as the party may designate in writing in accordance with this section.

TO COUNTY:
County of Santa Clara
Office of the County Counsel
70 W. Hedding Street, 9th Floor
San Jose, CA 95110
Attn.: Winifred Botha, Assistant County Counsel

TO CONTRACTOR:
Sheuerman, Martini, Tabari, APC
1033 Willow Street
San Jose, CA 95125
Attn.: David Sheuerman, Esq.

27. Interpretation.

The captions preceding the sections of this Agreement have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Agreement. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters contained herein. This Agreement shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Agreement.

Provisions in this Agreement relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or COUNTY holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words will not be construed to limit any general term, statement or other matter in this Agreement, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

28. Severability.

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this Agreement will be valid and enforceable to the fullest extent permitted by law. However, notwithstanding anything to the contrary herein, if the COUNTY determines a finding of illegality adversely affects the basic consideration hereunder, COUNTY may, at its option, terminate this Agreement.

29. Successors and Assigns.

Subject to the provisions of this Agreement restricting CONTRACTOR's right to assign and subcontract, the terms, covenants and conditions contained in this Agreement will bind and

inure to the benefit of COUNTY and CONTRACTOR and, except as otherwise provided herein, their personal representatives, successors and assigns.

30. Survival.

Termination, expiration or cancellation of this Agreement will not affect any provision of this Agreement which expressly states it shall survive termination, expiration or cancellation hereof.

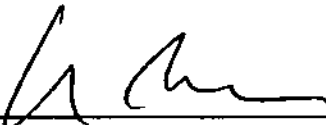
The parties have caused this Agreement to be executed by their duly authorized representatives.

COUNTY OF SANTA CLARA

SHEUERMAN, MARTINI & TABARI, APC




ANN MILLER RAVEL
County Counsel
Date:




DAVID SHEUERMAN, ESQ.
Member
Date: 7/29/08

APPROVED AS TO FORM
& LEGALITY:

OFFICE OF THE COUNTY EXECUTIVE



JOHN L. WINCHESTER, III
Lead Deputy County Counsel
Date:



GARY A. GRAVES
Assistant County Executive
Date:

**OFFICE OF THE COUNTY COUNSEL
COUNTY OF SANTA CLARA**

70 West Hedding Street, 9th Floor
San Jose, California 95110-1770
(408) 299-5900
(408) 292-7240 (FAX)



**Ann Miller Ravel
COUNTY COUNSEL**

**Winifred Botha
Miguel Márquez
Lori E. Pegg
ASSISTANT COUNTY COUNSEL**

EXHIBIT A

COUNTY OF SANTA CLARA

PROTOCOL FOR OUTSIDE COUNSEL

The County of Santa Clara expects our outside counsel to display the highest degree of professionalism and ethical conduct and to provide the County and its departments with high quality, cost effective legal representation.

Communication

All matters referred to you must be handled in collaboration with the County's Office of the County Counsel and with the ESA Insurance and Claims Division where applicable. Communication is crucial. The County and its involved employees must be fully informed at all times. We expect outside counsel to reply promptly and completely to all our inquiries and requests.

Conflict of Interest

We expect counsel to be free of conflicts of loyalty or interest. Please check immediately for any such actual or potential conflicts arising from your representation of the County and advise us immediately of any such conflict or potential conflict. Also, we expect our counsel to advise us if they are on any Boards or organizations which may consider filing litigation against the County.

Staffing

We expect to be consulted in determining which individuals will work on a matter for us. The County will not pay for learning time that may result from any staffing changes, as we do not believe that it is appropriate to pay for the training of your personnel. Also, in order to avoid duplication of effort and to minimize legal fees, we expect strict limits on the number of attorneys and paralegals attending meetings, depositions, or court proceedings. In most instances, only one attorney should be present at any such meeting or proceeding. In addition, intra-office conferences and meetings will be viewed skeptically and should be kept to a bare minimum.

Strategy

We do not expect to pay for projects within matters that we have not approved in advance. In significant cases, we expect you, in collaboration with the County Council and the adjuster, to develop a comprehensive strategy for the handling of the matter. We expect to be notified immediately of any circumstances which lead you to believe that any such jointly developed strategy should be materially modified. In addition, we will expect you to review, and where appropriate, update this jointly-developed strategy with us quarterly.

Legal Research

To avoid duplication of effort and keep the cost of legal research to a minimum, we request that you discuss significant research projects with us prior to commencing the work. We do not believe it appropriate to pay legal fees for research on basic issues of law or government immunities, especially where outside counsel has been hired for a specific area of expertise.

Every internal memorandum bearing on our representation should be submitted to us immediately, without waiting for a request, in the form in which it was prepared for your internal use. Do not spend any time putting such documentation in any special form for us. We would prefer receiving such documents both in hard copy and in WordPerfect format, if available.

Settlements

Any settlement must be approved by the appropriate adjuster, settlement committee, or the Board of Supervisors. You may not represent to opposing counsel or to the Court that you are settling any matter without such approval.

Media

Any media inquiry relating to any matter should be referred immediately to the County Counsel. Outside counsel are specifically requested not to make statements to the media on behalf of the County without prior approval of the County Counsel.

EXHIBIT B

INSURANCE REQUIREMENTS FOR PROFESSIONAL SERVICES CONTRACTS (e.g. Medical, Legal, Financial services, etc.)

Indemnity

The Contractor shall indemnify, defend, and hold harmless the County of Santa Clara (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the sole negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the County under this Agreement.

Insurance

Without limiting the Contractor's indemnification of the County, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a certified copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the requesting County department, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

B. Qualifying Insurers

All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Insurance Manager.

EXHIBIT B

C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified County insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the County of Santa Clara or their designated agent.

D. Insurance Required

1. Commercial General Liability Insurance - for bodily injury (including death) and property damage which provides limits as follows:

- a. Each occurrence - \$1,000,000
- b. General aggregate - \$2,000,000
- c. Personal Injury - \$1,000,000

2. General liability coverage shall include:

- a. Premises and Operations
- b. Personal Injury liability
- c. Severability of interest

3. General liability coverage shall include the following endorsement, a copy of which shall be provided to the County:

Additional Insured Endorsement, which shall read:

“County of Santa Clara, and members of the Board of Supervisors of the County of Santa Clara, and the officers, agents, and employees of the County of Santa Clara, individually and collectively, as additional insureds.”

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by the County of Santa Clara, its officers, agents, and employees shall be excess only and not contributing with insurance provided under this policy. Public Entities may also be added to the additional insured endorsement as applicable and the contractor shall be notified by the contracting department of these requirements.

