

Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No: A - 11135

- a. Approve and authorize the Purchasing Manager to sign the Enterprise Resource Planning (ERP) Software License Agreement with CGI for a fixed priced amount of \$1,464,651;
- b. Approve and authorize the Purchasing Manager to sign ERP Master Services Agreement with CGI for the period of 4/7/08 through 04/7/13;
- c. Approve and authorize the Purchasing Manager to sign the ERP Maintenance Agreement with CGI for the period of 4/7/08 through 12/31/12 which includes a fixed price amount of \$786,451 for the period of 4/7/08 through 6/30/10; \$570,732 annually for the period of 7/1/10 through 6/30/12; and \$115,427 for the period of 7/1/12 through 12/31/12;
- d. Approve and authorize the Purchasing Manager to sign Statement of Work No. 1 for the fixed price amount of \$5,933,520; and
- e. Approve the non-standard liability, indemnity and warranty provisions negotiated for the Software License Agreement, Master Services Agreement and Maintenance Agreement as indicated on attachment A.

Upon motion of Supervisor Potter, seconded by Supervisor Salinas, and carried by those members present, the Board of Supervisors hereby:

- a. Approves and authorizes the Purchasing Manager to sign the Enterprise Resource Planning (ERP) Software License Agreement with CGI for a fixed priced amount of \$1,464,651;
- b. Approves and authorizes the Purchasing Manager to sign ERP Master Services Agreement with CGI for the period of 4/7/08 through 04/7/13;
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- d. Approves and authorizes the Purchasing Manager to sign Statement of Work No. 1 for the fixed price amount of \$5,933,520; and
- e. Approves the non-standard liability, indemnity and warranty provisions negotiated for the Software License Agreement, Master Services Agreement and Maintenance Agreement as indicated on attachment A.

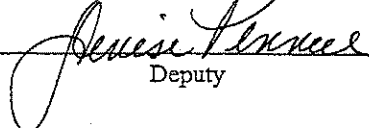
PASSED AND ADOPTED this 1<sup>st</sup> day of April, 2008, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Mettee-McCutchon, Potter  
 NOES: None  
 ABSENT: None

I, Denise Pennell, Interim Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 74 for the meeting on April 1, 2008.

Dated: April 1, 2008

Denise Pennell, Interim Clerk of the Board of Supervisors County of Monterey, State of California

By  Deputy

## Attachment A

The agreements that the County has negotiated with CGI include warranty, indemnity, and limitation of liability provisions that differ from the County's standard form Professional Services Agreement (PSA).

### Warranty Provision Differences

The negotiated agreements contain warranties similar to the warranties by the contractor regarding the performance of services that are in the PSA, and contain various warranties not found in the PSA and that will provide protection for the County.

### Indemnity Provision Differences

The negotiated agreements contain indemnities by CGI for property damage and bodily injury (including death) resulting from CGI's performance that are similar to the indemnity for damage, injury, or death found in the PSA. There are indemnities by CGI in the negotiated agreements for third-party claims brought by CGI's personnel or subcontractors, which indemnities are similar to (although perhaps not quite as broad as) the indemnity in the PSA for claims of third parties furnishing or supplying work, services, or materials. Significantly, each of the negotiated agreements also contains a specific indemnity by CGI with respect to intellectual property (IP) infringement and misappropriation claims. IP infringement claims can be extremely costly and represent a significant risk in information technology-related contracts. The IP indemnities in the negotiated agreements provide important protection for the County.

### Limitation of Liability Provision Differences

The County's PSA does not contain any limitations of liability. While the lack of these provisions is protective of the County in that the potential liability of the contractor is not limited, limitations of liability are very standard in information technology contracts, and very few software licensors and information technology service providers would be likely to sign a contract that does not include limitations of liability. CGI refused not to have any limitations of liability provisions. Also, having limitations on the County's liability protects the County for claims brought against it.

The limitations of liability that are contained in the agreements that have been negotiated with CGI for the County's ERP project are consistent with what is standard in the industry, but are still protective of the County. In general terms, except for certain types of claims (as further described below), CGI's liability for direct damages is limited to:

(a) to the extent that claims or liabilities are not covered by the insurance coverages that CGI is required to carry under the agreements, the total "contract price" (i.e., the total amount expected to be payable to CGI) for each agreement (except that, in the software maintenance agreement, this limit is the total amount of fees paid for the applicable annual maintenance period); and

(b) to the extent that claims or liabilities are covered by the insurance coverages that CGI is required to carry under the agreements, the required minimum limits of such insurance coverages, which limits are the same as those in the County's PSA.

The County's liability for direct damages is limited to the amount that the County has then paid, plus the amount then due and payable, to CGI under the applicable agreement. Also, as is very standard in the industry, neither party is liable for incidental, consequential, or other indirect damages under the negotiated agreements, except for certain types of claims. The exceptions to the limitations of liability and exclusions of indirect damages carve out important types of claims for which potential damages could either be quite large or for which most damages would be indirect, incidental, or consequential. These exceptions make it so neither party's potential liability is limited with regard to claims for indemnification (including IP indemnification), claims for breaches of confidentiality, claims arising out of a party's willful misconduct or gross negligence, and (with respect to CGI's liability) claims based on CGI's repudiation or willful abandonment of the agreements (e.g., if CGI refuses to complete performance and leaves the County without a functional system or with the project only partially completed).

## MONTEREY COUNTY BOARD OF SUPERVISORS

|   |                             |
|---|-----------------------------|
| <b>MEETING:</b> 04/01/2008  | <b>AGENDA NO:</b> Scheduled |
| <b>SUBJECT:</b><br>a. Approve and authorize the Purchasing Manager to sign the Enterprise Resource Planning (ERP) Software License Agreement with CGI for a fixed priced amount of \$1,464,651;<br>b. Approve and authorize the Purchasing Manager to sign ERP Master Services Agreement with CGI for the period of 4/7/08 through 04/7/13;<br>c. Approve and authorize the Purchasing Manager to sign the ERP Maintenance Agreement with CGI for the period of 4/7/08 through 12/31/12 which includes a fixed price amount of \$786,451 for the period of 4/7/08 through 6/30/10; \$570,732 annually for the period of 7/1/10 through 6/30/12; and \$115,427 for the period of 7/1/12 through 12/31/12;<br>d. Approve and authorize the Purchasing Manager to sign Statement of Work No. 1 for the fixed price amount of \$5,933,520; and<br>e. Approve the non-standard liability, indemnity and warranty provisions negotiated for the Software License Agreement, Master Services Agreement and Maintenance Agreement as indicated on attachment A. |                             |
| <b>DEPARTMENT:</b> County Administrative Office   |                             |

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Purchasing Manager to sign the Enterprise Resource Planning (ERP) Software License Agreement with CGI for a fixed priced amount of \$1,464,651;
- b. Approve and authorize the Purchasing Manager to sign ERP Master Services Agreement with CGI for the period of 4/7/08 through 04/7/13;
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- d. Approve and authorize the Purchasing Manager to sign Statement of Work No. 1 for the fixed price amount of \$5,933,520; and
- e. Approve the non-standard liability, indemnity and warranty provisions negotiated for the Software License Agreement, Master Services Agreement and Maintenance Agreement as indicated on attachment A.

### **SUMMARY / DISCUSSION:**

In February 2007, the Board of Supervisors authorized the upgrade and replacement of the County's aging Financial System (AFIN), Budget Preparation System, and HR / Payroll System with a single, integrated system known as an Enterprise Resource Planning (ERP) system from the County's current Financial System vendor, CGI. In May 2007, the Board of Supervisors authorized 24 permanent positions for backfill and support associated with the ERP system. To keep the project moving forward in parallel with the recruitment and training of backfill positions, in August 2007, the Board of Supervisors approved a Pre-implementation Services agreement with CGI which further prepared the County for the ERP project and formed the foundation for creating the Software License, Master Services and Annual Maintenance agreements, and SOW No. 1. In January 2008, the Pre-implementation Services agreement was completed, and in March 2008, negotiations for the Software License, Master Services and Annual Maintenance agreements, and SOW No. 1 were completed. ERP Project facility preparations are complete and the project is fully staffed for the Financial System implementation. The County is now fully prepared to initiate the ERP Implementation Project

on April 7, 2008 and meet the 'go live' date of 7/1/2009 for the Financial System and 1/1/2010 for the HR / Payroll system authorized by the Board of Supervisors.

**OTHER AGENCY INVOLVEMENT:**

Prior to initiating negotiations with CGI, County Counsel was consulted on the use of outside legal counsel specializing in the negotiation of public sector ERP projects and agreed with the approach. Outside counsel represented the County during negotiations with CGI. The contract contains non-standard County liability, indemnity and warranty provisions that limit the exposure and liability of the contractor, however the provisions are commonly found in ERP contracts in both the public and private sector. Attachment A includes a summary of the non-standard items and the implications of each.

**FINANCING:**

Funding for this contract and the ERP Implementation Project is provided from Fund 029-Capital Project Automation Fund and from the General Fund Automation System Designation. The ERP Implementation Project is expected to begin in April 2008 and end in April 2010. Cost estimates for this contract are shown in the chart below by fiscal year. Appropriations for this contract are included in the FY 2007-08 Adopted Budget for Fund 029.

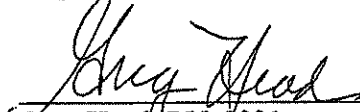
| <b>Cost Estimates for Contract with CGI for Software License, Maintenance, and Master Services Agreements (\$ in Millions)</b> |                    |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | FY 2007-08         | FY 2008-09         | FY 2009-10         | Total              |
| Services   | \$712,022          | \$3,471,109        | \$1,750,388        | \$5,933,520        |
| Licenses   | 973,085            | 233,975            | 257,592            | \$1,464,651        |
| Maintenance  | 0                  | 215,419            | 571,032            | \$786,451          |
| <b>Total by Fiscal Year:</b>   | <b>\$1,685,107</b> | <b>\$3,920,503</b> | <b>\$2,579,012</b> | <b>\$8,184,622</b> |

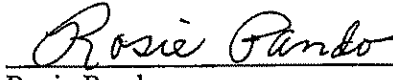
Additional costs for the ERP Implementation Project will be incurred for project team and backfill salary and benefits; hardware and infrastructure; and facility operations costs. These additional costs are estimated at \$0.848 million for FY 2007-08, \$3.671 million for FY 2008-09 and \$2.617 million for FY 2009-10. The total estimated cost for the ERP Implementation Project including this contract and a 10% contract contingency (\$600,000) is \$15,920,622. Adequate funds are held in Fund 29 and the General Fund Automation System Designation to cover the total estimated cost of the ERP Implementation Project. The annual cost for the ERP Maintenance Agreement for the period of 7/1/2010-6/30/2012 is estimated at \$570,732 annually. Beginning in 7/2010 this charge will be incorporated into the existing County IT enterprise charge for Financial and HR Payroll systems annual maintenance costs.

*MAINT  
\$5,516,622  
7/09*

Prepared by:

Approved by:

  
 \_\_\_\_\_  
 Greg Head, 755-5091  
 ERP Project Director  
 Date: 3/25/2008

  
 \_\_\_\_\_  
 Rosie Pando  
 Assistant County Administrative Officer  
 Date: 3/25/08

MASTER SERVICES

AGREEMENT

## MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is dated effective as of April 7, 2008 (the "Effective Date") by and between the County of Monterey ("Customer"), a political subdivision of the State of California having a place of business at 1260 S. Main Street, Salinas, CA 93901, and CGI Technologies and Solutions Inc. ("CGI"), a Delaware corporation having its principal place of business at 4050 Legato Road, Fairfax, Virginia, 22033. This Agreement provides the terms and conditions on which CGI shall provide certain consulting, software development, and other professional services to Customer for one or more projects. In consideration of the premises and the mutual covenants set forth herein, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

### 1. DEFINITIONS

The following capitalized terms have the respective meanings given below when used in the Contract Documents.

- A. "Affiliate" means: (i) with respect to CGI, any entity that controls, is controlled by, or is under common control with, CGI, where for this purpose, and without limiting the foregoing, any person or entity that owns more than fifty percent (50%) of the outstanding voting securities (or other equity interests) of any other entity shall be deemed to control such other entity; and (ii) with respect to Customer, any of those agencies, bodies, boards, or other governmental entities or organizations (including organizations such as, for example, special districts (e.g., school districts and fire districts), courts, hospitals, joint power agencies, employee retirement boards, etc.) located in whole or in part within the jurisdictional boundaries of the County of Monterey, California (or otherwise having a reasonable connection to such County) and for which, at any given time, Customer or any agency, department, or office of Customer's (including, for example, the Monterey County Auditor-Controller's Office) provides information technology services, support, or operation or otherwise serves the information technology needs of, currently including those entities identified in Exhibit B to the License Agreement, which Exhibit is incorporated herein by this reference.
- B. "Contract Documents" means this Agreement and any Statements of Work executed by the parties under this Agreement, as well as any amendments and Change Orders to any of the foregoing. For the avoidance of doubt, all such Statements of Work, amendments, and Change Orders shall also be deemed to constitute part of this Agreement, and the term "Agreement," as appropriate in context when used herein, shall be deemed to be synonymous with the term "Contract Documents."
- C. "Change Order" means a written amendment that is made to a given Statement of Work, and that is mutually agreed to and signed by authorized representatives of both parties, in accordance with Section 7.A.
- D. "Deliverable" means any item, information, or materials to be developed or provided by CGI pursuant to a given Statement of Work and that is designated in such Statement of Work as being among the "Deliverables" to be provided to Customer thereunder. Deliverables are all subject to the formal acceptance testing process set forth herein and may be either Written Deliverables or Software Deliverables, each defined as follows:
  - (i) "Software Deliverable" means any Deliverable that consists of or constitutes computer software (e.g., any completed or configured system or module, subsystem, or release of any software or system), which may include or incorporate Software and Third Party Products; and

- (ii) "Written Deliverable" means any Deliverable that does not constitute computer software and that may reasonably be construed as some form of a document (regardless of whether in written, electronic, or any other form), such as, for example, reports, system design documents, plans, or documentation.
- E. "Documentation" means: (i) with respect to any given Software, the documents, documentation, manuals, technical and functional descriptions, and the like that fall within the definition of the term "Documentation" in the License Agreement with regard to such Software, which definition is incorporated herein by this reference; and (ii) any Written Deliverables that are mutually agreed to under any Statement of Work and that: (a) describe (or are to describe) the functionality, use, operation, or maintenance of any Software Deliverables; or (b) contain or constitute mutually agreed to specifications applicable to any Software Deliverables.
- F. "Initial SOW" means Statement of Work No. 1 for Services provided under this Agreement executed by Customer and CGI as of even date herewith.
- G. "License Agreement" means that certain Master Proprietary Software License Agreement executed by Customer and CGI as of even date herewith.
- H. "Project Plan" means a document that specifies in detail the responsibilities of, and tasks assigned to, each party under a particular Statement of Work, the scheduled start and completion dates for such tasks, any interdependencies of such tasks, and similar or related information, all as mutually agreed to in writing by the parties from time to time, with any amended Project Plan, once mutually agreed to and made effective, superseding all prior Project Plans for the applicable Statement of Work.
- I. "Reimbursable Expenses" means: (i) any actual travel and related living expenses, and any other expenses that are mutually agreed upon by the Parties, that are reasonably incurred by CGI's personnel in providing Services onsite at the facilities or locations of Customer or its Affiliates and that, as provided in any applicable Statement of Work and in accordance with the other terms of this Agreement, Customer is obligated to reimburse CGI for hereunder; and (ii) any actual charges reasonably incurred for any non-routine supplies that are used by CGI in performing its obligations under the Contract Documents and that are specified in any Statement of Work or otherwise approved by Customer in writing.
- J. "Services" means the consulting, software development and other professional services that CGI, at any given time, has then provided, and those that CGI is then obligated to provide, to Customer pursuant to this Agreement, as such services are described in this Agreement and in any applicable Statements of Work.
- K. "Software" means, at any given time, the computer software that is then licensed by CGI to Customer and its Affiliates pursuant to the License Agreement.
- L. "Specifications" means: (i) with respect to any given Software or Software Deliverable, the Documentation, as defined above, for such Software or Software Deliverable; (ii) any specifications identified or described in an applicable Statement of Work with respect to any given Software Deliverable; and (iii) with respect to any given Software licensed to Customer pursuant to Exhibit A of the License Agreement, the specifications identified or described in Exhibit A to the License Agreement.
- M. "Statement of Work" means any document that describes specific Services that CGI is to perform for Customer, that is substantially in the form attached as Exhibit A hereto, and that is signed by authorized representatives of both parties.



- N. "Third Party Products" has the definition given such term in the License Agreement, which definition is incorporated herein by this reference

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2. **SCOPE OF WORK**

- A. **General Intent and Commitments.** Unless expressly otherwise provided in any given Statement of Work, CGI shall be the prime contractor in the Services provided under any Statement(s) of Work executed hereunder and, subject to the terms and conditions of this Agreement, CGI shall use any facilities, property, equipment, and resources made available to it by Customer hereunder solely as necessary and appropriate for CGI's performance of the Services. CGI shall provide the personnel assigned to the performance of the Services hereunder with laptop computers and related equipment and resources necessary and appropriate for their performance of the Services. In performing the Services and providing the Deliverables, CGI shall at all times take appropriate advantage of, and, unless expressly directed otherwise by Customer, utilize and apply, commercially reasonable business practices for governmental entities as they relate to the Services and Deliverables being provided and any Software and Third Party Products being implemented or integrated. CGI agrees to consistently maintain a senior level of management attention on its activities hereunder, through its Vice President assigned to regularly monitor such activities. CGI shall also, in its performance under each Statement of Work, as applicable, use commercially reasonable efforts to transfer knowledge to Customer's appropriate personnel regarding the Services and Deliverables being provided, and any Software and the Third Party Products being implemented or integrated, under such Statement of Work, and Customer will reasonably cooperate in such efforts. It is further the intent of the parties to cooperate in achieving the objectives of the projects undertaken hereunder.
- B. **Statements of Work.** Each separate project or work assignment to be performed by CGI under this Agreement will be authorized by the execution of a Statement of Work describing the Services to be performed, and the Deliverables to be provided, by CGI thereunder and stating the objectives of the project or work to be performed under such Statement of Work. A Statement of Work may amend the terms and conditions of this Agreement as they apply to that particular Statement of Work, but only as they apply to that particular Statement of Work and then only if the Statement of Work expressly identifies the Sections of this Agreement that are being amended and the specific amendments that are being made.
- C. **Critical Milestones.** CGI shall provide the Services and Deliverables, and otherwise fulfill its obligations, under each Statement of Work in accordance with any critical milestone dates specified as "Critical Milestones" in such Statement of Work or otherwise mutually agreed to in writing by the parties from time to time as "Critical Milestones." In the event of any conflict with respect to the dates corresponding to any events, tasks, or activities that are both specified as Critical Milestones and set forth in the applicable Project Plan, the Critical Milestones shall control.
- D. **Project Plans.** Each Statement of Work shall include an initial draft of a Project Plan or shall provide for the development of a Project Plan by CGI, with the cooperation of, and subject to the review and approval of, Customer, within a specified, reasonable period of time after the execution of such Statement of Work. Unless otherwise provided in the applicable Statement of Work, CGI shall maintain and update each Project Plan (subject to Customer's review and, when reasonably acceptable, approval), in accordance with this Agreement and any governance procedures agreed upon by the Parties with respect to such Statement of Work, throughout the term of the applicable Statement of Work. Each

Project Plan shall be developed and maintained using a then-currently supported version of Microsoft Project or such other software product as is mutually agreed upon by the parties. CGI shall make the then-most current version of each Project Plan available to Customer at all times. The responsibility for each individual task identified in each Project Plan shall be assigned either to CGI or Customer, and the responsibility for any given individual task shall in no event be assigned to CGI and Customer jointly. If the responsibility for any individual task is at any time specified in any given Project Plan as being jointly that of CGI and of Customer, the parties shall promptly confer and mutually agree upon how to divide such task into appropriate subtasks, each of which shall be the responsibility of only one party and not of the parties jointly, revising such Project Plan accordingly. CGI shall at all times fully cooperate with, and accept and incorporate reasonable input from, Customer in a timely manner in updating and maintaining each Project Plan. Should modifications to any given Project Plan become necessary or desired from time to time for any reason, then, without limiting any rights, remedies, duties, or obligations of either party that then exist, the parties shall confer, and each party shall act reasonably with regard to considering such modifications. The parties acknowledge and agree that not all low-level tasks for which each party is responsible will necessarily be delineated in a given Statement of Work or its associated Project Plan. Therefore, unless expressly otherwise indicated in any such Statement of Work or associated Project Plan, if either party is assigned a given task in a given Statement of Work or its associated Project Plan, then that party is responsible for that task as well as any subtasks that are reasonably necessary to appropriately complete performance of that task (regardless of whether all such subtasks are expressly delineated in the Statement of Work or Project Plan). In the event of any dispute between the parties as to whether a particular service or function falls within the scope of the services to be provided by Customer (or by Customer's third-party service providers), or within the scope of Services to be provided by CGI hereunder, CGI shall actively manage and participate in such dispute and shall use commercially reasonable efforts to facilitate the participation and cooperation of all third parties (if any) involved in such dispute. Nevertheless, in the event of any such dispute, any particular service or function shall be considered to be part of a party's (i.e., either Customer's or CGI's) work and responsibilities under a given Statement of Work if it is consistent with, and reasonably inferable to be within, the scope of such party's work and responsibilities set forth in such Statement of Work and its associated Project Plan.

- E. **Project Management.** Unless expressly otherwise provided in any given Statement of Work, CGI shall, as part of the Services performed under each Statement of Work, provide on-going project management and coordination with respect to, and shall regularly monitor and report on, the tasks to be performed, and the status and progress of the project being conducted, under such Statement of Work. CGI's project management team shall work closely with Customer's project management personnel throughout the execution of all such tasks under each Statement of Work. Status meetings shall be conducted by CGI with Customer's project team, at such frequency as is provided in each Statement of Work, and at the time and location reasonably designated by Customer, to keep both parties and their personnel informed of the status of the project under such Statement of Work, as well as provide a forum for discussion of issues and risks. At each such meeting, CGI shall review and discuss the status and progress under such Statement of Work since the last status meeting, including review and discussion with regard to any problems that have occurred and could delay or impact performance of anticipated activities, and any problems reasonably anticipated in the future. Customer will be an active participant in such status meetings, and the parties shall jointly review action item,

issue, and incident logs that CGI shall prepare, and identify project risks, for each Statement of Work. Unless expressly otherwise provided in any given Statement of Work, the project management and coordination tasks that CGI shall perform with respect to each Statement of Work shall include:

- (i) maintaining the Project Plan for the Statement of Work, as well as an issues log and a risk log for the Statement of Work (the "Issues Log" and "Risk Log", respectively), and providing updates to such plan and logs, as mutually agreed upon by the parties, as the project schedule, milestones, resource assignments, and task dependencies evolve for the Statement of Work;
- (ii) managing, coordinating, and participating in the status reporting process for the Statement of Work, including by: (a) leading or attending, as appropriate and mutually agreed upon by the parties, status meetings at team, project, and executive levels; (b) providing status reports, at such frequency as is provided in each Statement of Work, to Customer; and (c) providing status minutes on the overall project status under the Statement of Work for key meetings, as directed by Customer;
- (iii) Proactively identifying and developing mitigation strategies for project risks that could jeopardize the project schedule or success under the Statement of Work;
- (iv) Providing necessary and appropriate management skills and managing the quality of project Services and Deliverables under the Statement of Work so that they conform to the requirements of the Statement of Work and this Agreement;
- (v) Coordinating the assignment of CGI's personnel to perform the tasks and responsibilities of CGI under the Statement of Work, as outlined in the applicable Project Plan; and
- (vi) Centrally coordinating project activities of both Customer and CGI under the Statement of Work (as well as, if and as applicable, any relevant third parties referenced in the Statement of Work), such that all project activities are completed as planned.

F. **Assumptions.** If any assumptions made by CGI with respect to the work to be performed under a given Statement of Work are specified in such Statement of Work, then, notwithstanding anything to the contrary set forth in such Statement of Work or elsewhere in this Agreement, the failure of any such assumption to be met shall not necessarily result in the need for a Change Order or other change to the terms of such Statement of Work or the fees to be paid by Customer to CGI thereunder. Rather, any such failure shall be considered on a case-by-case basis to determine whether it has had a material adverse impact (either separately or as part of a series of assumption failures) upon the Services and Deliverables to be provided by CGI under such Statement of Work. Notwithstanding the foregoing, no such failure of an assumption stated in a given Statement of Work to be met shall result in any change to the terms of such Statement of Work, or to the compensation to be paid to CGI thereunder, to the extent that such failure (or the issue giving rise to such failure) was caused by CGI or any third party under the control of CGI.

G. **Training.** If mutually agreed upon by the parties under any given Statement of Work, CGI shall provide Customer with a reasonable training plan with regard to training of Customer's personnel and users in the use and support of the Software and Deliverables being implemented under such Statement of Work.

- H. **Organizational Change Management.** If mutually agreed upon by the parties under any given Statement of Work, CGI shall utilize and apply a reasonable and appropriate strategic organizational change management approach and methodology under such Statement of Work and regularly provide Customer with recommendations, advice, and direction regarding cultural change within Customer's and its Affiliates' respective organizations in connection with such Statement of Work. Any such approach, methodology, recommendations, advice, and direction shall be reasonably tailored to Customer's and its Affiliates' culture and environment.
- I. **Root-Cause Analyses.** Within a reasonable period of time after CGI's discovery of, or, if earlier, CGI's receipt of a notice from Customer in respect of, a material failure by CGI to provide any Services or Deliverables in accordance with this Agreement or the applicable Statement of Work or Project Plan, CGI shall promptly: (i) perform an analysis to identify the cause of such failure; (ii) correct such failure; and (iii) report to Customer on the cause and correction of such failure. The correction of any such failure shall be performed at CGI's expense, except to the extent that: (a) Customer or any third party under Customer's direction or control caused such failure; or (b) the correction of such failure is also a responsibility of Customer (or any third-party under the direction or control of Customer) pursuant to this Agreement.
- J. **Risk of Loss.** CGI shall bear all risk of loss or damage to the Deliverables, any results of the Services, and any other materials, documents, hardware, software, equipment, and any data (in any form or media) created, designed, produced, or otherwise obtained by CGI in connection with this Agreement until such have been delivered to Customer, whereupon such risk shall pass to Customer, except that each party shall bear the risk of loss or damage caused by the gross negligence or willful misconduct of such party or of its employees, agents, representatives, or subcontractors.

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3. **PERSONNEL**

- A. **Project Managers.** Each Statement of Work shall identify each party's designated "Project Manager" for such Statement of Work, and each party's Project Manager shall be responsible for such party's day-to-day operational performance in the project described in that Statement of Work and shall have experience appropriate for the performance of such party's obligations under such Statement of Work. CGI's Project Manager under any given Statement of Work shall at all times: (a) act as the primary liaison between CGI and Customer with respect to such Statement of Work; (b) have overall responsibility for directing all of CGI's activities under such Statement of Work; and (c) be dedicated as specified in such Statement of Work to the Services to be provided under such Statement of Work.
- B. **Key Personnel.** CGI shall initially assign each of the individuals identified in any given Statement of Work as "Key Personnel" to the respective positions indicated therein (all such individuals and any replacements therefor, and any other successors to such positions, collectively, CGI's "Key Personnel," and any given such individual, replacement individual, or successor, a "Key Person"). For the avoidance of doubt, and regardless of whether so indicated in the applicable Statement of Work, CGI's Project Manager under any given Statement of Work shall constitute one of the Key Personnel. Each individual proposed as a replacement Key Person shall be subject to Customer's interview and approval, and CGI shall make each such individual available for interviewing by Customer at the time and place mutually agreed to by the parties. CGI shall not replace any Key Person, at any time after such Key Person commences performing the Services under the applicable Statement of Work, without Customer's

prior written consent, if doing so would require the alteration or reduction of such Key Person's contribution to, or involvement with, the Services, except in the event of such Key Person's death, injury, disability, relocation (other than by CGI), or termination or for other reasons outside the reasonable control of CGI. If, as described in the immediately preceding sentence, any Key Person is so reassigned, dies, relocates, is injured, disabled, or terminated, or is otherwise removed from performance of the Services for other reasons outside the reasonable control of CGI, and therefore becomes unable to serve as a Key Person under the applicable Statement of Work, CGI shall replace such person as soon as reasonably possible with another person at least as well qualified to perform the functions and responsibilities of the applicable position (including that, unless otherwise approved by Customer in writing (which approval shall not be unreasonably withheld), all such individuals shall each personally have prior experience, in equivalent positions and in performing equivalent duties, with CGI software implementation and integration projects similar to the one being conducted under the applicable Statement of Work prior to being so assigned), and CGI shall so notify Customer as soon as reasonably possible of the need for any such replacement. CGI shall, to the extent within CGI's control, provide for a reasonable period of overlap during which the person being replaced transfers appropriate knowledge to CGI's new Key Person (except to the extent that such period is made impossible, due to circumstances beyond CGI's reasonable control), and Customer shall not be charged for the time of the replacement individual during such period of overlap.

- C. **Engagement Manager.** Promptly after the Effective Date, CGI shall designate (in a written notice to Customer, unless designated in the Initial SOW) an individual as CGI's "Engagement Manager" with respect to the Initial SOW and any subsequent Statement of Work in which the Engagement Manager is referenced or specified as being required. The CGI Engagement Manager, or such individual as the CGI Engagement Manager designates as his or her designee, shall, at the time of assignment, be an experienced executive who: (i) is generally knowledgeable of commercially reasonable industry practices with regard to software implementations and how such practices apply to governmental entities in general and to Customer, its business operations and related activities, and its information systems, requirements, and needs, in particular; and (ii) has significant prior experience in software implementations for governmental entities of the nature, size, and complexity of, and having information systems' requirements and needs similar to, Customer. CGI's Engagement Manager, or his or her designee, shall at all times: (a) act as CGI's primary liaison with Customer with respect to the Initial SOW (and any subsequent Statement of Work in which the Engagement Manager is specified as being required) and all work performed thereunder; (b) attend, as reasonably requested from time to time by Customer, meetings of Customer's ERP Steering Committee (as defined in Section 6.A) and other meetings relating to the Initial SOW, or the Services being provided under any Statement of Work in which the Engagement Manager is specified as being required; (c) have overall responsibility for managing of CGI's duties and obligations and CGI's and its subcontractors' personnel providing Services under any applicable Statement of Work; and (d) participate in activities regarding the applicable Statement of Work as necessary and in accordance with the Project Plan. In addition, promptly after the Effective Date, Customer shall designate (in a written notice to CGI, unless designated in the Initial SOW) an individual as Customer's "Project Director" with respect to this Agreement. Customer's Project Director shall at all times: (a) act as CGI's primary liaison with Customer with respect to this Agreement and all work performed hereunder; and (b) have overall responsibility for managing all of Customer's duties and obligations and all of Customer's personnel and other resources hereunder.

- D. **Other Personnel.** In addition to CGI's Engagement Manager and the Key Personnel, CGI shall also assign such additional personnel to performance of the Services under each Statement of Work as are necessary, sufficient, and appropriate to fulfill CGI's obligations in accordance with such Statement of Work, the applicable Project Plan, and this Agreement.
- E. **Replacement of Personnel.** If Customer believes that the performance or conduct of any person assigned by CGI to performance hereunder is unsatisfactory for any lawful reason, or does not comply with the requirements of the applicable Statement of Work and this Agreement, Customer may so notify CGI. Upon receiving any such notification, CGI shall, as soon as reasonably possible, appropriately address the performance or conduct of such person, or, at Customer's request, immediately remove and replace person with another person acceptable to Customer who meets all of the applicable requirements described in this Section. CGI shall use commercially reasonable efforts to provide or engage such a replacement in the performance of the Services hereunder as soon as reasonably possible.
- F. **Employee Qualification and Verification Process.** Subject to and in accordance with applicable law, prior to any given individual being assigned to perform Services hereunder, CGI (or its applicable subcontractor) shall have appropriately verified, at CGI's sole cost and expense, the qualifications of such individual in accordance with CGI's personnel policies, which shall include, at a minimum, verifying relevant employment history, verifying technical training or education completed or degrees awarded, conducting a security background check that includes investigation and identification of all state or federal felony convictions of such individual, and any criminal charges pending against such individual, at any time during the immediately preceding five (5) years. Only individuals who reasonably pass such investigation, considering all relevant factors, may be assigned to the performance of the Services. At the written request of Customer, at any time, with respect to any individual assigned to the performance of the Services, CGI shall promptly deliver a written statement to Customer certifying that CGI has performed, and the subject individual has passed, such verification procedures as are set forth in this Section. Subject to compliance with applicable laws and regulations, Customer may reject the assignment of any given individual to the performance of the Services (regardless of whether such individual is only proposed or already assigned) based upon the results of the verification procedures set forth in this Section, and CGI shall promptly fill the position of any individual so rejected with an appropriately qualified person, in accordance with this Agreement.
- G. **CGI Personnel.** At any time, and from time to time, upon the written request of Customer, CGI shall provide Customer with a list of all persons who are then engaged in providing Services onsite under this Agreement, which list shall include the positions occupied by each such person and the Statements of Work under which engaged. As used in this Agreement, "CGI Personnel" means CGI's Engagement Manager, CGI's Project Managers, all other Key Personnel, and all other employees and subcontractors of CGI, as well as all employees of CGI's subcontractors, who are engaged in providing the Services under this Agreement at any given time. An individual within such description is a "CGI Person."

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#### 4. **COMPENSATION**

- A. **Services Fees.** Each Statement of Work shall state the fees for the Services to be provided under such Statement of Work (the "Fees") and the method by which such Fees shall be calculated. Except as expressly otherwise provided in the applicable Statement

of Work (e.g., with regard to any Reimbursable Expenses that the Statement of Work expressly indicates are to be separately reimbursed by Customer thereunder) and or in this Agreement (e.g., pursuant to a Change Order executed in accordance with Section 7), the Fees provided for in any Statement of Work are inclusive of all costs and expenses, and CGI shall not be entitled under this Agreement to any additional or separate compensation or reimbursement, other than such Fees and any such Reimbursable Expenses, for the provision of all of the Services and Deliverables, and the performance of all such other tasks, services, and obligations of CGI, with respect to any given Statement of Work.

- (i) Hourly Rates. Except as expressly otherwise provided in the applicable Statement of Work, the Fees for any Services or Deliverables that a given Statement of Work or Change Order states shall be provided on a "time-and-materials" basis shall be charged at the rates set forth or described in Exhibit B hereto (the "Applicable Hourly Rates") for time actually expended by the CGI Personnel in performing the applicable Services or providing the applicable Deliverables, subject, to the maximum amount of Fees for any such Services or Deliverables that is specified in such Statement of Work or Change Order. CGI shall be permitted to increase the Applicable Hourly Rates no more frequently than once in any given calendar year (starting with 2009) by an amount no greater than five percent (5%) of the Applicable Hourly Rates that are then in effect (for each different job position or category).
- (ii) Time-and-Materials Basis. Unless otherwise provided in the applicable Statement of Work, Fees for Services performed on a time-and-materials basis will be invoiced monthly, on an itemized basis, and shall be based on the actual labor hours expended by CGI in performing such Services and the Applicable Hourly Rates. Each such invoice shall also indicate any applicable Reimbursable Expenses for the given month.
- (iii) Fixed-Price Basis. Fees for Services performed on a fixed-price basis will be invoiced, on an itemized basis, in the fixed amounts, and in accordance with the payment schedule (and any holdback mechanisms), specified in the applicable Statement of Work. Each such invoice shall also indicate any applicable Reimbursable Expenses for the period of time covered by the invoice, to the extent the applicable Statement of Work provides for any Reimbursable Expenses to be separately reimbursed by Customer.

- B. Invoices. CGI will submit invoices, in a form acceptable to Customer, under each Statement of Work in accordance with the payment schedule specified in such Statement of Work (or, if no such payment schedule is so specified, as described above). CGI will address all invoices to Customer's Project Director. Any invoice submitted by CGI hereunder shall: (i) identify the Statement of Work to which it relates; (ii) for any Services performed on a time-and-materials basis, state the total number of hours worked by billable labor category; (iii) set forth the Fees that are then due and payable and any applicable Reimbursable Expenses, together with an itemized basis for the amounts claimed and such other information pertinent to the invoice as Customer may require (including copies of receipts documenting Reimbursable Expenses, other than for daily per diem expenses as described in Section 4C below). Customer's designee shall promptly (within ten (10) days after receipt) review and, if acceptable, approve each invoice, notifying CGI of any errors that are discovered with any invoice, and with CGI promptly resubmitting a corrected invoice in such a case. Once approved, Customer's designee shall promptly (within ten (10) days) submit such invoice to Customer's

Auditor-Controller for payment. Any invoiced amounts not disputed in good faith by Customer are due and payable within thirty (30) days after Customer's Auditor-Controller receives the invoice for payment.

- C. **Reimbursable Expenses.** If a given Statement of Work provides for any Reimbursable Expenses to be separately reimbursed by Customer, then, in connection with such Statement of Work, CGI shall comply with Customer's and its Affiliates' policies concerning travel and related expenses, as provided or made available to CGI by Customer from time to time. Unless otherwise provided in such policies, with respect to Reimbursable Expenses provided for in the applicable Statement of Work, Customer shall only be required to pay or reimburse CGI for Reimbursable Expenses at rates no greater than the following: (i) actual airfare at coach rates, using non-refundable fares, discount or low-cost airlines or carriers, and advance-purchase fares whenever possible; (ii) actual ground transportation; (iii) a daily (or per diem) fee for lodging, meals, and incidental expenses equal to the per diem rates for such items then reimbursed by agencies of the federal government through the United States General Services Administration ("GSA") for the area in which Customer's facilities are located, as posted for the relevant period of time on the GSA's Web site ([www.gsa.gov](http://www.gsa.gov)); and (iv) any charges for any non-routine supplies and equipment specified as to be provided by CGI in a Statement of Work or otherwise approved in writing by Customer or its Affiliates.
- D. **Taxes.** If Customer at any time qualifies as a tax exempt entity, Customer will provide CGI with a copy of Customer's tax exemption certificate. Otherwise, Customer agrees to pay directly or reimburse CGI for any taxes arising out of the Contract Documents or CGI's performance under the Contract Documents, excluding taxes on CGI's net income or property and all employer reporting and payment obligations with respect to CGI's (or any of its subcontractors') personnel.
- E. **Payment Terms.** All fees and expenses are to be paid to CGI in United States dollars, by wire transfer of funds to an account designated by CGI reasonably in advance of when payment is due or by check sent to CGI at P.O. Box 101043, Atlanta, Georgia 30392. Customer may withhold payment of any specific invoiced charges which it disputes in good faith provided it pays all undisputed charges on the invoice within the agreed payment period and promptly notifies CGI of the amount in dispute and the reasons why it disputes the charges. CGI and Customer will work together in good faith to resolve any timely disputed amount in a prompt and mutually acceptable manner. If a dispute regarding an invoiced amount is not resolved within thirty (30) days after the original payment due date, the parties will resolve such dispute as provided in Section 16 (Governing Law and Disputes). If, through the dispute resolution process provided in Section 16, Customer is found to owe CGI any disputed amount, Customer will pay such disputed amount to CGI within five (5) days after the dispute has been resolved. If Customer withholds payment of any amount that is material, in the context of the applicable Statement of Work, and that is due under an invoice without following the procedures set forth above, CGI may suspend performance under the Statement of Work with respect to which payment has been withheld, except that CGI will provide Customer with fifteen (15) days' prior written notice before suspending performance, and CGI shall not be entitled to suspend performance if the nonpayment is cured, or Customer notifies CGI in writing of a good faith dispute regarding the withheld amount, within such fifteen (15) day period. If CGI suspends its performance as described in the immediately preceding sentence, CGI will resume performance within a reasonable period of time after payment has been made or the dispute is otherwise resolved, and all affected aspects of the applicable Statements of Work (including without limitation the project schedule



and budget) will be equitably adjusted through the Change Order process described in Section 7.A.

- F. **Set-off.** Customer may set off against any and all amounts otherwise to be paid to CGI pursuant to any of the provisions of this Agreement any amounts claimed in good faith by Customer to be owed by CGI to Customer in respect of this Agreement or of any other written agreement between the parties. Within thirty (30) days after any set-off by Customer pursuant to this Section, Customer shall provide CGI with a detailed written accounting of such set-off and a written statement of the reasons for such set-off.

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## 5. CUSTOMER'S RESPONSIBILITIES

- A. **Customer Personnel, Facilities and Resources.** Customer will provide CGI with reasonable access to appropriate Customer personnel in a timely manner and will arrange for CGI to have suitable and safe access to Customer's facilities and systems, as reasonably necessary for the performance of any given Services and subject to any applicable policies of Customer and its Affiliates. Customer will also provide suitable office space and associated office furnishings and storage space for the CGI Personnel working on-site at Customer's facilities (in a manner similar to that in which Customer provides office space, furnishings, and storage space to its own employees performing similar work). Any special furnishings (i.e., other than basic office furnishings) or equipment and supplies for use by CGI are the exclusive responsibility of CGI. All such office space, furnishings, and storage space, and all assets and facilities installed or operated on Customer's premises, are provided "AS IS, WHERE IS," without warranties of any kind, express or implied, and are to be used by CGI solely as necessary and appropriate for the performance of its obligations under this Agreement. Each Statement of Work, or its associated Project Plan, will specify any tasks or activities for which Customer is responsible or which Customer is to undertake.
- B. **Approvals and Information.** Customer will respond promptly to any CGI request for Customer to provide information, approvals, decisions or authorizations that are reasonably necessary for CGI to perform the Services in accordance with any given Statement of Work. CGI shall provide all such requests, in writing or via email, to Customer's Project Manager for the applicable Statement of Work. If neither such Statement of Work nor the associated Project Plan specifies a period for Customer's response, the parties will reasonably and mutually agree upon a reasonable time period for such response, in the context of the project schedule and other relevant factors. If CGI does not receive a response to the request within the mutually agreed upon time period, CGI will be entitled to follow the described course of action. Any subsequent change requested by Customer will be subject to mutual agreement and may result in a Change Order
- C. **Use and Verification.** Without limiting any provisions of this Agreement regarding the quality or requirements of any given Services or Deliverables, Customer is responsible for the results of using the software, hardware, equipment, Services and Deliverables in Customer's business operations. Customer is also responsible for independent verification and testing of such results prior to using them in its business.
- D. **Customer Responsibilities.** References to Customer's responsibilities in any Statement of Work or Project Plan (other than for Customer's promise to pay for the Services and Deliverables provided thereunder and any other obligations of Customer that are set forth in Sections 1 through 17 of this Agreement) are intended for indicating Customer's responsibilities with respect to the applicable Statement of Work, but unless otherwise specifically agreed in a particular Statement of Work, Customer's failure to fulfill such

responsibilities shall not constitute grounds for a claim of breach of such Statement of Work or this Agreement by Customer. However, if Customer's failure to fulfill any responsibility assigned to Customer in a given Statement of Work or Project Plan materially and adversely affects CGI's ability to perform under such Statement of Work (either separately or as part of a series of such failures), CGI will be entitled to an equitable adjustment in the schedule and payment of fees for its performance under such Statement of Work. Any changes to a Statement of Work that are necessitated by Customer's failure to fulfill its responsibilities thereunder will be addressed through the Change Order process described in Section 7.

## 6. GOVERNANCE AND ADMINISTRATION

- A. **Customer's ERP Steering Committee.** As mutually agreed to by Customer and CGI, appropriate representatives of CGI shall participate in meetings of Customer's "ERP Steering Committee." Customer's ERP Steering Committee shall address matters of governance and administration of the relationship of the parties in connection with any applicable Statement of Work and monitor at a high level the general progress of the performance of the Services, the provision of the Deliverables, and the development and implementation of any applicable Software, under any Statements of Work then in force and effect, in comparison with the applicable Project Plans, and any relevant provisions of such Statements of Work or this Agreement.
- B. **Policies and Procedures.** CGI shall at all times comply with and abide by all policies and procedures of Customer that reasonably pertain to it or to CGI's performance hereunder (to the extent that such policies and procedures, as they may exist or be revised or established by Customer from time to time, have been provided or made available to CGI, in writing or electronically, in advance of when compliance is required, such that CGI has a reasonable opportunity to comply therewith), including, but not limited to (and, in some cases, as further described below in this Section), all such policies as pertain to conduct on Customer's or its Affiliates' premises, use or possession of contraband, the access to, or use or security of, Customer's information technology, data, or resources, or related systems, networks, equipment, property, or facilities, or use and disclosure of confidential information of Customer.
- (i) **General.** Prior to performing Services hereunder, each of the CGI Personnel who will have access to Customer's or any of its Affiliates' data, software, or other Confidential Information shall be bound by confidentiality obligations to CGI that are consistent with, and are sufficient to allow CGI to meet, CGI's obligations of confidentiality under this Agreement. Customer shall, with the cooperation of CGI, issue to each CGI Person appropriate access mechanisms (e.g., access IDs, passwords, and access cards), which mechanisms shall be used only by the specific individuals to whom issued. Customer shall provide each CGI Person with only the level of access that is appropriate and required to perform the tasks and functions for which such person is responsible. CGI shall, from time to time, and upon Customer's request, provide Customer with an updated list of those CGI Personnel performing Services onsite at Customer's or its Affiliates' premises who have the highest level of access to Customer's systems, software, and data. CGI shall comply with the written or electronic policies and procedures regarding the confidentiality and security of Customer's information systems, networks, software and data in accordance with the terms of this Agreement, and shall, in any event, and consistently with this Agreement, treat all such materials with a level of security at least equivalent to the more secure of that then being maintained by: (i) Customer with respect to such

materials, to the extent that Customer has then provided documentation of such level of security to CGI in writing or electronically; or (ii) CGI with respect to its own similar systems and data. CGI shall reasonably cooperate with Customer in ensuring CGI's compliance with the policies and procedures described herein, and any violations or disregard of such policies or procedures shall, in addition to all other available rights and remedies of Customer, be cause for denial of access or use by the applicable CGI Personnel to Customer's information systems, networks, equipment, property, and facilities.

(ii) **Network Security.** CGI shall provide each of the CGI Personnel with personal computers ("PCs") appropriate for them to perform their assigned duties. Before any such PC may be attached or in any way connected to Customer's networks, it must at least meet all of the applicable standards and requirements of Customer's reasonable and applicable policies (including those relating to computer virus protection and the like), to the extent that such policies, as they may exist or be revised or established by Customer from time to time, have been provided or made available to CGI, in writing or electronically, in advance of when compliance is required, such that CGI has a reasonable opportunity to comply therewith. CGI shall thereafter maintain each such PC in compliance with such standards and requirements. For example, and not in limitation or restriction of such standards and requirements, on each such PC used in connection with performance under this Agreement, CGI shall at all times: (i) be actively running an appropriately licensed copy of a nationally known anti-virus protection software, with up-to-date virus definition files, and (ii) maintain the PC operating system so that it is up-to-date with regard to all security patches (i.e., replacements for, or insertions of, compiled code) and the like. CGI will immediately remove from Customer's computing networks any computing device used by any of the CGI Personnel, if Customer reasonably determines that any such device contains any Disabling Device (as defined in Section 11.H). CGI further agrees to cooperate with Customer's network security personnel in removing any such device from Customer's computing networks.

(iii) **Conduct on Customer's Premises.** CGI shall exercise due care and diligence to prevent any injury to persons or damage to property while on Customer's or its Affiliates' premises. The operation of vehicles by any CGI Person on Customer's or any of its Affiliates' property shall conform to posted and other regulations. Vehicular accidents on such property and involving any CGI Personnel shall be reported promptly to the appropriate Customer personnel. CGI and its subcontractors, and their respective employees, agents, and representatives (including all CGI Personnel), shall at all times comply with, and shall at no time knowingly take any action that results in Customer being in violation of, any federal, state, or local law, ordinance, regulation, or rule, including those regarding use or possession of banned or restricted substances and those regarding confidentiality, privacy, security, or exportation.

C. **Conflicts of Interest.** Customer's policies expressly prohibit it and its Affiliates, and their respective employees, from engaging in activities involving a conflict of interest. CGI shall not, at any time during the term of this Agreement, employ or otherwise engage any employee of Customer's or any of its Affiliates' for any purpose in any way related to CGI's performance of its obligations hereunder. CGI shall at all times exercise reasonable care and diligent efforts to prevent any actions, circumstances, or conditions that could result in a conflict (or the appearance of impropriety or a conflict) between

CGI (or any of its employees, agents, or subcontractors, or any other third parties otherwise associated with performance of the Services hereunder) and the best interests of Customer. Such efforts by CGI shall include establishing reasonable precautions to prevent its employees, agents, and subcontractors from making, receiving, providing, or offering to any employees of Customer or its Affiliates any gifts, entertainment, payments, loans, or other considerations that could appear to, be deemed to, or create the impression of an attempt to, influence individuals to act in a manner contrary to the best interests of Customer.

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7. **CHANGE ORDERS**

- A. **Changes to Statements of Work.** Either party may request changes to the scope of the Services, or the time schedule for the provision of the Services, under any Statement of Work. Requests for changes will be submitted to the other party in writing for consideration of feasibility thereof and the likely effect on the cost and schedule for performance of the Services under such Statement of Work. Upon the sending and receipt of any such change request, the parties' Project Managers for the applicable Statement of Work shall meet within an appropriate timeframe to discuss the requested change, with the party requesting the change providing sufficient detail as to reasonably enable the other party to understand the request. If the Project Managers reasonably and mutually determine to proceed, CGI shall, within a reasonable period of time, provide Customer with a written evaluation of the requested change in the form of a written proposal (a "Proposal"), in such depth and detail as is reasonable and appropriate, given the nature and extent of the requested change. If Customer, within a reasonable period of time after receipt of such a Proposal from CGI, agrees to the terms and conditions of such Proposal (as such terms and conditions may be negotiated in good faith by the parties following delivery of such Proposal), then the duly authorized representatives of the parties shall promptly execute a Change Order setting forth the mutually agreed upon terms and conditions for implementation of the change. Each party shall use reasonable efforts to minimize and mitigate the number of Change Orders and the effects of Change Orders upon the schedule and budget for performance. CGI will advise Customer with regard to, and Customer, in its discretion, may establish, a contingency budget for each Statement of Work that will be used for Change Orders, as mutually agreed upon by the parties as described in this Section.
- B. **Customer Delays.** If a failure by Customer to fulfill its obligations under this Agreement or any Statement of Work, or a failure by Customer's third-party suppliers' to perform their responsibilities, prevents CGI from, or delays CGI in, performing the Services in a manner that materially (either separately or as part of a series of such failures) increases the cost, risk, duration, or level of effort of CGI's performance of its obligations under an applicable Statement of Work, CGI will be entitled to an equitable adjustment in the schedule for performance and the compensation otherwise payable to it under such Statement of Work pursuant to a mutually agreed upon Change Order documenting the adjustments. If CGI determines at any time that such a failure by Customer or its third-party suppliers has occurred, CGI shall promptly notify Customer's Project Manager for the applicable Statement of Work thereof in writing within a reasonable period of time following such determination by CGI, specifying in reasonable detail: (i) the particular alleged failure by Customer, or by a specified third-party supplier of Customer's, giving rise to such notice; and (ii) the estimated impact of the alleged failure, and any associated estimated delay, to the provision of the Services and Deliverables under the applicable Statement of Work. In any such event, CGI shall take reasonable and appropriate actions to avoid, mitigate, and reduce any impacts and delays to the performance of the Services

and the provision of the Deliverables. If CGI notifies Customer's Project Manager as described above, then the parties' Project Managers will mutually agree upon a Change Order that includes the equitable adjustment in the project schedule and Fees to the applicable Statement of Work.

- C. **Changes to Applicable Law.** If the statutes, regulations, court orders or other governmental rules affecting Services being performed by CGI, or Deliverables being developed by CGI, under any given Statement of Work are changed in any way (whether through enactment, rescission, modification or otherwise) and such change will require modifications to the Services or the Deliverables in a manner that materially (either separately or as part of a series of such changes) increases the cost, risk, duration, or level of effort of CGI's performance of its obligations under such Statement of Work, CGI may be entitled to an equitable adjustment in the schedule for performance and the compensation otherwise payable to it under the applicable Statement of Work. In such event, the parties will follow the process set forth in Section 7A with regard to a Change Order documenting any mutually agreed upon adjustments.
- D. **Effect on Statement of Work Prices.** Unless otherwise provided in any given Change Order, amounts payable pursuant to any Change Order will be in addition to the Fees that were to have been payable, and any Reimbursable Expenses that were to be separately reimbursable by Customer, under the applicable Statement of Work prior to execution of such Change Order.

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## 8. PROPRIETARY RIGHTS

- A. **Pre-existing CGI and Third-Party Materials.** Except with regard to the Software (which is subject to the terms of the License Agreement), CGI shall obtain Customer's express written approval before incorporating into any Deliverable any pre-existing CGI or third-party materials that are, or that are (or that, after due inquiry, are known to be) required to be, subject to a separate written license agreement between Customer and CGI or the applicable third-party vendor (and CGI shall similarly obtain Customer's express written approval before creating any Deliverable such that any such pre-existing CGI or third-party materials are necessary for the use or operation of such Deliverable). Customer acknowledges that if Customer expressly approves the incorporation or need for any such separately licensed materials in advance and in writing, then a separate license fee may be charged by CGI or the applicable third-party vendor for any such licensed materials, pursuant to the terms of the separate written license agreement executed by Customer and CGI or such third-party vendor.
- B. **Developed Materials.** Except for any pre-existing CGI or third-party materials that are, in accordance with Section 8A, above, subject to a separate written license agreement executed by Customer and CGI or the applicable third-party vendor, and except as expressly otherwise provided in an applicable Statement of Work, as between the parties, CGI will own all intellectual property rights, title and interest in and to all work product developed by it under the Contract Documents. Subject to payment in full by Customer of all amounts owed to CGI under the applicable Statement of Work with respect to any given work product, CGI grants to Customer an fully-paid, irrevocable, nonexclusive, royalty-free right and license for Customer and its Affiliates to use, execute, reproduce, modify, and create derivative works of such work product for Customer's and its Affiliates' own internal use. All such developed work product that constitutes computer software, excluding any Third Party Products, shall be provided to Customer in both source code and object code form.

- C. **Reservation of Rights.** Nothing in this Agreement shall prohibit either party from using ideas, concepts, expressions, know-how, skills and experience possessed by it prior to, or developed or learned by it in the course of, performance under the Contract Documents, to the extent that the foregoing do not contain, include, or constitute Confidential Information of the other party. The provisions of Section 9 shall not prevent CGI from describing to potential customers any Services or Software Deliverables provided by CGI under the Contract Documents, so long as CGI does not include in any such description, or otherwise disclose, any of Customer's Confidential Information or any identifying references to Customer or its Affiliates.

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9. **NONDISCLOSURE**

- A. **Definition.** "Confidential Information" means, with respect to either party, information belonging to such party, or to which such party otherwise has rights outside of this Agreement, that is, or that should reasonably under the circumstances be understood to be, confidential or trade secret, or that is marked or identified as "proprietary", "confidential", "trade secret", or in some similarly obvious manner, at the time it is furnished or disclosed in connection with this Agreement. Confidential information shall include, but shall not be limited to, any technical information, formulas, materials, data, reports, programs, documentation, diagrams, ideas, concepts, techniques, processes, inventions, knowledge, know-how, and trade secrets that are at any time developed, created, or acquired by either party. Confidential Information may be provided: (i) in tangible form and either marked or designated in writing in a manner to indicate it is confidential or a trade secret or otherwise of a nature that a reasonable person would understand it to be confidential or a trade secret; or (ii) in intangible form and either be of a nature that a reasonable person would understand it to be confidential or a trade secret or be identified as confidential or a trade secret in a writing provided to the receiving party within thirty (30) business days after disclosure. Confidential Information includes, but is not limited to, any information meeting the above requirements that pertains to: (i) with respect to CGI, CGI's information and materials and the Software and associated training materials and Documentation; or (ii) with respect to Customer: (a) any information and data relating to or describing Customer's or its Affiliates' practices, personnel, agents, subcontractors, clients, customers, constituents, patients, suppliers, products, services, orders, operations, business, financials, costs, or margins, that is not generally known or available to the public; and (b) any other records, data, information, and other materials pertaining to Customer or its Affiliates that are in the control of CGI, or created, collected, processed, handled, stored, transmitted, or received by either party, in any form or media, in connection with this Agreement, the disclosure of which is prohibited, whether by law, statute, governmental regulation, or ordinance; and (iii) with respect to either party, but subject to all applicable laws and regulations (including, but not limited to, by the California Public Records Act (i.e., CAL. GOV'T CODE §§ 6250 et seq.) or the Ralph M. Brown Act (i.e., CAL. GOV'T CODE §§ 54950 et seq.)), this Agreement and the terms and conditions hereof.
- B. **Exceptions.** Notwithstanding the foregoing provisions of this Section 9, the obligations of confidentiality and non-disclosure imposed under this Section 9 shall not apply to, and Confidential Information shall not include, information that a party can demonstrate: (i) was published or otherwise made a part of the public domain after disclosure to such party, through no breach of this Agreement by such party; (ii) was in the public domain at the time of disclosure to such party, through no breach of this Agreement by such party; (iii) was already in the possession of such party, without such party being under any obligations of confidentiality with respect thereto, at the time of disclosure by the other

party hereunder; (iv) was received or obtained by such party, without such party assuming any obligations of confidentiality with respect thereto, from a third party who had a lawful right to disclose such information to such party; (v) was independently developed by such party without reference to Confidential Information of the other party and not in connection with this Agreement or performance hereunder; or (vi) constituted public records, or records otherwise required by law to be open or available to the public, under applicable law (including, but not limited to, under the California Public Records Act (i.e., CAL. GOV'T CODE §§ 6250 et seq.) or the Ralph M. Brown Act (i.e., CAL. GOV'T CODE §§ 54950 et seq.)).

- C. **Restrictions.** The Confidential Information of each party shall remain the property of such party, and neither party shall be deemed by virtue of this Agreement, or by any access to the other party's Confidential Information, to have acquired any right, title or interest in or to the other party's Confidential Information, except as expressly provided for in this Agreement. Each party agrees: (i) to hold the Confidential Information of the other party in strict confidence; (ii) to limit disclosure of any Confidential Information of the other party to those employees and third-party service providers, consultants, and contractors of such party (and, with respect to Customer, its Affiliates) who are subject to written obligations of confidentiality substantially similar to those set forth herein (or who are otherwise subject to a legal duty to protect such information) and who have a reasonable need to know such Confidential Information for the purposes of performing their duties for such party; (iii) not to disclose any Confidential Information of the other party to any third party except as expressly permitted hereunder; (iv) to use the Confidential Information of the other party solely and exclusively in accordance with the terms of this Agreement, as necessary and appropriate to carry out its obligations and exercise its rights under this Agreement; (v) to afford the Confidential Information of the other party at least the same level of protection against unauthorized disclosure or use as such party normally uses to protect its own information of a similar character, but in no event less than reasonable care; and (vi) to notify the other party promptly upon becoming aware of any unauthorized use or disclosure of any Confidential Information of the other party and to cooperate with and assist the other party in every reasonable way to stop or minimize any such unauthorized use or disclosure. A party receiving Confidential Information of the other party assumes full responsibility and liability for the acts or omissions of its employees, service providers, consultants, and contractors or subcontractors (and the employees of such service providers, consultants, and contractors or subcontractors) with respect to such Confidential Information.
- D. **Required Disclosures.** Either party may disclose Confidential Information of the other party to the extent disclosure is required by law (including, but not limited to, by the California Public Records Act (i.e., CAL. GOV'T CODE §§ 6250 et seq.) or the Ralph M. Brown Act (i.e., CAL. GOV'T CODE §§ 54950 et seq.)) or by order of a court or governmental agency. The party that is subject to such law or order shall use all commercially reasonable efforts to: (i) maintain the confidentiality of the Confidential Information of the other party by giving the other party prompt notice of the required disclosure; and (ii) cooperate with the other party to protect the confidentiality of such Confidential Information. The party who owns such Confidential Information (or to whom such Confidential Information otherwise pertains) shall have the right to seek, with the other party's assistance and cooperation, a protective order or otherwise protect the confidentiality of such Confidential Information.
- E. **Injunctive Relief.** Each party acknowledges and agrees that, in the event of any breach of any provision of this Section 9 by that party, or by its personnel, agents,

subcontractors, or service providers, such breach may cause immediate and irreparable injury to the other party that cannot be adequately compensated for in damages, and that, in the event of any such breach and in addition to, and not in lieu of, any other rights and remedies available at law or in equity, the other party shall be entitled to seek injunctive relief from any court of competent jurisdiction, without bond or other security, and other measures restraining further attempted or threatened breaches of such provisions.

- F. **Return.** Upon any termination or cancellation of this Agreement, and upon the request of the other party, each party shall promptly return, or, at the other party's option, destroy, all of the other party's Confidential Information (and all copies thereof) in such party's possession or control to which continuing rights are not otherwise granted hereunder (except that Customer shall be entitled to retain a copy of CGI's Confidential Information only to the extent required by applicable law and CGI may retain one (1) copy of all of its work product (including working papers) produced under the Contract Documents for archival purposes). Notwithstanding anything to the contrary in this Section 9.F, to the extent and for so long as such return or destruction is infeasible (e.g., with regard to Confidential Information of the other party retained in the memories of a party's employees), the protections of this Section 9 shall continue to apply to such Confidential Information. In the event that the return or destruction of Confidential Information of the other party is infeasible, the party unable to return or destroy such Confidential Information shall promptly notify the other party in writing, indicating the reason for such inability, the expected duration, and the specific Confidential Information to which such inability applies.
- G. **Duration.** The duties and obligations of confidentiality set forth in this Agreement shall survive in perpetuity after termination or cancellation of this Agreement unless otherwise limited by applicable law, in which case, such duties and obligations shall survive for the longest period of time permitted under applicable law.

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## 10. ACCEPTANCE

- A. **Procedures, In General.** All Deliverables shall be provided by CGI to Customer in conformance in all material respects with the applicable Specifications and Documentation. Acceptance testing of Deliverables will be conducted in accordance with the procedures set forth below in this Section 10, except as expressly otherwise provided within the applicable Statement of Work. For the purposes of this Section 10, when written notification is required, and when appropriate, email correspondence will constitute written notification. All time periods specified in the following procedures are defaults that may be overridden by provisions in the applicable Statement of Work that expressly reference the applicable subsection of this Section 10 and indicate the applicable time period that is being modified. For the avoidance of doubt, any references to Customer's "Acceptance" of any particular item in this Agreement or in any Statement of Work, Project Plan, or other document incorporated herein or mutually agreed to by the party, without further qualification or clarification, shall be deemed to refer, as applicable in the given context, to either: (i) "Acceptance" of Written Deliverables in accordance with Section 10B; (ii) "Pre-live Acceptance" of Software Deliverables in accordance with Section 10C(i); or (iii) "Post-live Acceptance" of Software Deliverables in accordance with Section 10C(ii).
- B. **Written Deliverables.** Customer shall have the right to review each of the Written Deliverables that CGI is to provide to Customer under each Statement of Work, to determine if such Written Deliverables conform in all material respects to the applicable descriptions and requirements set forth in the applicable Statement of Work, this



Agreement, and any other document mutually agreed upon by the parties. CGI may submit interim drafts of any Written Deliverable to Customer for review. Customer agrees to review each interim draft within five (5) business days after receiving it from CGI. CGI shall provide written notification to Customer, along with a copy of the applicable Written Deliverable, indicating the applicable Written Deliverable is ready for Acceptance testing. Unless otherwise provided in the applicable Statement of Work or otherwise mutually agreed in writing by the parties, such review shall continue for a period of ten (10) business days after Customer's receipt of such notification (the "Acceptance Period"). Customer agrees to notify CGI in writing by the end of the Acceptance Period that either: (i) such Written Deliverable is accepted in the form delivered by CGI (which shall constitute Customer's "Acceptance" of the Deliverable); or (ii) that such Written Deliverable is not accepted, along with a written report describing in reasonable detail the material deficiencies that must be corrected prior to Acceptance of the Deliverable. If CGI does not receive any such deficiency notice from Customer by the end of the Acceptance Period, the Written Deliverable will be deemed to be accepted upon the expiration of the Acceptance Period. If Customer delivers to CGI a timely notice of deficiencies and the items specified in the notice are deficiencies (i.e., they represent failures of the Written Deliverable to conform in all material respects to the applicable descriptions and requirements set forth in the applicable Statement of Work, this Agreement, and any other document mutually agreed upon by the parties), CGI shall correct any such deficiencies within seven (7) calendar days, or, if necessary, such longer period of time as is mutually agreed upon by the parties, after receiving any such report and shall notify Customer in writing when such corrections or resolutions are completed. Customer may then review the revised Written Deliverable to confirm that the identified and agreed-upon deficiencies have been corrected, for an additional period of five (5) business days after Customer's receipt of such notification (or such shorter period of time as is reasonably required for such review), at the end of which period the determination, notification, and correction process described above in this Section shall be repeated, with reasonably and mutually agreed upon periods of time, and with the parties using reasonable efforts to keep the project moving in accordance with the applicable Project Plan. All of CGI's correction efforts hereunder will be made at no additional charge to Customer. Customer will not unreasonably withhold, delay or condition its Acceptance of a final Written Deliverable. Notwithstanding anything to the contrary elsewhere in the Agreement, in no event shall Customer's issuance of its Acceptance of any Written Deliverable be deemed a waiver of any other right or remedy available to Customer under this Agreement (except that this sentence shall not affect any obligations of Customer set forth elsewhere in this Agreement or in the applicable Statement of Work to make payment with respect to Deliverables following Customer's Acceptance thereof).

- C. **Software Deliverables.** Customer shall have the right to review, as provided below in this Section 10C, each of the Software Deliverables that are to be developed or provided under each Statement of Work, to determine if such Software Deliverables conform in all material respects to the applicable Specifications Statement of Work and this Agreement (the "Acceptance Criteria"). Acceptance testing, as conducted hereunder, shall be an iterative process designed to determine whether the Software Deliverables conform in all material respects to the applicable Acceptance Criteria and to discover and remove any Nonconformities through repeated testing cycles. As used in this Agreement, "Nonconformity" means a reproducible condition in any Software Deliverable that causes the Software Deliverable to fail to conform in all material respects to the applicable Acceptance Criteria.

(i) Pre-live Acceptance.

(1) *Acceptance Tests.* As provided in the applicable Project Plan, a reasonable time prior to the date (as specified in the Project Plan) on which CGI is scheduled to deliver any Software Deliverable to Customer under any Statement of Work for testing in Customer's non-live, test environment, Customer, with the cooperation and assistance of CGI, shall prepare a proposed testing plan for such Software Deliverable (each such plan, a "Test Plan") that includes, at a minimum, a description of appropriate test cases to be used, and the data that will be required to be loaded in the test environment, for the testing of such Software Deliverable, as well as a detailed description of how such data should be loaded. Using the Test Plan, Customer shall then, with the cooperation and assistance of CGI, develop detailed test scripts, and expected results, for the testing of such Software Deliverable. CGI shall promptly review and provide Customer with any feedback or suggested modifications to such materials. As provided in the applicable Project Plan, a reasonable time prior to the date (as specified in the Project Plan) on which CGI is scheduled to deliver the Software Deliverable to Customer for such testing, the parties will mutually agree upon the testing procedures for the Software Deliverable (the "Acceptance Tests"). Unless otherwise specifically provided in the Acceptance Tests, the testing for any given Software Deliverables shall include: (i) confirming that any tasks and activities regarding the installation, implementation, or testing of such Software Deliverables for which either party is responsible (as provided in the applicable Statement of Work and Project Plan) have been done in an appropriate manner to meet the requirements of this Agreement, with each party promptly taking, and using commercially reasonable efforts to cause third parties under its direction or control to promptly take, reasonable and appropriate corrective action within the scope of such party's obligations hereunder, if such is not the case; and (ii) reasonable and appropriate testing of the Software Deliverable, in accordance with the Acceptance Tests, to confirm that it conforms to the applicable Acceptance Criteria, including, but not limited to, if and as provided in the applicable Test Plan: (a) testing to confirm integration and interfacing of such Software Deliverable with Customer's other applicable software and systems; (b) volume/stress testing of the Software Deliverable under peak conditions, to measure response time and reaction to load and to confirm that the Software Deliverable conforms to any applicable Specifications and any performance metrics that are mutually agreed to in the applicable Acceptance Tests or Statement of Work or otherwise mutually agreed upon by the parties in writing; and (c) when mutually agreed upon, parallel testing to confirm that the Software Deliverable produces results consist with those produced by any applicable legacy systems of Customer.

(2) *Pre-live Testing.* CGI will not be obligated to deliver a Software Deliverable to Customer until Customer reasonably demonstrates the readiness of the target technical platform and environment in which such Software Deliverable is to be installed, as described, and according to the schedule specified, in the applicable Statement of Work. Once the installation of any given Software Deliverable in a non-live, test environment (in which a representative sample of Customer's production data has been loaded) has been completed and CGI has successfully completed CGI's installation test and notified Customer that the Software Deliverable is ready for acceptance testing, Customer shall begin testing such Software Deliverable in such environment, using the applicable Acceptance Tests, to determine whether such Software Deliverable performs (as applicable, individually and/or collectively with any other applicable Software Deliverables that have been provided by CGI to Customer) in accordance with the applicable Acceptance Criteria. After Customer has conducted such testing of such Software Deliverable for the period of time specified in the applicable Project Plan, Acceptance Tests, or Statement of Work, or for a period of thirty (30) consecutive calendar days, if the period of time is not so specified (such period of time, the "Pre-live Testing Period"), and such Software Deliverable has performed in all material respects in accordance with the Acceptance Criteria, Customer shall notify CGI in writing that Customer has issued its "Pre-live Acceptance" of such Software Deliverable. If Customer determines during the Pre-live Testing Period that the Software Deliverable contains a Nonconformity (or causes a Nonconformity in any other Software Deliverable for which

Customer's Pre-live Acceptance or Post-live Acceptance (as defined below) has previously been issued, Customer will deliver to CGI, within five (5) calendar days after any such Nonconformity is discovered, written notice reporting the alleged Nonconformity, including in such notice such detail as is reasonably available to Customer to assist CGI in recreating the Nonconformity (with Customer providing a written summary of any Nonconformities to CGI within five (5) calendar days after the end of the Pre-live Testing Period). Upon receiving any such notice, CGI shall promptly (at no additional charge to Customer, and within the number of days specified in the applicable Project Plan, Acceptance Test, or Statement of Work, or, if not so specified, within fourteen (14) calendar days or such other period of time as is otherwise mutually agreed upon by the parties in writing, after receipt of such notice) modify the Software Deliverable to remove the Nonconformity and install and make the modified Software Deliverable available in Customer's non-live, test environment for re-testing. CGI shall notify Customer in writing when such modified Software Deliverable is ready for re-testing. Customer may then re-test the modified Software Deliverable for an additional Pre-live Testing Period of the duration specified in the applicable Project Plan, Acceptance Test, or Statement of Work (or, if not so specified, of a duration of fourteen (14) calendar days or such other period of time as is otherwise mutually agreed upon by the parties in writing), at the end of which period the determination, notification, and correction process described above in this Section shall be repeated. If Customer fails to either notify CGI in writing of Customer's Pre-live Acceptance of such Software Deliverable, or to deliver a written notice of Nonconformity to CGI, within the period described above in which Customer is to respond, then Customer shall be deemed to have issued its Pre-live Acceptance of such Software Deliverable upon the expiration of such period. Notwithstanding the foregoing provisions of this Section or anything to the contrary elsewhere in this Agreement, in no event shall Customer's issuance of its Pre-live Acceptance (or the deemed issuance thereof) with respect to any Software Deliverable be deemed a waiver of any other right or remedy available to Customer under this Agreement (except that this sentence shall not affect Customer's obligations set forth elsewhere in this Agreement to make payment of any applicable fees with respect to such Software Deliverable following Customer's Pre-live Acceptance thereof). CGI and Customer each agrees to work diligently to achieve Pre-live Acceptance of Software Deliverables at, in accordance with the Project Plan, the earliest possible date.

(3) *Delay in Achieving Pre-live Acceptance.* If, after a reasonable number of iterations of the pre-live testing cycle described above (as reasonably determined by Customer, but not more than a total of one hundred fifty (150) days after Pre-live Testing first started for any given Software Deliverable, excluding time in delays caused by Customer to fail to perform in accordance with the immediately preceding paragraph), CGI fails to remove the reported Nonconformities from such Software Deliverable (except that, with respect to implemented and configured Software, the parties may, based on a mutual assessment of the criticality of each Nonconformity, mutually agree in writing that some minor Nonconformities in such Software will be resolved through Software maintenance and support services provided by CGI for the Software under a separate written agreement, with each party acting reasonably with respect to any such assessment), then, in addition to any other rights and remedies available to Customer hereunder, at law, or in equity, Customer shall be entitled to: (i) receive an equitable adjustment in the amounts payable to CGI for the Software Deliverable or for any Services provided with respect to the Software Deliverable (up to the total amount payable for the Software Deliverable or for such Services), to reflect any reduction in the value of the Software Deliverable as a result of the delay or the remaining Nonconformities; or (ii) terminate the applicable Statement of Work in accordance with Section 14.B(ii). Upon the occurrence of either of the events described in clauses (i) and (ii) of the immediately preceding sentence, Customer shall return the affected Software Deliverable to CGI.

(ii) Post-live Acceptance.

(1) *Live Testing.* In accordance with the applicable Project Plan, within a reasonable period of time after Customer has (or is deemed to have) issued its Pre-live Acceptance of any given Software Deliverable, and after Pre-live Acceptance of all Software Deliverables to be provided

under any given Statement of Work (or any mutually agreed upon portion thereof (e.g., a given "phase" or "release" of the project under a given Statement of Work), Customer shall begin using such Software Deliverables in a live, operational environment (each respective date that such use commences, a "Go Live Date"). Once Customer has used such Software Deliverables in such a live, operational environment using Customer's production data for the period of time specified in the applicable Project Plan or Statement of Work, or for a period of at least seventy-five (75) consecutive calendar days after the Go Live Date, if the period of time is not so specified (such period of time, "Live Testing", with it being understood and mutually agreed by the parties that each Live Testing period shall provide sufficient time for Customer to exercise all daily, weekly, and monthly cyclical business functions of the applicable Software Deliverable), and (a) there have been no material errors, and (b) such Software Deliverable performs in all material aspects in accordance with the Acceptance Criteria, then Customer shall notify CGI in writing that Customer has issued its "Post-live Acceptance" of such Software Deliverable. If Customer determines during Live Testing that the Software Deliverable contains a Nonconformity (or causes a Nonconformity in any other Software Deliverable for which Customer's Pre-live Acceptance or Post-live Acceptance has previously been issued), Customer will deliver to CGI, within five (5) calendar days after any such Nonconformity is discovered, written notice reporting the alleged Nonconformity, including in such notice such detail as is reasonably available to Customer to assist CGI in recreating the Nonconformity (with Customer providing a written summary of any Nonconformities to CGI within five (5) calendar days after the end of the Live Testing period). If Customer fails to notify CGI in writing of Customer's Post-live Acceptance of such Software Deliverable, or to deliver a written report of Nonconformity to CGI, within the Live Testing period, then Customer shall be deemed to have issued its Post-live Acceptance of such Software Deliverables upon expiration of the Live Testing period. If such a written report of Nonconformity is delivered to CGI within the Live Testing period, then CGI shall, at no additional charge to Customer, correct any such Nonconformity within the number of days specified in the applicable Project Plan or Statement of Work (or, if not so specified, within fourteen (14) calendar days or such other period of time as is otherwise mutually agreed upon by the parties in writing, after receipt of such notice) after such delivery and shall notify Customer in writing when such corrections are completed. Customer may then re-test such Software Deliverables, as described above, for an additional Live Testing period of such duration as is specified in the applicable Project Plan or Statement of Work (or, if not so specified, within a period of fourteen (14) calendar days or such other period of time as is otherwise mutually agreed upon by the parties in writing), at the end of which period the determination, notification, and correction process described above in this Section shall be repeated. Notwithstanding the foregoing provisions of this Section or anything to the contrary elsewhere in this Agreement, in no event shall Customer's issuance of its Post-live Acceptance (or the deemed issuance thereof) with respect to any Software Deliverable be deemed a waiver of any other right or remedy available to Customer under this Agreement (except that this sentence shall not affect Customer's obligations set forth elsewhere in this Agreement to make payment of any applicable fees with respect to such Software Deliverables following Customer's Post-live Acceptance thereof).

(2) *Delay in Achieving Post-live Acceptance.* If, for any reason other than Customer's failure to fulfill its obligations under the applicable Statement of Work or this Section 10C, Customer has not issued its Post-live Acceptance of any given Software Deliverable (or such Post-live Acceptance has not been deemed to have been issued, in accordance herewith) within one hundred eighty (180) calendar days after the original Go Live Date with respect to such Software Deliverable (excluding time in delays caused by Customer to fail to perform in accordance with the immediately preceding paragraph), then, in addition to any other rights and remedies available to Customer hereunder, at law, or in equity, Customer shall be entitled to: (i) receive an equitable adjustment in the amounts payable to CGI for the Software Deliverable or for any Services provided with respect to the Software Deliverable (up to the total amount payable for the Software Deliverable or for such Services), to reflect any reduction in the value of the Software Deliverable as a result of the delay or the remaining Nonconformities; or (ii) terminate the applicable Statement of Work in accordance with Section 14.B(ii). Upon the occurrence of

either of the events described in clauses (i) and (ii) of the immediately preceding sentence, Customer shall return the affected Software Deliverable to CGI.

- (iii) *Other Nonconformities.* Notwithstanding the preceding provisions of this Section 10C, any at time prior to the expiration of the period specified in Section 11.L, Customer may deliver to CGI a written statement that a Software Deliverable with respect to which Customer previously issued its Pre-live Acceptance or Post-live Acceptance hereunder does not perform in all material respects in accordance with the Specifications therefor, including, but not limited to, with respect to the performance of quarterly, fiscal year-end, or calendar year-end cyclical business functions. Any such written statement shall contain a reasonably detailed statement of the Defects, as defined in Section 11.L, of the applicable Software Deliverable. Upon receipt of any such written statement, CGI shall promptly address the reported Defects in accordance with Section 11.L.

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## 11. REPRESENTATIONS AND WARRANTIES

- A. **Authority.** CGI represents that: (i) it is a corporation duly formed and in good standing under the laws of the State of Delaware; (ii) it is qualified and registered to transact business in the State of California and all other locations where the performance of its obligations hereunder would require such qualification; (iii) it has all necessary rights, power, and authority to enter into, to fulfill its obligations, and to grant the rights it purports to grant, under this Agreement, (iv) the execution, delivery, and performance of this Agreement by CGI have been duly authorized by all necessary action; (v) the execution and performance of this Agreement by CGI shall not knowingly violate any domestic or foreign law, statute, or regulation and shall not knowingly breach any agreement, covenant, court order, judgment, or decree to which CGI is a party or by which it is bound; (vi) CGI has, and warrants that it shall maintain in effect, all governmental licenses and permits necessary for its performance under this Agreement; and (vii) CGI owns or leases, and warrants that it shall own or lease, or have the right to use, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of CGI's lenders, appropriate right, title, or interest in and to the personal property that CGI intends to use or uses to provide the Services hereunder (except with regard to any resources owned or provided by Customer for CGI's use hereunder).
- B. **Pending Litigation.** CGI represents that, as of the Effective Date, there is no outstanding or currently pending or threatened litigation, arbitrated matter, or other dispute to which CGI is a party, that, if decided unfavorably to CGI, would reasonably be expected to have a material adverse effect on CGI's ability to fulfill its obligations hereunder, and that, as of the Effective Date, CGI knows of no basis that might give rise to any such litigation, arbitration, or other dispute in the United States.
- C. **Financial Condition.** CGI represents that it is of a financial condition commensurate with its obligations under this Agreement and sufficient to allow it to readily and successfully fulfill its obligations in accordance with this Agreement. CGI further warrants that, in the event the financial condition of CGI changes during the term of this Agreement in such a manner as to adversely affect CGI or jeopardize its ability to satisfy the warranty set forth in the immediately preceding sentence, it shall promptly notify Customer in writing, reasonably describing the nature and extent of such change.
- D. **Conflicts of Interest.** CGI warrants, that neither CGI nor any of its subcontractors, nor any employee of either of the foregoing, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner

or degree with CGI's performance of its duties and obligations under this Agreement, or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement, and CGI shall promptly inform Customer of any such interest that may be incompatible with the interests of Customer.

- E. **Compliance with Laws.** CGI warrants that the Services provided by CGI shall comply, and that performance by CGI under this Agreement shall comply with all applicable laws, regulations, and ordinances of all relevant jurisdictions and all applicable policies of Customer.
- F. **Open-Source Software.** CGI warrants that no Software Deliverable provided by CGI hereunder shall contain or include any "open source code" or any code subject to a general public license or similar license, unless specifically disclosed to Customer in writing (except that this warranty shall not apply to any Third Party Products or to any Software).
- G. **Documentation.** CGI warrants that any documentation provided to Customer under this Agreement shall, upon delivery to Customer, be complete and shall appropriately describe the applicable Software Deliverable, and the functionality thereof, in sufficient detail as to permit the full use of such Software Deliverable and such documentation in accordance with the applicable Statement of Work and this Agreement and so as to enable any reasonably capable individual to understand and utilize such Software Deliverable and such documentation for all purposes for which they were intended and provided or produced. CGI further warrants that no Software Deliverable shall contain: (i) any undocumented material features of any kind whatsoever; or (ii) any third-party software, tools, or utilities, not identified in the applicable documentation provided to Customer hereunder.
- H. **Disabling Devices.** CGI warrants that, at the time of delivery to Customer, the Services, the Deliverables, and any Documentation provided hereunder in electronic form, and all other data, software, and other materials prepared, developed, or provided by CGI in connection with performance under this Agreement, shall not contain, or result in the creation or insertion of, any timer, clock, counter, virus, disabling device, or other limiting code, design, or routine (including, but not limited to, spy-ware, ad-ware, pop-up screens and windows, and the like) that is designed to erase data or programming, that materially impairs the performance thereof, or that causes any Software, Software Deliverable, or Documentation, or any other applications, systems, or data of Customer's or its Affiliates', to be erased, made inoperable, or otherwise made incapable of being used by Customer and its Affiliates in accordance with the applicable documentation or specifications, for all intended purposes or after being used a certain number of times, after the lapse of a certain period of time, or after the occurrence or lapse of any other triggering event, including, but not limited to, the transferring of any Software or Software Deliverable from the computer equipment on which it was originally installed to any other computer equipment having a different serial number, model number or other identification (any such device, code, design, or routine, a "Disabling Device"). In the event of any breach of the warranties provided in this Section 11.H, Customer's exclusive remedy, and CGI's sole obligation, will be limited to re-performance, repair, or replacement of the nonconforming Services or Deliverables so that they conform to such warranties and all other requirements of this Agreement and the applicable Statement of Work.
- I. **Data Loss.** CGI warrants that all Software Deliverables and all other data, software, documentation, and other materials prepared, developed, or provided by CGI in

connection with performance under this Agreement, and all use of any of the foregoing in accordance with any applicable documentation and specifications, shall not result in any direct loss, destruction, deletion, or alteration of any of Customer's or its Affiliates' data, to the extent that such loss is not due to hardware failure, failure of third parties not under the control or direction of CGI, problems caused by Customer or its Affiliates, or problems caused by improper use (i.e., use other than in accordance with this Agreement) of the applicable Software Deliverable ("Data Loss"). CGI shall promptly restore any of Customer's or its Affiliates' data, at no additional cost, to the extent that such Data Loss shall have been caused by or resulted from any Software Deliverable or any other materials provided or made available to Customer or its Affiliates by CGI hereunder, or any use thereof in accordance with the applicable documentation and specifications. If CGI fails to promptly restore such data, Customer, in its sole discretion, and to the extent possible, may perform such restoration or have such restoration performed by a third party, and CGI shall promptly reimburse Customer for the reasonable cost thereof, provided Customer has properly mitigated all such costs. In no event shall CGI's liability to reimburse Customer under this Section exceed the limits on liability set forth in Section 15.A.

- J. **Qualifications.** CGI warrants that: (i) all CGI Personnel performing Services under this Agreement shall be, when first assigned to the performance of the Services, specially trained, experienced, competent, and appropriately licensed to perform the work and Services to which they are respectively assigned under this Agreement; (ii) none of the CGI Personnel performing Services under this Agreement shall be employees of Customer or an immediate family of an employee of Customer; and (iii) all Services performed under this Agreement that are required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- K. **Quality of Services.** CGI warrants that the Services shall be performed in a safe, skillful, professional, and workmanlike manner consistent with industry standards reasonably applicable to the performance of such Services. If Customer believes there has been a breach of this warranty, it may so notify CGI in writing, stating in reasonable detail the nature of the alleged breach. Any claim of breach of such warranty with respect to any given Services shall only be valid if CGI is so notified by Customer within the first one hundred eighty (180) days after the performance of such Services, except that, with respect to Services that pertain to fiscal year-end processes, preparation of 1099 forms, or calendar year-end processes for the payroll-related functionality of the Software, Customer shall have until ninety (90) days after the first occurrence of a fiscal or calendar year-end, as applicable, and the exercising of such functionality, after the performance of such Services in which to bring a claim of breach hereunder (with the foregoing warranty not applying to claims that CGI is not notified of, in accordance with this Section, within the timeframe described in this sentence). Upon receiving any such notification within the timeframe described in the immediately preceding sentence, CGI shall, if there has been a breach of this warranty, promptly correct or re-perform, at no additional charge, any non-conforming Services, and correct any non-conforming Deliverables, to cause them to comply and conform with this warranty. If CGI fails to correct any such breach of this warranty after repeated efforts or within a reasonable period of time, Customer shall be entitled: (i) to an equitable adjustment in CGI's charges for the Services in question (up to the total amount of such charges under the applicable Statement of Work, with CGI promptly refunding to Customer any applicable amounts), to reasonably reflect any reduction in the value of the Services to Customer as a result of the uncorrected breach of warranty; or (ii) to terminate the applicable Statement of Work in accordance

with 14.B(ii) and seek to recover its and its Affiliates associated damages, subject to the limitations and exclusions set forth in Section 15.

- L. **Software Deliverables.** CGI warrants that, with respect to any given Software Deliverable, commencing upon delivery of such Software Deliverable to Customer and continuing for the first year after the Go Live Date for such Software Deliverable (the "Warranty Period"), unless a different Warranty Period is expressly specified for such Software Deliverable in the applicable Statement of Work, each Software Deliverable developed and delivered under each Statement of Work shall perform, and continue to perform, in all material respects, the functions described in its Specifications without Defects. As used in this Agreement, a "Defect" means a reproducible material deviation of a Software Deliverable from its Specifications. If Customer believes there has been a breach of this warranty it must notify CGI in writing within the Warranty Period, including in such notification such sufficient detail as is reasonably available to Customer to assist CGI in recreating the Defect. If there has been a breach of this warranty, then CGI's sole obligation, and Customer's exclusive remedy, will be for CGI to promptly correct the Defect, at no charge, so that the Software Deliverable conforms in all material respects to the foregoing warranty. However, if CGI fails to correct a breach of this warranty after repeated efforts or within a reasonable period of time, Customer shall also be entitled: (i) to an equitable adjustment in CGI's charges for the Software Deliverable or for any Services provided with respect to the Software Deliverable (with CGI promptly refunding to Customer any applicable amounts), to reasonably reflect any reduction in the value of the Software Deliverable to Customer as a result of the uncorrected Defect; or (ii) to terminate the applicable Statement of Work pursuant to Section 14.B(ii) (Termination for Breach).
- M. **Compatibility and Integration.** CGI warrants that all CGI-provided Software configurations, modifications, customizations, data conversions, and interfaces: (i) shall function in accordance with the applicable Specifications (as applicable, individually and/or collectively with any other applicable items that have been provided by CGI to Customer) as described in the applicable Statement of Work; and (ii) when operated in accordance with the applicable Specifications shall not cause any material delays, defects, or problems with the Software, subject to any capacity constraints of Customer's communications network.
- N. **Investigation and Correction.** CGI may investigate and correct breaches of the warranties set forth in Sections 11.K (Quality of Services) and 11.L (Software Deliverables) at CGI's offices to the extent possible. If Customer requires CGI to travel to Customer's place of business to correct a breach of either such warranty that could have reasonably been corrected at CGI's place of business (after Customer was informed thereof by CGI), Customer will reimburse CGI for the reasonable travel time (at the Applicable Hourly Rates) and Reimbursable Expenses of CGI's Personnel. If a reported breach of either such warranty is attributable to a cause other than an actual breach of such warranty, then CGI will be entitled to payment for its investigation and correction efforts on a time-and-materials basis at the Applicable Hourly Rates (unless other rates are specified in the applicable Statement of Work, in which case such other rates shall apply).
- O. **Intellectual Property.** CGI warrants that the Services, the Deliverables, and the Documentation developed or provided by CGI in connection with performance under this Agreement, as delivered or provided to Customer, shall not infringe upon or misappropriate any third-party copyrights, patents, trademarks, trade secrets, or other intellectual property or proprietary rights that exist on the date such materials are



delivered or provided to Customer and that arise or are enforceable in the United States of America.

- (i) If a third party brings an action against Customer or any of its Affiliates making allegations that, if true, would constitute a breach of this warranty, then CGI shall, at its own expense and subject to the provisions of Section 12.B, defend, indemnify, and hold the Customer Indemnitees (as defined in Section 12.A) harmless from and against such allegations and any related claims and proceedings, and CGI shall pay all settlements, costs, damages and legal fees resulting therefrom, as described in Section 12.B.
- (ii) If such an action or allegations as described above are brought or appear to CGI to be likely to be brought, CGI shall promptly, at its sole option and expense, either: (i) obtain the right for Customer and its Affiliates to continue using the allegedly infringing items; or (ii) replace or modify the allegedly infringing items to resolve such claim or proceeding (i.e., so that they are non-infringing), with any such replacement or modified items being required to provide Customer and its Affiliates with substantially the same functionality, features, and performance as the items that were replaced or modified. If neither of these alternatives are available to CGI on commercially reasonable terms after the exercise of commercially reasonable efforts, CGI may require Customer to return the allegedly infringing items, in which case CGI shall promptly refund to Customer the amounts paid by Customer for the returned items, less a reasonable adjustment for depreciation of the returned items, based on straight-line depreciation over an expected useful life of twenty-five (25) years.

This Section 11.N, together with Section 12.B, states CGI's entire obligation to Customer, and Customer's exclusive remedy, with respect to any claim of infringement by the Services, the Deliverables, or the Documentation provided hereunder and is in lieu of any implied warranties of non-infringement or non-interference with use and enjoyment of information.

- P. **Exclusions.** CGI is not responsible for any claimed breaches of the warranties set forth in the Contract Documents to the extent caused by: (i) modifications made to the item in question by anyone other than CGI and its subcontractors (or any other party) working at CGI's direction; (ii) the combination, operation or use of the item with any items that CGI did not supply, approve, or recommend in writing or that were not contemplated to be used with the applicable Deliverable by the applicable Statement of Work, Documentation, Specifications, Test Plan, Acceptance Tests, or any document or other written agreement executed by the parties; (iii) Customer's failure to use in a timely manner any new or corrected versions of the item made available by CGI; or (iv) CGI's adherence to any written specifications or instructions that Customer expressly requires be followed by CGI in creating or developing the applicable Deliverable, provided that CGI informed Customer in advance and in writing of any known risks associated therewith.
- Q. **Exceptions.** CGI does not warrant that the operation of Deliverables, hardware or equipment provided by CGI will be free of errors that do not materially and adversely affect its use, operation, or performance or that its operation will be entirely uninterrupted. Without limiting the warranties set forth above, Customer acknowledges that it is responsible for the results obtained from its use of the Deliverables, as applicable in and to Customer's unique environment and its business operations.

- R. **Third Party Products.** To the extent CGI has the legal right to do so, CGI agrees to assign or pass through to Customer, or otherwise make available for the benefit of Customer, all warranties and indemnities, that CGI has obtained from the vendors and manufacturers of, and which are applicable to, any third-party software provided by CGI to Customer hereunder, or any other software or hardware procured specifically for Customer by CGI in performance hereunder or otherwise provided to Customer by CGI. CGI does not itself give or make any warranty of any kind with respect to third-party software, hardware or equipment.
- S. **Disclaimer of Warranties.** THE WARRANTIES SET FORTH ABOVE IN THIS SECTION 11, ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES ARISING FROM STATUTE, COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.

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## 12. INDEMNIFICATION

- A. **Bodily Injury; Property Damage.** CGI shall, at its own expense and subject to the provisions of Section 12.D, defend, indemnify and hold Customer and its Affiliates, and the respective officers, agents, and employees of the foregoing (all of the foregoing, collectively, the "Customer Indemnitees") harmless from and against all liabilities, claims, losses, damages, costs and expenses (including reasonable attorneys' fees incurred by CGI in the defense of such claims or by Customer in cooperating with CGI in defense of such claims) arising out of third party claims for damage to or loss of tangible personal or real property, or for injuries to or death of persons (including, but not limited to, any persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with performance under this Agreement), resulting from or arising out of CGI's (or that of any person or entity under direction or control of CGI) conduct or negligent act or omission in connection with this Agreement, except to the extent such claims, liabilities, or losses arise out of the negligence or willful misconduct of Customer.
- B. **Intellectual Property.** CGI shall, at its own expense and subject to the provisions of Section 12.D, defend, indemnify and hold the Customer Indemnitees harmless from and against all liabilities, claims, losses, damages, costs and expenses (including reasonable attorneys' fees incurred by CGI in the defense of such claims or by Customer in cooperating with CGI in the defense of such claims) arising out of or based upon any third party claim for infringement, misappropriation, or violation of any patent, copyright, trademark, trade secret, or other intellectual property or proprietary right of any third party that is enforceable in the United States of America.
- (i) *Exceptions.* Notwithstanding anything to the contrary in this Section 12.B, CGI shall have no obligation with respect to indemnification of Customer's Indemnitees under this Section 12.B regarding any claim or action to the extent that it is based upon: (i) a modification made to the item in question by anyone other than CGI or its subcontractors working at CGI's direction or that was not otherwise contemplated by the applicable Statement of Work or expressly approved or authorized by CGI in writing; (ii) the combination, operation, or use of the item in question with other items that CGI (or CGI's subcontractors) did not supply, approve, or recommend in writing or that were not contemplated to be used with the applicable item by the applicable Statement of Work,

Documentation, Specifications, Test Plan, Acceptance Tests, or any document or other written agreement executed by the parties; (iii) Customer's failure to use in a timely manner any new or corrected versions of the item in question that were made available by CGI to Customer; or (iv) CGI's adherence to any written specifications or instructions that Customer expressly requires be followed by CGI in creating or developing the applicable item, provided that CGI informed Customer in advance and in writing of any known risks associated therewith.

(ii) *Remedy.* If a claim or proceeding subject to this Section 12.B is brought or appears to CGI to be likely to be brought, CGI shall promptly, at its sole option and expense, either: (i) obtain the right for Customer and its Affiliates to continue using the allegedly infringing items; or (ii) replace or modify the allegedly infringing items to resolve such claim or proceeding (i.e., so that they are non-infringing), with any such replacement or modified items being required to provide Customer and its Affiliates with substantially the same functionality, features, and performance as the items that were replaced or modified. If neither of these alternatives are available to CGI on commercially reasonable terms after the exercise of commercially reasonable efforts, CGI may require Customer to return the allegedly infringing items, in which case CGI shall promptly refund to Customer the amounts paid by Customer for the returned items, less a reasonable adjustment for depreciation of the returned items, based on straight-line depreciation over an expected useful life of twenty-five (25) years.

C. **Third Party Services.** CGI shall, at its own expense and subject to the provisions of Section 12.D, defend, indemnify and hold the Customer Indemnitees harmless from and against all liabilities, claims, losses, damages, costs and expenses (including reasonable attorneys' fees) arising out of or based upon any claim brought by any of the CGI Personnel or CGI subcontractor based upon an alleged breach by CGI of this Agreement or of any agreement with such CGI Personnel or CGI subcontractor in connection with this Agreement (e.g., an employment agreement or a subcontracting agreement).

D. **Procedures.** CGI's indemnification obligations specified within this Agreement are conditioned upon Customer promptly notifying CGI in writing after becoming aware of any proceeding or claim for which CGI is obligated to indemnify Customer under this Section 12, providing CGI with a copy of all notices received by Customer with respect to the proceeding or claim, and cooperating with CGI in defending or settling the proceeding or claim, except that failure by Customer to provide such notice shall reduce CGI's indemnification obligations hereunder only in the event and to the extent that CGI is prejudiced thereby. CGI shall have sole control over the defense and settlement of any claim or proceeding (including selection of attorneys) that is subject to indemnification by CGI under this Section 12, provided that CGI shall consult with Customer and obtain Customer's advance consent (not to be unreasonably withheld) in the event any such settlement would operate to impose liability on Customer, or otherwise require Customer to pay money damages to any third-party claimant. Customer may observe the proceeding or claim, at its own expense and using attorneys of its own choice.

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### 13. **INSURANCE**

A. **Insurance Coverage Requirements.** Without limiting CGI's duty to indemnify the Customer Indemnitees pursuant to Section 12, CGI shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with at least the following minimum limits of liability:

- (i) Commercial general liability insurance (including, but not limited to, coverage for premises and operations and for bodily injury and property damage, personal injury, contractual liability, broad form property damage, independent contractors, products, and completed operations), with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence.
- (ii) Business automobile liability insurance covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in performance under this Agreement, with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence.
- (iii) Workers' compensation insurance that is in accordance with California Labor Code § 3700 and with employer's liability limits not less than \$1,000,000 each person, \$1,000,000 each accident, and \$1,000,000 each disease.
- (iv) Professional liability insurance, if required for any professional services being provided under this Agreement (e.g., as required for those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If such professional liability insurance is written on a "claims-made" basis, rather than an "occurrence" basis, CGI shall, upon the termination of this Agreement, obtain extended reporting coverage (or "tail coverage") with at least the same minimum liability limits as are set forth above. Any such tail coverage shall continue for at least three years following the termination or cancellation of this Agreement.

B. **Other Insurance Requirements.**

- (i) All insurance that CGI is required to carry by this Agreement shall be with a company acceptable to Customer and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if any given policy is not written on an occurrence basis, such policy and the coverage required herein shall continue in effect for a period of three years following the termination of this Agreement.
- (ii) Each liability policy required hereunder shall provide that Customer shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CGI and additional insureds with respect to claims arising from each subcontractor, if any, engaged by CGI in performance under this Agreement or CGI shall be required to provide Customer with a certificate of insurance from each such subcontractor showing such subcontractor has insurance coverage at least meeting the above requirements.
- (iii) The commercial general liability and automobile liability policies required hereunder shall provide an endorsement naming the County of Monterey and its officers, agents, and employees as additional insureds with respect to liability arising out of CGI's work, including ongoing and completed operations, and each such endorsement shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by Customer and that the insurance of the additional insureds shall not be called upon to contribute to a loss covered

by CGI's insurance. The required endorsement form that CGI shall use for commercial general liability additional insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form that CGI shall use for automobile additional insured endorsement is ISO Form CA 20 48 02 99.

- (iv) Prior to the execution of this Agreement, CGI shall have filed certificates of insurance with Customer's Contract Administrator and Customer's Contracts/Purchasing Division, showing that CGI has in effect the insurance required by this Agreement. CGI shall file a new or amended certificate of insurance with Customer's Contract Administrator and Customer's Contracts/Purchasing Division within five calendar days after any change is made in any insurance policy which change would alter the information on the certificate then on file with Customer. Acceptance or approval of insurance shall in no way modify or change CGI's obligations of indemnification under this Agreement, which obligations shall continue in full force and effect.
- (v) CGI shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Section 13 and shall send, without demand by Customer, certificates to Customer's Contract Administrator, and to Customer's Contracts/Purchasing Division, annually. If any such certificate is not received by the applicable anniversary of the Effective Date or by the expiration date of the applicable insurance policy, Customer may notify CGI, and upon receiving any such notification, CGI shall send such certificate to Customer within five calendar days, with such certificate evidencing that there was no lapse in coverage. Failure by CGI to maintain the insurance required by this Section 13 shall constitute a material breach and default of this Agreement by CGI that entitles Customer to, in its sole discretion, terminate this Agreement immediately.

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#### 14. TERM AND TERMINATION

- A. **Term.** This Agreement shall take force and effect as of the Effective Date and shall continue in force and effect until, and will expire on, the fifth (5<sup>th</sup>) anniversary of that date, unless sooner terminated in accordance with Section 14.B or another express provision of this Agreement (except that if any Statement of Work is then in force and effect under which performance has not been entirely completed as of such date, then this Agreement shall continue in force and effect, and shall not expire, until performance under such Statement of Work has been completed, although no further Statements of Work may be entered into hereunder).
- B. **Termination.**
  - (i) *Termination for No Outstanding Statements of Work.* Either party may terminate this Agreement upon providing thirty (30) days' prior written notice to the other party if there are, at the time of the sending of such notice, no Statements of Work then in force and effect under this Agreement.
  - (ii) *Termination for Breach.* If either party believes that the other party has materially breached a material term of this Agreement or any Statement of Work (a "Breach"), then that party may provide written notice to the breaching party describing the alleged Breach in reasonable detail and containing a reference to this Section 14.B(ii). If the breaching party does not either (i) cure the Breach within thirty (30) days after receiving such written notice, or (ii) if the Breach is

not one that can reasonably be cured within thirty (30) days, develop a plan reasonably acceptable to the other party to cure the Breach within a reasonable period of time and then diligently proceed in accordance with the accepted plan until the Breach has been cured, then the non-breaching party may terminate the affected Statement of Work (i.e., the Statement of Work to which the breach directly relates) for cause by providing written notice thereof to the breaching party. Termination of this Agreement or any Statement of Work pursuant to this Section 14.B(ii) will be in addition to, and not in lieu of, any other rights and remedies available to the terminating party under this Agreement, at law, or in equity.

- (iii) *Termination by Customer for Convenience.* Customer may terminate this Agreement, or any Statement of Work, for any reason other than those giving grounds for termination pursuant to Section 14.B(ii) (including, but not limited to, budgetary constraints or the non-appropriation or other failure of availability of funds), at any time, by providing CGI with written notice of such termination, specifying a termination date that is not less than thirty (30) days after the date of delivery of the notice. Upon receipt of such notice, CGI will inform Customer of the extent to which performance is completed under the Statements of Work being terminated, and CGI will take steps to wind down work in progress in an orderly fashion during the notice period. At the end of the notice period and upon payment by Customer of any amounts described in Section 14C(iii), below, CGI will deliver to Customer any completed Deliverables and any Deliverables-in-progress that then exist.

C. Effects of Termination.

- (i) *General.* Any termination of this Agreement shall simultaneously terminate all Statements of Work then in force and effect. The termination or expiration of any particular Statement of Work shall not affect the parties' respective rights, duties and obligations under any other Statement of Work then in force and effect. If Customer terminates this Agreement or any Statement of Work pursuant to Section 14B(ii), then, in addition to and without limiting any other rights or remedies of Customer: (i) Customer may be relieved of the payment of any further consideration to CGI, provided that Customer shall pay CGI for Deliverables delivered and accepted, in accordance with Section 14.C (iii); (ii) Customer may proceed to provide substitute services itself or procure substitute services from an alternative source; and (iii) CGI shall be liable for any reasonable, actual, out-of-pocket additional cost to Customer to perform or procure substitute services, to the extent such costs are in excess of the fees that the Customer would have paid to CGI pursuant to this Agreement otherwise, subject, however, to the limitations set forth in Section 15 of this Agreement, and provided further that CGI shall not be liable hereunder for any increased quantity, quality, scope, functionality, service levels or any other aspects of the substitute services over the affected Services that were to have been provided under this Agreement. In the event that it is subsequently determined in accordance with the dispute resolution provisions herein that the circumstances claimed by the Customer to constitute a Breach by CGI, and that formed the basis of a termination hereunder, do not constitute a Breach then Customer shall be deemed to have terminated the Agreement or applicable Statement of Work (or portion thereof) for its convenience pursuant to Section 14B(iii).

(ii) *Transition and Delivery of Materials.* Except as expressly provided elsewhere in this Agreement, CGI shall not discontinue or suspend its performance under any given Statement of Work until such Statement of Work or this Agreement has expired or been terminated in accordance with Section 14B. In addition to each party's duties under Section 9.F, upon delivery or receipt of any notice of termination, CGI shall promptly inform Customer in writing of the extent to which performance is completed under each Statement of Work being terminated, and CGI shall take reasonable and appropriate steps, to wind down the work in-progress under such Statements of Work in an orderly fashion during the notice period and to transition such work to Customer or its designated third-party service provider. Unless directed otherwise by Customer pursuant to this Section, and notwithstanding anything to the contrary elsewhere in this Agreement, CGI shall not begin work during the notice period on any portions of the Services that are not already in progress as of CGI's receipt of a notice of termination pursuant to Section 14B. At the end of the notice period, and subject to payment by Customer as outlined in Section 14C(iii), below, CGI shall deliver to Customer an updated written status report of the extent to which performance has been completed under each Statement of Work being terminated and any completed Deliverables, and other results of the Services, as well as any in-progress or partially completed Deliverables, or other results of the Services to the extent that they have then been completed. Customer shall be entitled to use, or continue to use, all such Deliverables, Work Product, and other results of the Services for such purposes as Customer after termination, in accordance with the rights granted and obligations specified in this Agreement. CGI shall also assist and cooperate with Customer to provide for a timely and orderly transition of the Services that have not yet been completed under any terminated Statement of Work to Customer or its designee, at the then-current Applicable Hourly Rates.

(iii) *Payments.* Subject to the other provisions of this Section 14C, upon any termination of this Agreement or any Statement of Work, CGI will, as further described below, be paid for any Services, as specified within the applicable Statement of Work and this Agreement, that were performed through the effective date of termination, plus any associated Reimbursable Expenses incurred through the effective date of termination to which CGI is entitled under the applicable Statement of Work. Such payments may be subject to set off if Customer is terminating the Statement of Work for cause.

(1) For any Services being provided on a time-and-materials basis under a terminated Statement of Work, CGI will be paid at the rates applicable under such Statement of Work for all hours of Services actually performed through the effective date of termination.

(2) For any Services being provided on a fixed price basis under a terminated Statement of Work, CGI will be paid for all Services performed through the effective date of termination, in an amount that reasonably and fairly represents, on a proportional basis (in comparison with the Fees that were to have been payable under such Statement of Work for any applicable Services or Deliverables), the percentage of completion of the Services and Deliverables that were in-progress as of the date of termination, but for which CGI has not otherwise invoiced the County hereunder.

(3) Except in the event that Customer terminates this Agreement or the applicable Statement of Work, pursuant to Section 14.B(ii), for CGI's material breach, CGI will be paid the reasonable wind-down costs actually incurred by CGI that directly relate to the terminated Services, including those resulting from terminations of leases that CGI entered into specifically in connection with any terminated Statement of Work (i.e., leases for extended stay facilities and rental cars), and unused airline tickets and the like. CGI shall use commercially reasonable efforts to minimize the wind-down costs for which Customer is responsible under this Section.

- D. **Survival.** Any provision of the Contract Documents that imposes or contemplates continuing obligations on a party, or that, by its nature or terms, would be reasonably understood to have been intended to survive and continue in force and effect after termination of this Agreement, shall survive the termination of this Agreement for so long as intended, including, but not limited to, the provisions of Sections 4.F, 8, 9, 11, 12, 13 (to the extent provided for therein), 14, 15, 16, and 17.

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## 15. LIMITATION OF LIABILITY

- A. **Limitations.** EXCEPT AS OTHERWISE PROVIDED BELOW IN THIS SECTION 15, IF EITHER PARTY SHOULD BECOME ENTITLED TO CLAIM DAMAGES FROM THE OTHER IN CONNECTION WITH THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR BREACH OF WARRANTY, NEGLIGENCE OR OTHER TORT CLAIM), SUCH PARTY SHALL BE LIABLE ONLY FOR THE AMOUNT OF THE OTHER PARTY'S ACTUAL DIRECT DAMAGES, NOT TO EXCEED (IN THE AGGREGATE FOR ALL CLAIMS): (A) WITH RESPECT TO CGI'S (TOGETHER WITH ITS LICENSORS') LIABILITY: (1) TO THE EXTENT THAT LIABILITIES OR CLAIMS ARE NOT COVERED BY THE INSURANCE POLICIES THAT CGI IS REQUIRED TO CARRY HEREUNDER, CGI'S LIABILITY SHALL NOT EXCEED THE TOTAL CUMULATIVE AND AGGREGATE AMOUNT THEN EXPECTED TO BE PAYABLE BY CUSTOMER TO CGI UNDER THE APPLICABLE STATEMENT OF WORK (I.E., THE SUM OF: (A) THE TOTAL AMOUNT THAT CUSTOMER HAS THEN PAID CGI, PLUS (B) THE TOTAL AMOUNT THEN PAYABLE BY CUSTOMER TO CGI, PLUS (C) THE TOTAL AMOUNT THEN EXPECTED TO BECOME PAYABLE BY CUSTOMER TO CGI FOR ANY REMAINING SERVICES TO BE PROVIDED, UNDER THE APPLICABLE STATEMENT OF WORK); AND (2) TO THE EXTENT THAT LIABILITIES OR CLAIMS ARE COVERED BY THE INSURANCE POLICIES THAT CGI IS REQUIRED TO CARRY HEREUNDER, CGI'S LIABILITY SHALL NOT EXCEED THE REQUIRED MINIMUM POLICY LIMITS SPECIFICALLY SET FORTH IN SECTION 13; AND (B) WITH RESPECT TO CUSTOMER'S (TOGETHER WITH ITS AFFILIATES') LIABILITY, THE TOTAL AMOUNT THAT CUSTOMER HAS THEN PAID CGI, PLUS THE TOTAL AMOUNT THEN DUE AND PAYABLE BY CUSTOMER TO CGI, UNDER THIS AGREEMENT. FOR THE AVOIDANCE OF DOUBT, AND NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH ABOVE IN THIS SECTION OR ELSEWHERE IN THIS AGREEMENT, ANY REASONABLE, ACTUAL, OUT-OF-POCKET ADDITIONAL COSTS THAT CGI IS LIABLE FOR UNDER CLAUSE (iii) OF SECTION 14.C(i) FOR CUSTOMER TO PERFORM OR PROCURE SUBSTITUTE SERVICES OF SUBSTANTIALLY EQUIVALENT CAPABILITY, FUNCTION, AND PERFORMANCE, AS A RESULT OF ANY DEFAULT, BREACH, OR REPUDIATION OF THIS AGREEMENT BY CGI, TO THE EXTENT SUCH COSTS ARE IN EXCESS OF THE FEES THAT



CUSTOMER WOULD OTHERWISE HAVE PAID TO CGI PURSUANT TO THIS AGREEMENT, SHALL CONSTITUTE AND BE CONSTRUED AS DIRECT DAMAGES, AND NOT AS INCIDENTAL, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES, HEREUNDER.

- B. **No Liability for Certain Damages.** EXCEPT AS OTHERWISE PROVIDED BELOW IN THIS SECTION 15, IN NO EVENT SHALL EITHER PARTY, TOGETHER WITH SUCH PARTY'S AFFILIATES AND ANY THIRD PARTIES INVOLVED BY SUCH PARTY IN SUCH PARTY'S PERFORMANCE UNDER THIS AGREEMENT, BE LIABLE FOR ANY CLAIMS OR DEMANDS OF THIRD PARTIES (OTHER THAN THOSE THIRD PARTY CLAIMS COVERED BY SECTION 12) OR FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR LOSS OF BUSINESS), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- C. **Exceptions.** THE LIMITATIONS OF LIABILITY SPECIFIED IN SECTION 15.A, AND THE EXCLUSIONS OF CERTAIN TYPES OF DAMAGES SPECIFIED IN SECTION 15B, SHALL NOT APPLY TO: (I) ANY THIRD-PARTY CLAIMS SUBJECT TO INDEMNIFICATION PURSUANT TO SECTION 12 AND THE PAYMENT OF SETTLEMENTS, COSTS, DAMAGES AND LEGAL FEES REFERRED TO IN SECTION 12; (II) ANY CLAIMS FOR BREACHES OF OBLIGATIONS OF CONFIDENTIALITY OR NON-DISCLOSURE UNDER SECTION 9 OF THIS AGREEMENT; (III) ANY CLAIMS ARISING OUT OF THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF EITHER PARTY; AND (IV) ANY CLAIMS BASED UPON A WILLFUL ABANDONMENT OR REPUDIATION OF THIS AGREEMENT BY CGI (EXCEPT THAT THE MAXIMUM, CUMULATIVE, AND AGGREGATE LIABILITY OF CGI FOR ANY SUCH CLAIMS AS ARE DESCRIBED IN THIS CLAUSE (IV) SHALL BE LIMITED TO TWICE THE TOTAL AMOUNT THEN EXPECTED TO BE PAYABLE BY CUSTOMER TO CGI UNDER THE APPLICABLE STATEMENT OF WORK (I.E., TWICE THE SUM OF: (A) THE TOTAL AMOUNT THAT CUSTOMER HAS THEN PAID CGI, PLUS (B) THE TOTAL AMOUNT THEN PAYABLE BY CUSTOMER TO CGI, PLUS (C) THE TOTAL AMOUNT THEN EXPECTED TO BECOME PAYABLE BY CUSTOMER TO CGI FOR ANY REMAINING SERVICES TO BE PROVIDED, UNDER THE APPLICABLE STATEMENT OF WORK)). The limitations of liability set forth herein will survive any termination of this Agreement and apply notwithstanding the failure of any limited or exclusive remedy for breach of warranty set forth in this Agreement. The parties agree that the foregoing limitations of liability will not be deemed to limit any liability to an extent that such limitation would not be permitted under applicable law.
- D. **Force Majeure.** Neither party shall be responsible for delays or failures in its performance under this Agreement to the extent such delays or failures result from causes beyond the reasonable control of such party ("Force Majeure"), to the extent that such delays or failures, or the results or consequences thereof, could not reasonably have been foreseen, prevented, avoided, or mitigated by such party through the use of technology or practices common and prevalent in the industry. Such causes shall include, but not be limited to, acts of God, riots, acts of war, epidemics, strikes, fire, floods, earthquakes, and other natural disasters. A party whose performance hereunder is materially delayed or impeded by Force Majeure shall promptly notify the other party of such Force Majeure and the extent and expected duration of its impact on such party's performance, and, in such a case, the time for such party's performance of any materially affected services or

activities shall be extended to the extent of the delay caused by the applicable Force Majeure, plus a reasonable amount of time to resume the performance of such affected services or activities hereunder.

## 16. GOVERNING LAW AND DISPUTES

- A. **Law and Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of California, without regard to any provision of law that would require or permit the application of the substantive law of any other jurisdiction. Notwithstanding anything to the contrary (including, but not limited to, CAL. CIV. PROC. § 384): (i) the exclusive forum and venue for all actions or proceedings arising out of, or related to, this Agreement shall be in either a state or federal court, as applicable, located in Monterey County, California; (ii) each party hereby expressly consents to the jurisdiction of such courts over themselves and the subject matter of any such actions or proceedings and irrevocably waives any claim or objection that such courts represent an inappropriate or inconvenient venue; and (iii) each party expressly and irrevocably waives any rights to request that any action be transferred to any court or forum in any other jurisdiction.
- B. **Dispute Resolution.** At the written request of either party, the parties will attempt to resolve any dispute arising under or relating to this Agreement through the informal means described in this Section 16.B. Upon such a request, each party will promptly appoint a senior management representative who does not devote substantially all of his or her time to performance under this Agreement to attempt to resolve the dispute. These representatives will then promptly furnish to each other all non-privileged information with respect to the dispute that the parties believe to be appropriate and germane to the resolution of the dispute. The representatives will then attempt to negotiate a resolution of the dispute without the necessity of any formal legal proceeding. Except as otherwise provided below in this Section, formal proceedings for the resolution of any dispute that either party requests be subject to the informal process described in this Section 16.B may not be commenced until the earlier of: (i) the parties' designated representatives mutually concluding that resolution through continued negotiation does not appear likely; or (ii) thirty (30) calendar days having passed since the initial request to submit the dispute to the informal process described in this Section 16.B was made. Notwithstanding the foregoing provisions of this Section, a party shall not be required to comply with the process set forth in this Section 16.B, and may take or pursue other available action before the expiration of the period described in the immediately preceding sentence, as reasonably necessary to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to apply for interim, injunctive, or other equitable relief. For the avoidance of doubt, unless expressly otherwise mutually agreed by the parties in writing, the process and any periods of time described in this Section 16B shall be independent of, and may run concurrently with, any periods of time indicated in Section 14.B.
- C. **No Suspension or Interruption.** As the Services and Deliverables are integral to Customer's and its Affiliates' business operations, CGI shall in no event nor for any reason, except as otherwise set forth below, interrupt, suspend, or cease its performance hereunder, refuse to perform hereunder, take any action to disable, interrupt, impair, suspend, prevent, or otherwise interfere with Customer's and its Affiliates' use of the Services or Deliverables in accordance with this Agreement or Customer's and its Affiliates' ability to conduct their business operations (other than minimal, routine interruptions necessary in order for CGI to provide the Services), or intentionally permit or cause any embedded mechanism to disable or impair the functionality, operation, or

performance of the Services or Deliverables, unless: (i) authority to do so is granted by Customer or conferred by a court of competent jurisdiction; (ii) the term of the applicable Statement of Work, or this Agreement, has been terminated pursuant to Section 14 or has expired in accordance with the terms of such Statement of Work or this Agreement; (iii) Customer has materially breached its obligations of payment as specified in Section 4 (Compensation) and has failed to cure such breach, after CGI provided Customer with written notice of such breach, each as described in Section 4.E; or (iv) Customer has materially breached its obligations of confidentiality specified in Section 9 (Nondisclosure) and CGI has commenced an action seeking injunctive or equitable relief from such breach in a court of competent jurisdiction.

**17. GENERAL**

A. **Notices.** Any notice or other communication that is required or permitted to be made or given by either party pursuant to this Agreement and intended to have legal effect shall be in writing, in English, and shall be deemed to have been duly given: (i) five (5) business days after the date of mailing, if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested; (ii) when transmitted, if sent by facsimile, provided that a confirmation of successful transmission is produced by the sending facsimile machine and a copy of the notice is promptly sent to the intended recipient by another means specified in this Section; or (iii) when delivered, if delivered personally or sent by a nationally recognized express courier service. All notices shall be sent to the intended party at its address set forth below or at such other address as the party may specify from time to time in a notice given in accordance with this Section.

| <b>In the case of Customer:</b>  | <b>with a copy of notices to:</b>   |
|--|---|
| The County of Monterey, California   | The County of Monterey, California  |
| 1260 S. Main Street, First Floor   | 168 W. Alisal Street, Third Floor   |
| Salinas, CA 93901  | Salinas, CA 93901   |
| Attn: Greg Head, ERP Project Director  | Attn: Mike Derr,<br>Contracts / Purchasing Manager  |
| Fax: 831-784-5656  | Fax: 831-755-4969   |
| Phone: 831-755-5091  | Phone: 831-755-4992   |
| E-Mail: <a href="mailto:headgd@co.monterey.ca.us">headgd@co.monterey.ca.us</a>   | E-Mail: <a href="mailto:derrm@co.monterey.ca.us">derrm@co.monterey.ca.us</a>  |
| <b>In the case of CGI:</b>   | <b>with a copy of notices to:</b>   |
| CGI Technologies and Solutions Inc.<br>1215 K Street, Suite 1000<br>Sacramento, CA 95814<br>Attn: Josetta Bull, Vice President<br>Fax: 916.830.1199<br>Phone: 916.830.1100 | CGI Technologies and Solutions Inc.<br>4050 Legato Road<br>Fairfax, Virginia 22033<br>Attn: Office of General Counsel<br>Fax: 703.267.7161<br>Phone: 703.267.8000 |

- B. **Assignment.** Neither party may assign or otherwise transfer this Agreement without the other party's prior written consent, which will not be unreasonably withheld. Any purported assignment in violation of the preceding sentence shall be void. This Agreement will be binding upon the parties' respective successors and permitted assigns. CGI shall not use subcontractors in its performance under this Agreement without the prior written approval of Customer, on a case-by-case basis. Notwithstanding any such subcontracting, CGI shall continue to be responsible and liable for the performance of all of its duties and obligations under this Agreement, and CGI shall be fully responsible and liable for the acts, omissions, and negligence of any subcontractors that it uses hereunder and all of CGI's and such subcontractors' respective employees and agents.
- C. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties, and supersedes all other prior or contemporaneous communications between the parties (whether written or oral), with respect to the subject matter of this Agreement. This Agreement may be modified or amended solely in a writing signed by both parties. Nothing in this Agreement shall prevent Customer and its Affiliates from obtaining any products and services similar to those to be provided by CGI hereunder, or any other products or services, from any other vendor or service-provider, or from providing any products or services for themselves, at any time.
- D. **Construction of Agreement.** Customer and CGI agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the construction and interpretation of this Agreement or any to amendment to this Agreement.
- E. **Order of Precedence.** In the event and to the extent of any conflict or inconsistency between or among the provisions of the various documents that, at any given time, constitute the Contract Documents, the following order of precedence shall apply and govern, with each listed document or type of document superseding and prevailing over any subsequently listed document or type of document, and with later executed documents prevailing over earlier documents of the same type, each solely to the extent of any irreconcilable conflict or inconsistency of the terms and conditions thereof: (i) Change Orders executed in accordance with Section 7 of this Agreement; (ii) Sections 1 through 17 of this Agreement (except that any terms specifically identified in a particular Statement of Work as modifying or amending terms of Sections 1 through 17 of this Agreement shall control over those provisions of this Agreement for that Statement of Work only); (iii) any Exhibits to this Agreement (other than Exhibit A); and (iv) any Statements of Work. For the avoidance of doubt, a Statement of Work describing further or in more detail specific duties or obligations of CGI that are generally described or referenced in Sections 1 through 17 of this Agreement shall not be deemed to constitute a conflict or inconsistency of terms.
- F. **Attorneys' Fees.** In the event of a dispute, claim, or litigation regarding a breach or an alleged breach of this Agreement, the non-prevailing party shall reimburse the prevailing party for all of its costs and expenses (including reasonable attorneys' fees) incurred in connection with such dispute, claim or litigation, including those incurred in any appeal therefrom.

- G. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- H. **Severability.** The provisions of this Agreement shall be deemed severable, and the unenforceability of any one or more provisions of this Agreement shall not affect the enforceability of any other provisions hereof. In addition, if any provision of this Agreement, for any reason, is declared to be unenforceable by a court of competent jurisdiction, the parties will mutually agree upon and substitute for such provision an enforceable provision that, to the maximum extent possible under applicable law, preserves the original intentions and economic positions of the parties.
- I. **No Waiver.** No failure or delay by a party in exercising any right, power or remedy shall operate as a waiver of that right, power or remedy, and no waiver shall be effective unless it is in writing and signed by the waiving party. If a party waives any right, power or remedy, the waiver shall not waive any successive or other right, power or remedy the party may have under this Agreement.
- J. **Non-Exclusive Remedies.** No right or remedy granted or provided for in this Agreement with respect to either of the parties is intended to be, nor shall be, exclusive of any other right or remedy, except as expressly stated herein, and each and every right and remedy shall be cumulative and in addition to any other right to remedy given hereunder, or otherwise available at law or in equity, or now or hereafter.
- K. **No Third-Party Beneficiaries.** This Agreement is an agreement between the parties, and neither: (i) confers any rights upon any of either party's respective employees, agents, or contractors, or upon any other person or entity not a party hereto; or (ii) precludes any actions or claims against, or rights of recovery from, any person or entity not a party hereto.
- L. **Non-Solicitation.** During the term of this Agreement and for twelve (12) months after its expiration, termination, or cancellation, neither party shall, either directly or indirectly, solicit for employment or employ (except as otherwise permitted by this Section) any employee of the other party (or any of its Affiliates) who was involved in the performance of the party's obligations under this Agreement, unless the hiring party obtains the prior written consent of the other party. Notwithstanding the foregoing provisions of this Section, each party acknowledges and agrees that this Agreement will not prohibit solicitations through general advertising or other publications of general circulation by either party and the employing, hiring, or engaging of any individuals as a result thereof.
- M. **Governmental Immunity.** Notwithstanding anything to the contrary set forth elsewhere in this Agreement, Customer has not, and in no event shall be construed to have, in or by virtue of this Agreement, waived any rights or defenses of governmental immunity that it may have with respect to any matters arising out of this Agreement or performance hereunder.
- N. **Exhibits.** The Exhibits referred to in and attached to this Agreement are made a part of it as if fully included in the text.
- O. **Non-Discrimination.** During the performance of this Agreement, CGI and its subcontractors shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, in employment practices, in the furnishing of services to recipients, or in any other way. CGI shall

ensure that the evaluation and treatment of its employees and applicants for employment, and all persons receiving and requesting services from CGI, are free of such discrimination. CGI and its subcontractors hereunder shall, in the performance under this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any given target population, as such may be designated in this Agreement, shall not be deemed to be prohibited discrimination. CGI acknowledges that any breach by it or its subcontractors of this Section shall subject CGI to any penalties imposed under applicable law for a violation of anti-discrimination laws or regulations.

- P. **Governmental Grants.** If this Agreement has been or will be funded with monies received by Customer pursuant to a contract by Customer with, or pursuant to a grant by, any state or federal government or any agency thereof, CGI shall comply with the provisions of said contract or grant, to the extent CGI has been provided with a copy (or otherwise informed by Customer in writing) of such provisions and such provisions are applicable to CGI, and, in such a case, said provisions shall be deemed a part of this Agreement, as though fully set forth herein.
- Q. **Records and Audit Rights.** CGI shall prepare, maintain, and preserve all records, reports, documents, and books of account that may be required by federal, state, and local rules and regulations relating to this Agreement or performance hereunder, or that are required to verify the accuracy of any invoices submitted by CGI hereunder or CGI's compliance with the terms of this Agreement and applicable laws and regulations. CGI shall maintain such records, reports, documents, and books for a period of at least three (3) years after the termination of this Agreement, and if any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of such three year period, then CGI shall retain said records, reports, documents, and books until such action is resolved. CGI shall also cause each of its subcontractors to prepare, maintain, and preserve reports, documents, and books of account in the same manner as CGI is required to do so hereunder. Customer shall have the right to examine and audit all such reports, documents, and books of account of CGI and its subcontractors related to this Agreement from time to time. In addition, consistently with applicable law (e.g., as required pursuant to CAL. GOV'T CODE § 8546.7), at the request of Customer or as part of any state audit of Customer, from time to time during the period described above, CGI shall make its books and records, and shall cause its subcontractors to make their respective books and records, relating to this Agreement that it is required to maintain hereunder available for examination and audit by the State Auditor of the State of California. If any audit conducted hereunder reveals an overcharge (net of any undercharges) to Customer with respect to the fees or other charges hereunder, then CGI shall promptly refund such overcharge, and, if such overcharge represents more than three percent (3%) of the amounts that Customer should have been charged, then CGI shall promptly refund to Customer, or at Customer's option, issue to Customer a credit for, the cost of such audit. In the event that any such audit reveals a failure by CGI or its subcontractors to comply with the terms hereof, or with applicable laws or regulations, and performance hereunder is ongoing, then CGI shall promptly and fully correct such failure to comply and any effects thereof.
- R. **Federal Access to Records.** If and to the extent that Section 1861(v)(1)(i) of the Social Security Act (42 United States Code Section 1395x(v)(1)(i)) is applicable to this Agreement, CGI shall, during the term of this Agreement and for a period of four (4) years following the termination of this Agreement, maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human

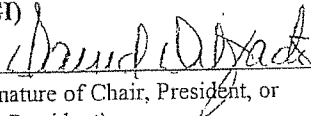
Services or the Comptroller General of the United States, or to any of their authorized representatives, the books, documents and records of CGI that are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if CGI provides any of the services to be provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve month period with a related organization (as that term is defined under Federal law), CGI shall cause each such subcontract to require the subcontractor to maintain and make available its books, documents and records relating to such subcontract in the same manner as CGI is required to do so hereunder.

- S. **Independent Contractor.** In the performance of its work, duties, and obligations under this Agreement, CGI shall at all times be acting and performing as an independent contractor and not as an employee of Customer or its Affiliates. No offer or obligation of permanent employment with Customer or its Affiliates is intended hereby or hereby made in any manner, and CGI shall not become entitled, by virtue of this Agreement, to receive from Customer or its Affiliates any form of employee benefits, including, but not limited to, sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CGI shall be solely liable for, and shall be obligated to pay directly, all applicable taxes, including, but not limited to, federal and state income taxes and social security, arising out of CGI's performance in connection with this Agreement. In connection therewith, CGI shall defend, indemnify, and hold the Customer Indemnitees harmless from any and all liability which the Customer Indemnitees may incur because of CGI's failure to pay such taxes.
- T. **Publicity.** Each party shall submit to the other all advertising, written promotional materials, press releases, and other publicity matters relating to this Agreement, or the execution hereof, that mention or contain the other party's name or mark or that contain language from which said name or mark may be inferred or implied, and neither party shall publish or disclose any such advertising, promotional materials, press releases, or publicity matters without the prior written approval of the other party. Nevertheless, each party may disclose the other party's name and the fact of the existence of this Agreement whenever required by applicable laws or regulations, and CGI may reference the name of Customer as a part of its general client list without the need to first obtain Customer's prior written approval.
- U. **Signature Authority.** The individual executing this Agreement on behalf each party hereby represents that he or she has the requisite authority to enter into this Agreement on behalf of such party and to bind such party to the terms and conditions of this Agreement.

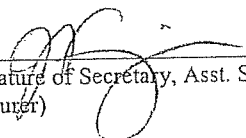
*[SIGNATURE PAGE FOLLOWS]*

Each party has caused its authorized representative whose name and signature appears below to execute this Agreement, effective as of the Effective Date.

**CGI Technologies and Solutions Inc.  
(CGI)**

By:   
(Signature of Chair, President, or Vice-President)

Name: DAVID DELGADO  
Title: VICE PRESIDENT  
Date: 3/11/08


By:   
(Signature of Secretary, Asst. Secretary, CFO, or Asst. Treasurer)

Name: Joseph Figini  
Title: Asst. Secretary  
Date: 3/9/08

**The County of Monterey, California  
(Customer)**

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: Contracts/Purchasing Manager  
Date: \_\_\_\_\_

Approved as to Form:  
By:   
Name: W. ALLEN BIDWELL  
Title: County Counsel Deputy  
Date: 03-21-2008

Approved as to Fiscal Provisions:  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Auditor / Controller  
Date: \_\_\_\_\_

Approved as to Liability Provisions:  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Risk Management (if applicable)  
Date: \_\_\_\_\_

County Board of Supervisors' Agreement Number: \_\_\_\_\_



**EXHIBIT A**  
**Form of Statement of Work**

**STATEMENT OF WORK No. \_\_\_\_**

This Statement of Work Number \_\_\_\_ is executed pursuant to that certain Master Services Agreement dated as of [\_\_\_\_\_, 200\_] (the "Agreement") between the County of Monterey ("Customer"), a political subdivision of the State of California, and CGI Technologies and Solutions Inc. ("CGI"). This Statement of Work incorporates, and is subject to, the terms and conditions of the Agreement, as if the Agreement were fully set forth in the text of this Statement of Work. Capitalized terms used but not otherwise defined in this Statement of Work have the respective meanings given them in the Agreement.

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**1. Effective Date of this Statement of Work.**

This Statement of Work is made effective as of [\_\_\_\_\_, 200\_] (the "SOW Effective Date").

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**2. Services to be Performed and Schedule of Performance.**

CGI will perform the following Services in accordance with the Project Plan for this Statement of Work, the initial draft of which is attached hereto:

*[INSERT DESCRIPTION OF SERVICES TO BE PERFORMED]*

*[ATTACH INITIAL DRAFT OF PROJECT PLAN]*

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**3. Deliverables.**

As part of the Services provided under this Statement of Work, CGI shall provide Customer with the following Deliverables, in accordance with the applicable Specifications and the Project Plan for this Statement of Work, all of which Deliverables (whether Written Deliverables or Software Deliverables, as applicable) shall be subject to acceptance testing, as provided for in the Agreement:

*[LIST AND DESCRIBE WRITTEN DELIVERABLES AND SOFTWARE DELIVERABLES TO BE PROVIDED AND INDICATE ANY APPLICABLE SPECIFICATIONS.]*

---

**4. Compensation.**

**A. Fees and Method of Payment: *[REVISE AND COMPLETE AS APPROPRIATE.]***

The Services shall be provided on a time-and-materials basis at the following rates:

(insert rates by labor category, using the Applicable Hourly Rates that then apply under the Agreement, unless expressly otherwise agreed by the parties)

CGI estimates that the total cost of the Services will be \$ \_\_\_\_\_, not including taxes or Reimbursable Expenses.

*or*

Customer will pay for the Services on a fixed-price basis. The total fixed price is \$ \_\_\_\_\_, not including taxes or Reimbursable Expenses and is payable in accordance with the following schedule:

[Insert milestone payment schedule.]



or

Other Basis. [Specify method of compensation.]

B. Payment Terms: Insert the payment terms.]

C. Reimbursable Expenses: [The total estimated Reimbursable Expenses are \_\_\_\_\_, not including taxes. / The total Reimbursable Expenses reimbursed by Customer hereunder shall not exceed [\$\_\_\_\_\_/\_\_\_% of the total Fees paid hereunder. / Customer shall not be responsible or liable for, or for reimbursing CGI for, any Reimbursable Expenses hereunder.] [Specify whether there are to be any Reimbursable Expenses and, if so, what qualifies as Reimbursable Expenses.]

5. Personnel.

The parties' respective Project Managers for this Statement of Work are:

| Customer: | CGI: |
|-----------|------|
|           |      |

The other Key Personnel that CGI shall assign to performance under this Statement of Work are:

| Name: | Position: |
|-------|-----------|
|       |           |
|       |           |
|       |           |

6. Responsibilities of Customer.

Customer will provide or make available the following resources, and has the following responsibilities, in supporting CGI's performance of the Services under this Statement of Work:

- A. Services or Support: [Describe any portions of the project that are to be performed by Customer or provided by Customer to CGI. In addition, describe any functions in support of the Services that are to be performed by Customer].
- B. Facilities and Equipment: [Describe any facilities, equipment, tools, supplies, telephone lines and service, office support and other sorts of equipment, facilities, or related items that Customer is responsible for providing or making available to CGI, other than as provided in the Agreement.]
- C. Environments: [Specify any development, testing, implementation or other environments to be provided by Customer].
- D. Proprietary Materials: [List any proprietary materials to be provided by Customer.]
- E. Other: [List any other materials to be provided by Customer.]



---

7. **Other Provisions.**

[Insert any additional terms agreed to by the parties.]

*[SIGNATURE PAGE FOLLOWS]*



Each party has caused its authorized representative whose name and signature appears below to execute this Statement of Work, effective as of the SOW Effective Date.

**CGI Technologies and Solutions Inc.  
(CGI)**

**The County of Monterey, California  
(Customer)**

By: \_\_\_\_\_  
(Signature of Chair, President, or  
Vice-President)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: Contracts/Purchasing Manager

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

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

By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO, or Asst.  
Treasurer)

Approved as to Form:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: County Counsel

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

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

Approved as to Fiscal Provisions:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Auditor / Controller

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

Approved as to Liability Provisions:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Risk Management (if applicable)

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



**Exhibit B**  
**Applicable Hourly Rates**

1. For the first \$600,000 worth of additional Services (i.e., Services beyond or in addition to the Services to be provided by CGI pursuant to the Initial SOW, as it exists as of the Effective Date of the Agreement), if any, provided by CGI to Customer under this Agreement prior to May 1, 2010 (as the value of such additional Services is calculated using the blended hourly rate set forth in this sentence), CGI shall provide such additional Services to Customer, as mutually agreed to in writing (e.g., in a Change Order or an additional Statement of Work), at a "blended" rate of \$190.00 per person-hour, regardless of the level or mix of personnel used by CGI to provide such additional Services. Notwithstanding anything to the contrary set forth in the Agreement, this blended hourly rate: (i) shall be inclusive of all expenses (i.e., Customer shall not be required to separately reimburse or pay CGI for any travel, travel time, or out-of-pocket expenses incurred by CGI in performing any such additional services); and (ii) shall not be subject to increase by CGI as described in Section 4A(i) of the Agreement.
  
2. For any additional Services to be provided by CGI to Customer under this Agreement prior to May 1, 2010 (i.e., Services beyond or in addition to the Services to be provided by CGI pursuant to the Initial SOW, as it exists as of the Effective Date) beyond or in excess of the first \$600,000 worth of such additional Services provided by CGI to Customer prior to such date (as the value of such additional Services is calculated using the blended hourly rate set forth in Section 1 of this Exhibit, and with the first \$600,000 worth of such additional Services provided prior to such date provided at such blended hourly rate), CGI shall provide such additional Services to Customer, as mutually agreed to in writing (e.g., in a Change Order or an additional Statement of Work), at the following hourly rates, based upon the job classification or position of the applicable individual performing any given Services. Notwithstanding anything to the contrary set forth in the Agreement, these rates shall be inclusive of all expenses (i.e., Customer shall not be required to separately reimburse or pay CGI for any travel, travel time, or out-of-pocket expenses incurred by CGI in performing any such additional services).

| Job Classification or Position                     | Hourly Rate |
|--|-------------|
| Vice President, Project Executive                  | \$ 315.00   |
| Engagement/Senior Program Manager                  | \$ 279.00   |
| Senior Project Manager                             | \$ 261.00   |
| Project Manager                                    | \$ 247.50   |
| Group Leader                                       | \$ 243.75   |
| Senior Government Management Consultant            | \$ 282.75   |
| Government Consultant/Senior Subject Matter Expert | \$ 243.75   |
| Subject Matter Specialist                          | \$ 219.38   |
| Team Leader  | \$ 204.75   |
| Senior Business Analyst                            | \$ 190.13   |
| Business Analyst                                   | \$ 170.63   |
| Training Specialist                                | \$ 162.00   |
| Technical Architect                                | \$ 287.63   |



|                               |           |
|-------------------------------|-----------|
| Technical Expert              | \$ 258.38 |
| Technical Specialist          | \$ 219.38 |
| Technical Team Lead           | \$ 204.75 |
| Senior Programmer Analyst     | \$ 185.25 |
| Programmer Analyst            | \$ 165.75 |
| Programmer                    | \$ 141.38 |
| Program Management Specialist | \$ 156.00 |
| Project Support Staff         | \$ 53.63  |

3. For any additional Services provided by CGI to Customer on or after May 1, 2010, CGI shall provide such additional Services to Customer at rates no greater than CGI's then-current hourly rates, subject to the limitations set forth in Section 4A(i) of the Agreement on annual increases in rates.

NGEDOCs: 1402714.13

Each party has caused its authorized representative whose name and signature appears below to execute this Agreement, effective as of the Effective Date.

**CGI Technologies and Solutions Inc.  
(CGI)**

By: David Delgado  
(Signature of Chair, President, or Vice-President)

Name: DAVID DELGADO  
Title: VICE PRESIDENT  
Date: 3/11/08

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO, or Asst. Treasurer)

Name: Joseph Figini  
Title: Asst. Secretary  
Date: 3/9/08

**The County of Monterey, California  
(Customer)**

By: [Signature]

Name: Michael R. DERR  
Title: Contracts/Purchasing Manager  
Date: 4-3-08

Approved as to Form:  
By: W. Allen Bidwell  
Name: W. ALLEN BIDWELL  
Title: County Counsel Deputy  
Date: 03-21-2008

Approved as to Fiscal Provisions:  
By: Michael G. Miller  
Name: \_\_\_\_\_  
Title: Auditor / Controller  
Date: March 27, 2008

Approved as to Liability Provisions:  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Risk Management (if applicable)  
Date: \_\_\_\_\_

County Board of Supervisors' Agreement Number: \_\_\_\_\_

STATEMENT

OF WORK





# STATEMENT OF WORK NO. 1

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## STATEMENT OF WORK No. 1

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This Statement of Work Number No. 1 (this "SOW") is made effective as of April 7, 2008 (the "SOW Effective Date") and is entered into pursuant to, and is subject to and governed by the terms of, that certain Master Services Agreement dated effective as of April 7, 2008 (the "Agreement") by and between the County of Monterey ("Customer" or the "County"), a political subdivision of the State of California having a place of business at 1260 S. Main Street, Salinas, CA 93901, and CGI Technologies and Solutions Inc. ("CGI"), a Delaware corporation having its principal place of business at 4050 Legato Road, Fairfax, Virginia, 22033. This SOW includes and incorporates the terms of each of the various Exhibits identified in the Table of Contents set forth above. Capitalized terms used but not otherwise defined in this SOW have the respective meanings given them in the Agreement.

Under this SOW, CGI shall implement AMS Advantage ERP Software solution. For purposes of this SOW, the "AMS Advantage ERP Software solution" means the Software, as defined in the Agreement and as licensed to the County pursuant to Exhibit A of that certain Master Proprietary Software License Agreement executed by the County and CGI as of even date with the Agreement (the "License Agreement"), and which includes, for purposes of this SOW, CGI's AMS Advantage ERP application and any Bundled Products and Third Party Products, each as defined in, and as licensed to the County under, the License Agreement.

This SOW specifies the tasks, activities, and Services that shall be performed, and the Deliverables that shall be provided, by both CGI and the County, and the system functionality that shall be implemented, all as necessary to implement the AMS Advantage ERP Software solution in the County's environment in a manner that meets the requirements of the Agreement and this SOW (all such tasks, activities, Services, Deliverables, and system functionality, the "Project").

The Services to be provided by CGI under this SOW shall be provided on a fixed-price basis, and the fixed fees to be payable, and the associated payment schedule, are as provided in Exhibit L to this SOW.

### Goal and Key Objectives:

The goal of this SOW is to implement a flexible and integrated core financial system and human resources ("HR") / payroll system (together, an enterprise resource planning ("ERP") system) for the County that significantly improves the County's administrative processes and that can





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reasonably be maintained by the County. The key elements of this goal are to establish or maintain:

- Good stewardship and custodianship of public funds and information;
- Effective decision-making;
- An environment that values or is focused on business process improvement;
- A focus on service provided by the County to its constituents and "customers" (i.e., the public and the County's employees, vendors, Affiliates, and other governmental agencies);
- Improved service efficiency, shifting labor from administrative "overhead" to value-added tasks;
- An environment that promotes accountability and results; and
- A foundation for future "eGovernment" initiatives.

The following are key objectives of the Project:

- Integration between the County's core financial and HR / payroll systems, data, and processes;
- Making the County's data relational, centralized, consistent, and appropriately shared throughout the County's and its Affiliates organizations;
- Eliminating the County's existing AMS Advantage 2.x system (which includes the financial management system and the extended purchasing system ("EPS")), the County's existing "GEAC" HR / payroll legacy system, "shadow" systems, and associated interfaces as specified in Exhibit F;
- Redesigning the chart of accounts for the County, including creating a new account organizational structure, common to the County's core financial and HR / payroll systems;



- Establishing business processes for the County that have been re-engineered and standardized, with best business practices incorporated;
- Automating budget preparation, procurement, and time entry for the County, utilizing workflow technology;
- Implementing comprehensive annual financial report ("CAFR"), budget, and other statutory-compliant reporting capabilities.
- Implementing a Web-based, end-user reporting tool, with drill down reporting and on-line report distribution capabilities;
- Enabling strategic sourcing capability for the County;
- Implementing AMS Advantage ERP Employee Self-Service capabilities;
- Providing enhanced cost accounting to the County, with project, grant, and program accounting capabilities;
- Establishing a foundation for digital government initiatives; and
- Implementing capability to add functionality, or modify existing processes, based upon changes in the County's management requirements or policies on in statutory requirements.

### **Monterey County Pre-Implementation Assessment Overview**

CGI conducted a pre-implementation assessment for the Project, with the cooperation, assistance, and review of the County. The major accomplishments of such assessment include:

- Technical assessment – determined the appropriate technical infrastructure for the County to deploy and effectively and efficiently utilize the AMS Advantage ERP Software solution to process the County's workload in the County's production operations;
- Interface strategy – determined the approach to be used for developing and testing system interfaces and developed an inventory of required interfaces;
- Conversion strategy – determined the approach to be used for data conversion, proposed conversion methods, and developed a listing of tables and documents to be converted for the AMS Advantage ERP Software solution implementation;
- Data warehouse and reporting strategy – developed data warehouse requirements, a standard report listing, and an inventory of reports and forms to be developed as part of the AMS Advantage ERP Software solution implementation;



- 
- Software modification strategy – identified and described the Software modifications needed for the County's functional requirements to be met (i.e., to provide functionality that cannot be met by AMS Advantage Software baseline functionality);
  - Functional strategies – developed an implementation strategy for each functional business area, including conducting special impact assessments;
  - Developed a high-level Project roadmap for the Project; and
  - Determined the overall scope and phases of the Project.

This SOW utilizes and incorporates the information and materials created in the pre-implementation assessment, and the Project will build upon and refine the information and materials created in the pre-implementation assessment.

***[SIGNATURE PAGE FOLLOWS]***



Each party has caused its authorized representative whose name and signature appears below to execute this Statement of Work, effective as of the SOW Effective Date.

**CGI Technologies and Solutions Inc.  
(CGI)**

**The County of Monterey, California  
(Customer)**

By: *David Delgado*  
(Signature of Chair, President, or Vice-President)

By:

Name: *DAVID DELGADO*  
Title: *VICE PRESIDENT*  
Date: *3/11/08*

Name:  
Title: *Contracts/Purchasing Manager*  
Date:

Approved as to Form:

By: *[Signature]*  
(Signature of Secretary, Asst. Secretary, CFO, or Asst. Treasurer)

By:

Name: *Joseph Figini*  
Title: *Asst. Secretary*  
Date: *3/9/08*

Name: *W. Allen Bidwell*  
**W. ALLEN BIDWELL**  
Title: *County Counsel Deputy*  
Date: *03-21-2008*

Approved as to Fiscal Provisions:

By:

Name:

Title: *Auditor / Controller*

Date:



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Approved as to Liability Provisions:

By:

Name:

Title: Risk Management (if applicable)

Date:



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## **EXHIBIT A - DESCRIPTION OF SERVICES**

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### **Project Management & Planning**

CGI shall assign an appropriately skilled project management team of personnel to performance of the Services under this SOW. CGI's project management team, with the assistance and cooperation of the County's project management team, shall monitor and update the Project Plans, manage Project activities, monitor and resolve issues, enforce quality control, and mitigate risks that can threaten the successful completion of the Project, and shall, as further described below, be responsible for the following initial Project planning and on-going Project management and status reporting activities and Deliverables.

#### ***Initial Project Planning***

The initial Project planning activity that shall be conducted in the Project shall include the tasks necessary to produce the following Deliverables. The major Deliverables that are to be provided as part of the Project are described in more detail in Exhibit B, Deliverables Definitions, to this SOW.

The following Deliverables shall be prepared by CGI, subject to review and, when acceptable (in accordance with the Agreement), approval by the County:

- 1) Software Change Control Plan; and
- 2) Configuration Management Plan.

The following Deliverables shall be (or have been) prepared by the County, subject to review by CGI (with the current status of these Deliverables also provided below):

- 1) Project Charter – this Deliverable has already been completed by the County;
- 2) Project Scope Management Plan – a draft of this Deliverable has been prepared by the County;



- 3) Issue Management Plan – a draft of this Deliverable has been prepared by the County;
- 4) Risk Management Plan – a draft of this Deliverable has been prepared by the County; and
- 5) Quality Management Plan – it shall be determined whether, when, and how his Deliverable shall be created.

Subject to the County's review and approval, CGI will create a Deliverable called "Project Deliverable Standards" that sets forth that standards to be used by the parties in creating other Deliverables, so as to support the use of a consistent format for all Deliverables created for the Project. CGI will work with the County's project management team to establish Project standards for areas like Project documentation, communication documents, software design, development and testing, and issue tracking and resolution.

CGI shall use its "SharePoint" tools as the centralized, single repository for Project documents, issues, risks, work products, and Deliverables. CGI shall furnish the County with access to the Project Sharepoint site and tools and repository, at no charge to the County, through the post-implementation activities of the AMS Advantage ERP Software solution HR / payroll system implementation. At that point, CGI shall copy and deliver to the County all of the materials from the Sharepoint repository in a mutually agreed upon machine-readable format.

### ***Project Management and Status Reporting***

Throughout the Project, CGI shall provide on-going project management and coordination to monitor and control the implementation tasks related to this SOW. The CGI project management team shall work closely with the County's project management personnel throughout the Project implementation. Weekly status meetings will be conducted by CGI with the County's Project team, to keep everyone informed of the Project's status as well as provide a forum for discussion of issues and risks. The County will be an active participant in the weekly status meetings, reviewing action item, issue, and incident logs and identifying Project risks. CGI's project management and coordination tasks shall include, but not necessarily be limited to:

- Maintaining the detailed Project Plan and providing updates, as mutually agreed upon by the parties, to the Project Plan as the Project schedule, personnel assignments, and task



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dependencies evolve, with all performance hereunder to be in accordance with the Project Plan.

- Managing, coordinating, and participating in the status reporting process, including:
  - Leading or attending, as applicable, status meetings at team, Project, and executive levels;
  - Providing monthly status reports to the County; and
  - Providing status minutes for key meetings on the overall Project status including the weekly status meetings;
- Overseeing the Project control procedures as documented in the Project Control Document;
- Proactively identifying and developing mitigation strategies for Project risks that can jeopardize the Project schedule or success;
- Assessing and formulating recommendations regarding the Project;
- Providing the management necessary for ensuring the quality of Project Deliverables;
- Coordinating and building consensus among the County's key stakeholders to facilitate timely review and approval of Project Deliverables;
- Coordinating the assignment of personnel to perform the tasks and responsibilities as outlined in the approved Project Plan;
- Communicating with and encouraging a high level of participation of the County's Project stakeholder representatives; and
- Centrally coordinating Project activities of involved personnel of both the County and CGI, to deliver and complete Project activities as planned.

Exhibit A-1 attached hereto describes the implementation methodology that CGI shall utilize with respect to the Project.





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Exhibit A-2 further describes the parties' respective project management roles and responsibilities, including the project management activities, and the positions or roles, that each party shall be responsible for performing or fulfilling.

This Exhibit A then continues, with various sub-Exhibits interlaced, to describe the parties' respective management roles and responsibilities, and the positions or personnel that they shall assign hereunder, within each Wave of the Project and within each Phase of each Wave of the Project.



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## Exhibit A-1 AMS Advantage® Implementation Methodology Overview:

CGI shall use sound project management principles, based on prior experience in large-scale implementation projects, for the implementation of the AMS Advantage ERP Software solution at the County. This methodology shall take into account elements affecting the schedule for performance under this SOW, such as design, development, and testing, and the external dependencies and success factors affecting the overall progress and effectiveness of the Project.

The Project shall be conducted in a number of separate waves of functionality (each, a "Wave"), as further described elsewhere in this Exhibit A and this SOW (e.g., there shall be a Wave for implementation of the finance-related functionality of the AMS Advantage ERP Software solution, for the HR / payroll system, for each of performance budget, debt, and investment functionality, and for training). Within each Wave, the AMS Advantage implementation methodology that CGI shall utilize shall be comprised of the following four major phases (each, a "Phase"):

- **Envision** – In the "Envision Phase," CGI shall develop the blueprint for the Project implementation, which shall consist of process models, workflow models, and system architectures. In the Envision Phase CGI shall perform the due diligence necessary for planning and establishing the overall scope and strategy for implementing the AMS Advantage ERP Software solution in the County's business and technical environment. The pre-implementation assessment previously conducted by CGI, as described above (the "Pre-Implementation Assessment"), has already developed numerous strategies for implementing AMS Advantage ERP Software solution in the County's business and technical environment, and such strategies shall be appropriately leveraged and utilized in the Project.
- **Build** – The "Build Phase" shall begin when the County's ERP Steering Committee approves the results of the Envision Phase. The Build Phase shall consist of activities related to software development (development of custom modifications, custom reports, system interfaces, and data conversion programs) and the planning and execution of implementation components, such as hardware and software installation, configuration and set-up, documentation, system testing, volume / stress testing, parallel testing, Pre-live Acceptance testing, training, and preparations for system implementation.
- **Achieve** – In the "Achieve Phase," CGI shall integrate the system components established in the Build Phase, as described above, within the County's ongoing business. The Achieve Phase shall be comprised of the data conversion and production cutover activities (with "cutover," as used throughout this SOW, being the migration from the County's use of its applicable legacy systems to its use of the applicable functionality of the AMS Advantage ERP Software solution, as implemented hereunder), for example, scheduling of offline cycles or processes (e.g., nightly, weekly, and on-demand jobs), and the implementation of production support resources (e.g., help desk, application

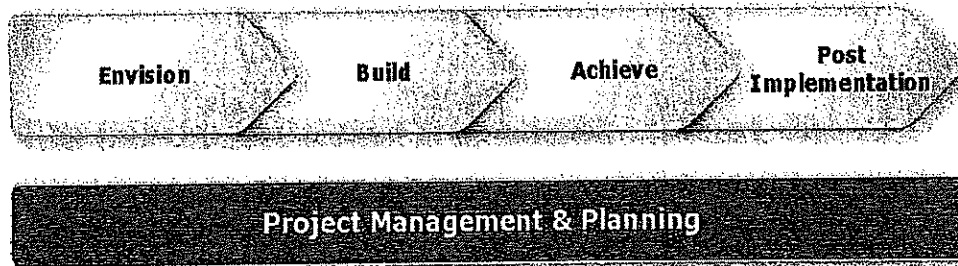


support, and configuration management). The Achieve Phase will then transition into post-implementation activities, which shall include monitoring performance of the newly implemented system in the County's production operations, resolving incidents and issues encountered with the system in production, Post-live Acceptance testing, and implementing additional, mutually agreed upon functionality.

- **Post-Implementation** –The "Post-Implementation Phase" shall be comprised of CGI's performance of operational support and monitoring activities. These activities shall include tracking production operation of the newly implemented ERP system, recording and resolving any production incidents, follow-up training, help desk support, and Post-live Acceptance testing of the system.

This methodology shall guide the planning and execution of all Phases of the Project. There are some unique tasks that will be required and performed for the implementation of the Sympro Debt and Investment modules of the Software, as well as the Meridian Learning Management and Content and Competency modules, and such tasks are described later in this SOW.

The following graphic depicts the major Phases of the AMS Advantage implementation methodology that CGI shall utilize in the Project, with project management responsibilities, as shown below, running throughout the Project.



061-v01



**Exhibit A-2 Key Project Management Tasks and Roles and Responsibilities:**

| Activity/Task   | CGI Roles   | CGI Responsibilities  | County Roles  | County Responsibilities  |
|---|---|---|---|--|
| <ul style="list-style-type: none"> <li>• Planning and Project Management</li> </ul> | <ul style="list-style-type: none"> <li>• Project Manager</li> <li>• Engagement Manager</li> </ul> | <ul style="list-style-type: none"> <li>• Prepare Status Reports</li> <li>• Facilitate Project Team Meetings</li> <li>• Attend ERP Steering Committee Meetings</li> <li>• Manage Issues and Risks</li> <li>• Manage day-to-day CGI tasks</li> <li>• Develop Software Change Control Plan</li> <li>• Develop Configuration Management Plan</li> </ul> | <ul style="list-style-type: none"> <li>• Project Director</li> <li>• Project Manager</li> <li>• Technology Manager</li> <li>• Change Manager</li> </ul> | <ul style="list-style-type: none"> <li>• Review Project Plan updates</li> <li>• Review Status Reports</li> <li>• Attend Status Meetings</li> <li>• Facilitate Executive Steering Committee Meetings</li> <li>• Resolve Issues and Mitigate Risks</li> <li>• Manage day-to-day County tasks</li> <li>• Review Software Change Control Plan</li> <li>• Review Configuration Management Plan</li> </ul> |



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## **Envision Phase**

The Envision Phase in each Project Wave shall be comprised of the following tasks, with each individual task as further described in subsequent sections of this Exhibit:

- Project kickoff meeting;
- Establishing the prototype environment;
- Software product training;
- Technical training; and
- Implementation analysis.

### ***Project Kickoff Meeting***

A Project kickoff meeting shall be conducted in each Wave of the Project to provide an overview of the scope of such Wave of the Project, Critical Milestones and other key milestone dates, a description of high-level Project Plan activities, and the personnel and resources that each of CGI and the County shall be required to assign.

### ***Establish Prototype Environment***

For each Wave of the Project, this task shall include the installation of the applicable functionality of the AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products, to support the functional analysis and operation of the Software on the hardware platform provided by the County.

The County will install in the County's environment the "Non-Bundled Third Party Software" (i.e., required third-party products that do not constitute Software, Bundled Products, or Third Party Products), hardware, and network infrastructure necessary for the installation of the AMS Advantage ERP Software solution, including infoAdvantage, Bundled Products, and required Third Party Products. CGI shall install, configure, and test the AMS Advantage ERP Software solution, including infoAdvantage, Bundled Products, and required Third Party Products, on the County-provided hardware.



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CGI and the County shall, as indicated or described below, perform the following technical environment configuration, system installation, and testing tasks:

- **Acquire and Install Hardware and Non-Bundled Third Party Software**

The County will be responsible for the acquisition or licensing, installation, and configuration of the hardware on which the AMS Advantage ERP Software solution shall be installed in the County's environment and the required Non-Bundled Third Party Software.

CGI will be responsible for the installation and configuration of the AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products, required during the Envision Phase of each Wave of the Project for Project team training and for prototyping. The County is responsible for its network and for providing access to the County's local area network ("LAN").

- **Install the AMS Advantage ERP Software Solution**

In each Wave of the Project, CGI shall install and configure the AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products, in the prototype and product training environments. Installing the base Software application is the first in a series of activities that CGI shall perform to promote a common understanding with the County of the AMS Advantage ERP Software solution's basis. CGI shall install and configure the base AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products in any other applicable environments. CGI shall provide support to the County throughout installation, training, and the analysis of the installation. The County will provide technical personnel to assist with the setup of the environment and database to be used by the Software and ongoing technical support regarding the County's other systems and resources.

- **Perform a base-system Software installation test**

CGI shall perform a base-system Software installation test to validate that the installed Software components operate correctly.



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### ***Product Training***

In each Wave of the Project, CGI shall provide onsite Project team training for the County (i.e., at the County's site) and shall work with the County to schedule the appropriate staff of both CGI and the County that shall participate in such training and the timing of the training sessions. The purpose of Project team training is to familiarize the County's Project team members with baseline Software functionality to facilitate prototyping. Project team training is one of the first activities that CGI shall perform with the County's Project team as a part of its knowledge transfer activities. AMS Advantage ERP Software solution training is a prerequisite for the County's staff who will be participating in the prototyping activities and re-engineering business process analysis. Exhibit J to this SOW provides details of the training courses that shall be conducted for Project team training.

### ***Technical Training***

CGI shall provide onsite technical training to the members of the County's information technology ("IT") staff that are part of the County's Project team. CGI shall reasonably cooperate and work with the County to develop the final schedule for this training. Exhibit J to this SOW provides details of the training courses that shall be conducted for this technical team training.

### ***Implementation Analysis***

CGI shall conduct an implementation analysis regarding the implementation of the AMS Advantage ERP Software solution at the County. Part of this analysis shall be a business process reengineering analysis. The business process reengineering analysis that CGI, together, as provided below, with the County, shall conduct shall involve the following steps:

- **Develop Business Scenarios** – The County will prepare business scenarios that reflect the business activities conducted within the County that are to be supported by the AMS Advantage ERP Software solution.
- **Develop Prototype Scripts** – CGI will review the business scenarios provided by the County for each of the functional areas to be prototyped and will develop prototype scripts. The purpose of the prototype scripts is to facilitate a structured walkthrough of the AMS Advantage ERP Software solution's applications for each functional area to demonstrate how these applications will be used to support the County's business scenarios and requirements, appropriately leveraging the Software's baseline functionality and public sector best practices.



- **Conduct Business Process Reengineering** – CGI shall document the recommended “to be” processes for the County using baseline Software functionality and including any options available to, and decisions to be made by, the County. The County’s Project Charter indicates that, except for the modifications or customizations that have been identified, the County is pursuing a “vanilla” implementation. A compelling business rationale will be required for any modifications or customizations that have not been identified. Exhibit E to this SOW identifies the modifications or customizations to the Software that are within the scope of this Project. Additional modifications or customizations not identified in Exhibit E would be a change of Project scope and would be subject to a Change Order.
- **Requirement Traceability Matrix (HR management module (“HRM”) only)** – Exhibit D provides the County’s functional requirements for the ERP system to be implemented hereunder. CGI shall map the requirements specified in Exhibit D relating to the HRM system to a prototype script, or “to be” business process, for purposes of business process reengineering activities, to demonstrate and confirm functional fit of the HRM system of the AMS Advantage ERP Software solution to the County’s functional requirements, as identified in the Pre-Implementation Assessment. Additional requirements, or clarification by the County of requirements, that would result in a modification or customization not identified in Exhibit E will be carefully evaluated by the parties. Additional modifications or customizations not identified in Exhibit E would be a change of Project scope and would be subject to a Change Order.
- **Functional Designs** – Design documents shall be prepared by CGI, and reviewed and when, in accordance with the Agreement, acceptable, accepted by the County, for those modifications that have been identified as within the scope of this Project and described in Exhibit E.
- **NMC Business Model** – CGI shall, with the cooperation and reasonable assistance of the County, analyze business processes at Natividad Medical Center (“NMC”) and shall develop an appropriate business model for use and integration with the AMS Advantage ERP Software solution.
- **WINCAMS Integration Model** – CGI shall, with the cooperation and reasonable assistance of the County, analyze requirements and develop an integration business model for use and integration of the County’s Windows-based Cost Accounting Management System (“WINCAMS”) with the AMS Advantage ERP Software solution.

The Project Plan shall be updated by CGI, as mutually agreed upon by the parties from time to time, based on information gathered during the Envision Phase.





**Exhibit A-3 ENVISION PHASE -- Tasks and Roles and Responsibilities:**

| Activity/Task                   | CGI Roles  | CGI Responsibilities   | County Roles  | County Responsibilities   |
|---------------------------------|--|--|---|---|
| Conduct Project Kickoff Meeting | <ul style="list-style-type: none"> <li>Project Management</li> </ul> | <ul style="list-style-type: none"> <li>Prepare meeting materials</li> <li>Facilitate meeting</li> </ul>  | <ul style="list-style-type: none"> <li>Project Management</li> <li>Project Team Members</li> </ul>  | <ul style="list-style-type: none"> <li>Review meeting materials</li> <li>Attend meeting</li> </ul>  |
| Establish Prototype Environment | <ul style="list-style-type: none"> <li>Software Installer</li> </ul> | <ul style="list-style-type: none"> <li>Install the AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products</li> </ul> | <ul style="list-style-type: none"> <li>Systems Programmer / Analyst</li> <li>Database Administrator</li> <li>Network Administrator</li> </ul> | <ul style="list-style-type: none"> <li>Install Hardware</li> <li>Install Non-Bundled Third Party Software</li> <li>Provide assistance with installation of the AMS Advantage ERP Software, Bundled Products, and required Third Party Products</li> </ul> |



| Activity/Task                                       | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities   |
|---|---|---|--|---|
| Product and Technical Training for the Project Team | <ul style="list-style-type: none"> <li>• Subject Matter Experts</li> <li>• Technical Lead</li> <li>• Development Leads</li> </ul> | <ul style="list-style-type: none"> <li>• Develop Training Materials</li> <li>• Deliver Functional Team Training on AMS Advantage ERP Software Solution</li> <li>• Deliver Technical Team Training on AMS Advantage ERP Software Solution and Related Tools</li> </ul> | <ul style="list-style-type: none"> <li>• Function Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Database Administrator</li> <li>• Systems Programmer / Analyst</li> <li>• Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Attend Training Classes</li> </ul> |



| Activity/Task               | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities  |
|-----------------------------|---|---|--|--|
| ERP Application Prototyping | <ul style="list-style-type: none"> <li>• Subject Matter Experts</li> <li>• Functional Team Leads</li> </ul> | <ul style="list-style-type: none"> <li>• Review Business Scenarios Prepared by the County</li> <li>• Configure Prototype Environment</li> <li>• Develop Prototype Scripts</li> <li>• Execute Prototype Scripts</li> <li>• Document Prototype Results</li> </ul> | <ul style="list-style-type: none"> <li>• Functional Team Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Prepare Business Scenarios</li> <li>• Assist with Configuration of Prototype Environment</li> </ul> |



| Activity/Task                                | CGI Roles   | CGI Responsibilities   | County Roles  | County Responsibilities  |
|--|---|--|---|--|
| Business Process Reengineering               | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Document "to be" processes based upon prototype results and public sector best practices</li> </ul> | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Provide insight into business requirements</li> <li>Review alternatives</li> <li>Review and, when acceptable, approve "to be" business processes</li> </ul> |
| Develop WINCAMS Integration Business Model   | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Develop WINCAMS Integration Business Model (during financial Wave)</li> </ul>                       | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Review and Approve Business Model</li> </ul>  |
| Develop HRM Requirements Traceability Matrix | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Develop Requirements Traceability Matrix (HRM only)</li> </ul>                                      | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Review and approve matrix</li> </ul>  |



| Activity/Task      | CGI Roles   | CGI Responsibilities   | County Roles  | County Responsibilities   |
|--------------------|---|--|---|---|
| Functional Designs | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Develop Functional Designs</li> </ul>                         | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Review Functional Designs</li> </ul> |
| NMC Business Model | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Develop NMC Business Model (during financial Wave)</li> </ul> | <ul style="list-style-type: none"> <li>Subject Matter Expert</li> </ul> | <ul style="list-style-type: none"> <li>Review NMC Business Model</li> </ul> |



## **Build Phase**

The objective of the Build Phase in each Project Wave shall be to design, code, configure, integrate, create, and test the applicable portions of the AMS Advantage ERP Software solution and to transition components to the County's production environment.

The Build Phase in each Project Wave shall consist of the following activities (as these activities are further described below, and with the parties having the respective responsibilities with regard to these activities as is specified elsewhere in this Exhibit or in the Project Plan):

- Establish non-production environments (e.g., development/unit test, conversion, integrated system test, Pre-live Acceptance testing environments);
- Conduct Software design, development and unit test;
- Conduct integrated system test;
- Conduct performance test;
- Conduct Pre-live Acceptance testing;
- Establish production environment;
- Develop documentation; and
- Conduct training and knowledge transfer.

### ***Establish Non-Production Environments***

This task shall include all activities related to the installation and configuration of the AMS Advantage ERP Software solution technical environments to support software development, testing, user training, and production operations. CGI, with the County's assistance, shall perform the following system installation, and testing tasks:

- **Install the Software for the Development/Unit Test, Integrated System Test, Training and Learning, and Conversion environments**

CGI will install AMS Advantage ERP Software modules, Bundled Products, and CGI-furnished Third Party Products required for development, testing, and data conversion. The County will provide technical personnel as necessary to assist with the setup of the



environments, databases, and for ongoing technical support. CGI shall validate the installation with installation test(s).

The County will be responsible for acquiring and installing the hardware and Non-Bundled Third Party Software necessary for these environments and for establishing network connectivity to these environments within the County's network.

### ***Software Design, Development and Unit Test***

This activity within the Build Phase of each Wave of the Project shall include the design, development, and unit testing tasks necessary for:

- o Custom Software modifications (as described in Exhibit E to this SOW);
- o Reports and forms to be developed in the Project (as described in Exhibit H);
- o Data conversions to be performed in the Project (as described in Exhibit G); and
- o System interfaces to be implemented in the Project (as described in Exhibit F).

If additional Software modifications, reports, forms, data conversions, or system interfaces are identified during the Envision Phase, CGI and the County will confer and determine how best to handle or complete the additional items.

### **Custom Software Modifications**

Design, development, and unit testing for all Software modifications (as specified in Exhibit E) are the responsibility of CGI, specifically, CGI's system development team. Specific test cases and key criteria for test success shall be developed by CGI for each modification, as part of the design. This activity shall include migrating the Software, organizing the test process, conducting the test, monitoring and analyzing the testing activity, reporting system errors, fixing and retesting system problems, and reviewing the final results of the test(s) with the County.



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The County will be responsible for the following activities:

- Reviewing and, when acceptable, in accordance with the Agreement, accepting the custom Software development tests and test results.

In addition to the activities described with respect to CGI above, CGI will be responsible for the following activities:

- Creating the Software modification designs;
- Providing AMS Advantage ERP Software solution subject matter expertise; and
- Designing, developing, and performing unit, system, and regression testing of all Software modifications.

#### **Reports and Forms**

Each party shall have responsibilities, as further described below and in the Project Plan, with respect to developing the required reports and forms to be implemented in the Project (as specified in Exhibit H). CGI shall perform the report analysis, design, development, and unit testing activities as specified below.

CGI shall develop a "Reporting Plan" that organizes the report development process and identifies the associated assumptions and dependencies, roles and responsibilities of the parties, and major reporting milestones and schedules. This Reporting Plan will include the approach to be used in the Project for configuration of report universes to support usability for report development and ad hoc reporting.

The County will be responsible for performing the following activities:

- Providing input on the functional design of reports;
- Reviewing and, when acceptable, approving functional report designs;
- Designing, developing, and unit testing of 143 low-complexity reports (as selected by the County from those specified in Exhibit H) using the infoAdvantage Software product; and
- Configuring the developed forms (as specified in Exhibit H) using Adobe Forms.





CGI shall be responsible for performing the following activities:

- Providing AMS Advantage ERP Software solution subject matter expertise;
- Obtaining copies (where available) of reports similar to those to be developed hereunder from projects that CGI has conducted for other customers;
- Performing custom setup the infoAdvantage reporting universes, as required to support report development and ease of use of reports;
- Providing general guidance to the County's staff for completing the analysis and development of the reports (as requested);
- Designing, developing, and unit testing of 140 reports (i.e., those specified in Exhibit H not selected by the County as described above) using the infoAdvantage Software product;
- Designing, developing, and unit testing of 9 forms (as specified in Exhibit H) using Adobe Forms;
- Designing, developing, and unit testing one (1) Convey form (as specified in Exhibit H); and

#### Data Conversions

Exhibit G to this SOW describes the data conversions to be developed and performed as part of the Project, and the related assumptions.

The County will be responsible for performing the following tasks regarding such data conversions:

- Coordinating availability of the County's business and technical subject matter experts;
- Providing specifications from the County's existing interfaces to CGI;
- Reviewing and approving work products from related tasks performed by CGI hereunder;
- Providing test input files for the data conversions; and
- Testing the data conversions during Pre-live Acceptance testing.

CGI will be responsible for performing the following tasks:

- Creating the "Conversion Plan" that describes the data conversions to be performed;
- Providing AMS Advantage ERP Software subject matter experts;



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- Providing conversion toolkit and data integrator maps that CGI has developed in other projects for its other customers;
  - Development of detail designs for each data conversion that will be performed;
  - Development of conversion processes utilizing the Pervasive Data Integrator tool and other tools as needed; and
  - Testing the data conversions with unit test data.

### System Interfaces

Exhibit F describes the interfaces to be developed as part of the Project and the related assumptions.

The County will be responsible for performing the following tasks with respect to interfaces:

- Coordinating availability of the County's applicable business and technical subject matter experts;
- Reviewing and, when acceptable, approving work products from related tasks performed by CGI hereunder;
- Designing, with the assistance and guidance of CGI, at least one interface, for knowledge transfer purposes;
- Developing at least one interface utilizing the Pervasive Data Integrator tool, for knowledge transfer purposes;
- Providing test files for inbound interfaces (i.e., those interfaces that provide input data to the AMS Advantage ERP Software solution);
- Coordinating testing with external system owners (i.e., owners the other systems that the developed interfaces communicate with);
- Designing and developing updates to the County's external legacy systems; and
- Conducting final rounds of interface testing that utilize real production data.

CGI will be responsible for performing the following tasks with respect to interfaces:

- Creating the "Interface Plan" that documents that tasks and activities to be performed, and the approach and tools to be utilized, with respect to the interfaces to be developed hereunder;



- Providing AMS Advantage ERP Software solution subject matter expertise;
- Obtaining copies (where available) of Pervasive Data Integrator maps/scripts developed by CGI in other projects for its other customers;
- Providing knowledge transfer to the County's staff as necessary for completing the analysis and development of the interfaces (as requested);
- Developing detail designs for each interface to be developed hereunder;
- Developing interfaces utilizing Pervasive Data Integrator;
- Testing the interfaces with unit test data; and
- Providing operations documentation for the ongoing use and operation of the interfaces.

### ***Integrated System Testing***

An integrated system test shall be performed to confirm that all of the components of the AMS Advantage ERP Software solution work properly, as applicable individually and/or collectively. The integrated system test activity will include development of system test scripts, preparation of the system test data, execution of system test scripts and documentation of the results. Issues that may arise from the execution of the test scripts will be documented, researched, corrected and re-tested. The parties shall have the respective responsibilities with regard to these activities as are provided below in this Exhibit and in the Project Plan.

The integrated system test will be performed in the integrated system test environment after all software development has been completed. The environment will be configured with the most current configuration data available prior to the initiation of testing activities.

### ***Performance Test***

A performance test shall be conducted that measures actual, real world, end-to-end business process completion times, tests performance for a given operating environment (hardware, software and network configuration), and approximates or attempts to predict changes in performance in response to given changes to the workload or operating environment. CGI shall accomplish these goals through a combination of load testing, stress testing, and performance testing. While these tests are similar and often interchanged, the way the tests shall be run by CGI, and the end goals to be realized by the tests, are subtly different. During each test, response times and system resources, such as CPU utilization, memory consumption, and swap times, shall be monitored and recorded by CGI, to paint a multi-dimensional picture of system performance.



Performance testing shall be executed by CGI when the system has been sufficiently stabilized so incidents will not prevent test execution. The performance testing shall be executed for key system components for which throughput are critical. The results of performance tests shall be recorded and compared by CGI to the target performance measures defined in Exhibit I to this SOW (Exhibit I also sets forth certain hardware and architecture requirements for the AMS Advantage ERP Software solution).

The objective of performance testing shall be to verify the system performance with the established performance criteria defined in Exhibit I. Other objectives of the stress and performance testing are to highlight areas in which performance improvements can be realized and to lay groundwork for monitoring and tuning performance during production operation of the implemented system.

If the system performance targets defined in Exhibit I are not achieved during the performance testing conducted hereunder, then CGI will prepare and deliver to the County a set of recommendations to further tune the appropriate components of the County's technical architecture. CGI will work with the County to implement the recommendations so that the performance criteria identified in Exhibit I are met. System and performance problems identified during the performance test will be tracked, reported, and corrected using the same procedures used for the system test.

The Deliverable that shall be produced by CGI for this performance testing activity shall contain recommendations for monitoring and enhancing the performance once the system is in production.

### ***Pre-live Acceptance Testing***

While CGI will assist in the Pre-live Acceptance testing effort for each Wave of the Project, this task area is primarily the responsibility of the County. The County will define the formal acceptance criteria. CGI will participate in setting up the acceptance test environment, in performing training and data conversion activities needed to conduct the acceptance testing, and in issue resolution.

The formal acceptance criteria defined by the County will provide the basis for test development, system verification and acceptance sign-off. The Pre-live Acceptance Test Plan, as defined in the Agreement, will include schedules, resources, and test conditions for the Pre-live Acceptance test. Once the identified test scripts have been developed, data for the test shall be gathered and prepared, and then the test scripts shall be executed. Once the Pre-live Acceptance test has been executed and the acceptance criteria have been met, the County's



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Project Manager shall, in accordance with the Agreement, provide formal notice of the County's Pre-live Acceptance of the applicable Software.

The objectives of the Pre-live Acceptance test are to verify the entire system, as applicable to each Wave of the Project, meets design specifications and to verify that the new system properly supports the County's operations (organization, policies, and procedures).

Documented issues that are discovered in Pre-live Acceptance testing and that would represent a change in Project scope will be addressed in accordance with the agreed upon Change Order procedures.

#### ***Documentation***

The County, with assistance from CGI, will document its business operational procedures.

CGI, with the assistance of the County, shall develop and document the technical operations procedures for the AMS Advantage ERP Software solution, which procedures shall include step-by-step procedures for the ongoing operation of the ERP solution by the County.

CGI, with the assistance of the County, will develop a system administration guide for the AMS Advantage ERP Software solution, which guide will include directions for administration of reference tables and user administration, including establishing and maintaining user IDs, as well as security and workflow profiles.

#### ***Training and Knowledge Transfer***

The County will provide all necessary facilities and equipment for the training to be conducted hereunder.

CGI shall develop all training materials and shall deliver all training for the Project.

Exhibit J to this SOW describes the training courses that shall be provided by CGI as part of the Project, including any related assumptions.



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### ***Organizational Change Management***

CGI shall work closely with the County's designated "Change Manager" to proactively identify and address areas of focus for change management attention and support. This will include both business and technical organization changes.

### ***Transition Management***

Transition is the process an organization undergoes in moving from its current operations to operations under a new business solution. Transition management prepares the people, processes, work setting, hardware, software, data, procedures, and documentation to go-live in a smooth, structured, and informed manner. CGI is responsible for the preparation of the "Production Cutover Plan" and creation of the "Operation Readiness Assessment Checklist" and "Implementation Readiness Checklist," each as further described in Exhibit B, to evaluate operational and implementation readiness.

- **Update and Communicate Business Processes and Procedures.** A critical component to successful implementation is the planning and communication of updated business processes and procedures to support the implementation of the AMS Advantage ERP Software solution. During the Build Phase in each Project Wave, CGI shall assist the County in developing and maintaining a "Communication Plan" to disseminate information about updated business processes to be instituted through the Project, in preparation for system implementation. The County will be responsible for communicating business process changes within its organization.
- **Production Cutover Plan.** CGI is responsible for the creation of the Production Cutover Plan (which will be done in a manner consistent with Exhibit A-4). This plan shall lay out detailed steps for making the new system operational. It shall specify how the system cutover will be accomplished, the associated list of tasks, roles and responsibilities, and contingencies and fall-back strategies. Because the County's operations team that is primarily responsible for the cutover must approve and follow the plan, CGI recommends that key members of the County's operations team be actively involved in the preparation and approval of the plan.
- **Operational Readiness Assessment Checklist.** CGI is responsible for the creation of the Operational Readiness Assessment Checklist. The County will assist CGI in the creation of the Operational Readiness Assessment Checklist, in a manner consistent with Exhibit A-4. The Operational Readiness Assessment Checklist will assess whether County's operational staff is ready to operate the system, and whether the operational processes and post-implementation support structure for the system are defined and appropriately staffed. An important milestone in assessing implementation readiness is whether all critical software issues have been resolved and whether there are



outstanding issues related to operations and maintenance. The assessment will include assessing readiness checkpoints for monitoring preparations, back-up and recovery procedures, technical infrastructure, connectivity and workstation checks, interfaces, reports, and readiness of County systems to interface with the AMS Advantage ERP Software solution.

- **Implementation Readiness Checklist.** CGI is responsible for the creation of the Implementation Readiness Checklist. The County will assist CGI in the creation of the Implementation Readiness Checklist. The Implementation Readiness Checklist will include items such as the readiness of the County's staff to perform their jobs using the various functional components of AMS Advantage ERP Software solution and whether additional training or further clarifications of updated procedures are required. The checklist will also include readiness checkpoints for published updated policies and procedures of the County and the County's help desk infrastructure. The assessment will also determine the need for follow-up training in certain areas and additional communication about the implementation of updated procedures. Prior to going live with the new system, the County and CGI shall discuss the areas of concern raised by both end-users within the County and the County's management staff and identify strategies for properly addressing these concerns.

The goal of the transition management activities, as described above, shall be to assess readiness of the County based on the state of the County's organization, results of user training, presence of user support and problem resolution processes, and the readiness of the County's technical infrastructure. A final set of production readiness checklist items will be reviewed, to facilitate a final readiness assessment and a "go/no-go" decision regarding production cutover to the AMS Advantage ERP Software solution. Once the County has determined that it is prepared to go live and fulfill its operational roles, the Achieve Phase for the applicable Project Wave will begin.



Exhibit A-4 BUILD – Tasks and Roles and Responsibilities:

| Activity/Task  | CGI Roles  | CGI Responsibilities   | County Roles   | County Responsibilities  |
|--|--|--|--|--|
| <b>Build Phase</b>   |  |  |  |  |
| Hardware and Software Installation                                 | <ul style="list-style-type: none"> <li>Software Installer</li> <li>Third Party Software Installer</li> </ul>                               | <ul style="list-style-type: none"> <li>Install AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products, in all non-production environments</li> </ul> | <ul style="list-style-type: none"> <li>Systems Programmer / Analysts</li> <li>Database Administrator</li> <li>Network Administrator</li> </ul> | <ul style="list-style-type: none"> <li>Install hardware and Non-Bundled Third Party Software</li> <li>Provide assistance With installation of software</li> </ul>            |
| Software Modification Design, Development and Unit Test (HRM only) | <ul style="list-style-type: none"> <li>Subject Matter Experts</li> <li>Technical Lead</li> <li>Software Modification Developers</li> </ul> | <ul style="list-style-type: none"> <li>Prepare Software Modification Designs</li> <li>Develop and Unit Test Customized Software</li> </ul>   | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> </ul>              | <ul style="list-style-type: none"> <li>Participate in Software Modification Functional Design</li> <li>Review and Approve Functional Design and Unit Test Results</li> </ul> |





| Activity/Task                                     | CGI Roles  | CGI Responsibilities  | County Roles   | County Responsibilities   |
|---|--|---|--|---|
| Data Conversion Design, Development and Unit Test | <ul style="list-style-type: none"> <li>Subject Matter Experts</li> <li>Technical Lead</li> <li>Development Team Lead</li> <li>Conversion Developers</li> </ul> | <ul style="list-style-type: none"> <li>Prepare Conversion Designs</li> <li>Develop and Unit Test Conversion Software</li> </ul> | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> <li>Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>Assist with Conversion Design</li> <li>Review and Approve Design and Unit Test Results</li> <li>Provide source files for conversion</li> <li>Cleanse data as required</li> </ul> |
| Interfaces Design, Development and Unit Test      | <ul style="list-style-type: none"> <li>Subject Matter Experts</li> <li>Technical Lead</li> <li>Development Team Lead</li> <li>Interface Developers</li> </ul>  | <ul style="list-style-type: none"> <li>Prepare Interface Designs</li> <li>Develop and Unit Test Interface Software</li> </ul>   | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> <li>Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>Participate in Interface Design and Development</li> <li>Review and Approve Design and Unit Test Results</li> </ul>  |



| Activity/Task   | CGI Roles  | CGI Responsibilities   | County Roles   | County Responsibilities   |
|---|--|--|--|---|
| infoAdvantage<br>Universes Design,<br>Development and<br>Test | <ul style="list-style-type: none"> <li>• Subject Matter Experts</li> <li>• Technical Lead</li> <li>• Report Developers</li> </ul>  | <ul style="list-style-type: none"> <li>• Universes developed and tested</li> <li>• Extract, transform, and load ("ETL") procedures for universes developed and tested</li> </ul> | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Assist with universe design, development and test</li> <li>• Assist with ETL procedure development and testing</li> </ul>  |
| Reports Design,<br>Development and<br>Unit Test               | <ul style="list-style-type: none"> <li>• Subject Matter Experts</li> <li>• Technical Lead</li> <li>• Reports Developers</li> </ul> | <ul style="list-style-type: none"> <li>• Prepare Report Designs</li> <li>• Develop and Unit Test Reports Software</li> </ul>   | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Assist with Report Design</li> <li>• Review and Approve CGI Designs and Unit Test Results</li> <li>• Develop and Unit Test the County's assigned reports Software</li> </ul> |



| Activity/Task             | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities   |
|---------------------------|---|---|--|---|
| Integrated System Testing | <ul style="list-style-type: none"> <li>• Technical Team Lead</li> <li>• Development Team Lead</li> <li>• Software Modification Developers</li> <li>• Interface Developers</li> <li>• Conversion Developers</li> <li>• Reports Developers</li> <li>• Subject Matter Experts</li> </ul> | <ul style="list-style-type: none"> <li>• Configure Test Environment</li> <li>• Execute Test Scripts and Processes</li> <li>• Document Results and Incidents</li> <li>• Resolve Incidents and Re-Test</li> </ul> | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Assist in setup of test environment</li> <li>• Assist with execution of test scripts and processes</li> <li>• Provide test files for inbound interfaces</li> <li>• Test outbound interfaces</li> <li>• Modify the County's legacy systems as required</li> </ul> |



| Activity/Task                       | CGI Roles  | CGI Responsibilities  | County Roles   | County Responsibilities  |
|-------------------------------------|--|---|--|--|
| Perform Pre-live Acceptance Testing | <ul style="list-style-type: none"> <li>Functional Team Lead</li> <li>Subject Matter Experts</li> </ul> | <ul style="list-style-type: none"> <li>Provide Support for Pre-live Acceptance testing</li> <li>Resolve Nonconformities and incidents arising or discovered in Pre-live Acceptance testing</li> </ul> | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> <li>Programmer / Analysts</li> </ul> | <ul style="list-style-type: none"> <li>Develop Pre-live Acceptance test plan and test scripts</li> <li>Setup Pre-live Acceptance testing data</li> <li>Execute test scripts for Pre-live Acceptance testing</li> <li>Document results and identify Nonconformities and incidents</li> <li>Re-test, in accordance with the Agreement</li> </ul> |



| Activity/Task       | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities  |
|---------------------|---|---|--|--|
| Performance Testing | <ul style="list-style-type: none"> <li>• Technical Team Lead</li> <li>• Technical Expert</li> </ul> | <ul style="list-style-type: none"> <li>• Develop Performance Test Plan</li> <li>• Complete Performance Test</li> <li>• Provide tuning recommendations and a list of action items</li> <li>• Provide assistance to the County in implementing performance tuning recommendations and in completing action items</li> </ul> | <ul style="list-style-type: none"> <li>• Technical Manager</li> <li>• Systems Programmer / Analyst</li> <li>• Database Administrator</li> <li>• Network Engineers</li> </ul> | <ul style="list-style-type: none"> <li>• Review Performance Test Plan</li> <li>• Review Performance Test Results</li> <li>• Review tuning recommendations and complete action items</li> </ul> |



| Activity/Task                            | CGI Roles  | CGI Responsibilities   | County Roles   | County Responsibilities  |
|--|--|--|--|--|
| Establish Production Technical Platforms | <ul style="list-style-type: none"> <li>Software Installer</li> </ul> | <ul style="list-style-type: none"> <li>Set up environments for training and production</li> <li>Provide version control and configuration management support for environments</li> </ul> | <ul style="list-style-type: none"> <li>Systems Programmer / Analyst</li> <li>Database Administrator</li> </ul> | <ul style="list-style-type: none"> <li>Assist with installation of the AMS Advantage ERP Software solution, including application Software, Bundled Products, and required Third Party Products, for production environments</li> <li>Assist with version control and configuration management support for environments</li> </ul> |



| Activity/Task | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities  |
|---------------|---|---|--|--|
| Documentation | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• Development Team Lead</li> <li>• Developers</li> </ul> | <ul style="list-style-type: none"> <li>• Develop Operations Guide</li> <li>• Develop System Administration Guide</li> </ul> | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Programmer / Analysts</li> <li>• Technical Manager</li> <li>• Systems / Programmer Analysts</li> <li>• Database Administrator</li> </ul> | <ul style="list-style-type: none"> <li>• Review Documentation</li> </ul> |



| Activity/Task | CGI Roles  | CGI Responsibilities   | County Roles   | County Responsibilities   |
|---------------|--|--|--|---|
| Training      | <ul style="list-style-type: none"> <li>• CGI Trainers</li> <li>• Functional Leads</li> </ul> | <ul style="list-style-type: none"> <li>• Develop Training Plan</li> <li>• Develop Training Materials</li> <li>• Conduct End-user Training</li> </ul> | <ul style="list-style-type: none"> <li>• End-users</li> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> </ul> | <ul style="list-style-type: none"> <li>• Assist with Training Plan</li> <li>• Provide necessary training facilities</li> <li>• Review training materials</li> <li>• Attend training sessions</li> </ul> |





| Activity/Task         | CGI Roles   | CGI Responsibilities   | County Roles   | County Responsibilities   |
|-----------------------|---|--|--|---|
| Transition Management | <ul style="list-style-type: none"> <li>• Project Manager</li> <li>• Engagement Manager</li> <li>• Technical Team Lead</li> <li>• Development Team Lead</li> <li>• Developers</li> <li>• Functional Team Lead</li> <li>• Subject Matter Experts</li> </ul> | <ul style="list-style-type: none"> <li>• Develop Operational Readiness Assessment Checklist</li> <li>• Develop Implementation Readiness Checklist</li> </ul> | <ul style="list-style-type: none"> <li>• Project Director</li> <li>• Project Manager</li> <li>• Technical Manager</li> <li>• Change Manager</li> </ul> | <ul style="list-style-type: none"> <li>• Conduct Operational Readiness Assessment</li> <li>• Conduct Implementation Readiness Assessment</li> <li>• Make Go/No Go Decision</li> </ul> |



## **Achieve Phase**

The primary objective of the Achieve Phase for each Wave of the Project shall be to integrate the components built in the Build Phase of such Wave of the Project into the rest of the County's ongoing business operations. The Achieve Phase shall encompass production cutover preparation and system implementation activities required to enable the County to begin production operations with the AMS Advantage ERP Software solution. The scope of Achieve Phase activities shall include, each as further described below and in accordance with the Project Plan:

- Mock conversions and a cutover rehearsal to finalize plans for executing data conversion, and cutover plans for at least three iterations of the mock conversion and the ultimate cutover;
- Conversion of all data needed to populate the production database and files of the AMS Advantage ERP Software solution, using previously tested data conversion processes and performing validation of the data conversion;
- Execution of the cutover to the new operations, following procedures specified in Production Cutover Plan; and
- Preparation of the County's teams for development support, system administration support, third-party vendor support, and help desk (end-user) support.

## **Mock Conversion**

A "mock conversion" is the process in which a production-like environment is established in a test region and conversion processes are executed as a "dress rehearsal" for the actual production cutover. The mock conversion and verification approach that shall be used in the Project shall entail converting production data for a pre-defined processing day, processing such data through the AMS Advantage ERP Software solution, and comparing the results of processing the converted data by the new system against the historical production reports/files for the County's legacy systems for the same processing day. Results from the mock conversion will be used to identify additional considerations for manual conversion and to adjust the data verification criteria and process.

The County will assist CGI with the conversion and provide cleansed source data for conversion runs and resolve any issues with the source data.



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CGI shall conduct the conversion runs, with assistance from the County, document and resolve issues that may arise from the conversion runs.

### ***Cutover Rehearsal***

One or more cutover rehearsals, as provided in the Project Plan, will be conducted to review the cutover tasks and make final adjustments to the cutover plan.

The County, with CGI's assistance, will be responsible for the cutover rehearsals.

### ***Cutover to Production Operations***

This component of system implementation (i.e., the cutover to production operations) shall include the execution of activities identified in the final Production Cutover Plan.

The County will perform final preparations of the production computing environment, software migrations, application configuration, scheduling of offline jobs and verification for production operations.

CGI will provide assistance with all cutover activities.

While the actual tasks to be completed will be based on the procedures and strategies outlined in the Production Cutover Plan, the following high-level activities will be addressed in the Production Cutover Plan and completed during the cutover:

- **Migration** of AMS Advantage ERP Software, configuration, reports, interfaces, and conversion processes to the production environment;
- **Execution** of the cutover to the new production environment, following procedures specified in the Production Cutover Plan;
- **Preparation** of the County's teams for development support, system administration support, third-party vendor support, and help desk (end-user) support; and
- **Transfer** of responsibility for support and maintenance of the new system from the County's and CGI's Project teams to the County's operations group.



**Exhibit A-5 ACHIEVE - Tasks and Roles and Responsibilities:**

| Activity/Task                                | CGI Roles  | CGI Responsibilities   | County Roles   | County Responsibilities  |
|--|--|--|--|--|
| <i>Achieve Phase</i><br>Mock Data Conversion | <ul style="list-style-type: none"> <li>Functional Team Lead</li> <li>Subject Matter Experts</li> <li>Technical Team Lead</li> <li>Development Team Lead</li> <li>Developers</li> </ul> | <ul style="list-style-type: none"> <li>Perform Mock Conversion</li> <li>Identify Gaps or Incidents</li> <li>Resolve Incidents</li> </ul> | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> <li>Programmer / Analysts</li> <li>Technical Manager</li> <li>Systems / Programmer Analysts</li> <li>Database Administrator</li> </ul> | <ul style="list-style-type: none"> <li>Provide cleansed source data files</li> <li>Assist with Mock Conversion</li> <li>Identify Gaps or Incidents</li> <li>Correct converted data, as applicable</li> </ul> |



| Activity/Task      | CGI Roles  | CGI Responsibilities   | County/Roles   | County Responsibilities   |
|--------------------|--|--|--|---|
| Production Cutover | <ul style="list-style-type: none"> <li>• Technical Team Lead</li> <li>• Functional Team Lead</li> <li>• Subject Matter Experts</li> <li>• Conversion Developers</li> </ul> | <ul style="list-style-type: none"> <li>• Conduct Dress Rehearsals for Cutover</li> <li>• Perform Production Cutover</li> </ul> | <ul style="list-style-type: none"> <li>• Functional Leads</li> <li>• Subject Matter Experts</li> <li>• ERP Business Analysts</li> <li>• Programmer / Analysts</li> <li>• Technical Manager</li> <li>• Systems / Programmer Analysts</li> <li>• Database Administrator</li> </ul> | <ul style="list-style-type: none"> <li>• Participate in Dress Rehearsal</li> <li>• Together with CGI, Perform Production Cutover</li> </ul> |



## Post-Implementation Phase

CGI shall provide on-site post implementation support to the County after the implementation of each Wave of the Project. The specific activities to be performed by CGI during the on-site post implementation period (i.e., the Post-Implementation Phase) for each Software application module will be determined during the Project's Envision Phase. However, in general, the on-site CGI post-implementation support team will perform the following activities during the on-site post implementation period:

- **Production Operations Monitoring** – Providing support for nightly cycle problem resolution, monthly cycle problem resolution, system assurance monitoring, system and database tuning, and working with the County to stabilize the operations of the new system in the production environment;
- **Production Incidents Resolution** – Providing support for the resolution of reported end user incidents, resolution of reported operations-related incidents, and coordination of incident resolution with CGI's Customer Support Center. The County will participate in this process by assisting in the prioritization of incidents and defining severity levels;
- **Post-Implementation Training** – Providing support for facilitating knowledge transfer from CGI's staff to the County's functional and technical staff;
- **Transition to CGI Customer Support Center** – Providing support for transition from the on-site post-implementation support team to CGI's Customer Support Center. The CGI Customer Support Center will provide the long-term post-implementation support and Software maintenance services; and
- **Post-live Acceptance Testing** – Post-live Acceptance testing will be conducted, in accordance with the Agreement, during the Post-Implementation Phase. The duration of the Live Testing period for each Wave of the Project shall be the seventy-five (75) day period contemplated by the Agreement, unless, with respect to a particular Wave of the Project, a Live Testing period other than the standard 75 day period provided for in the Agreement is expressly identified in the section of this SOW, below, titled "Unique Implementation Tasks."



**Exhibit A-6 - POST-IMPLEMENTATION TASKS and ROLES AND RESPONSIBILITIES:**

| Activity/Task       | CGI Roles   | CGI Responsibilities  | County Roles   | County Responsibilities   |
|---------------------|---|---|--|---|
| Post-Implementation | <ul style="list-style-type: none"> <li>Subject Matter Experts</li> <li>Technical Lead</li> <li>Development Team Lead</li> <li>Software Modification Developers</li> <li>Interface Developers</li> <li>Reports Developers</li> </ul> | <ul style="list-style-type: none"> <li>Monitor Production Operations</li> <li>Resolve Issues and Incidents</li> <li>Support Post-live Acceptance Testing</li> </ul> | <ul style="list-style-type: none"> <li>Functional Leads</li> <li>Subject Matter Experts</li> <li>ERP Business Analysts</li> <li>Programmer / Analysts</li> <li>Technical Manager</li> <li>Systems / Programmer Analysts</li> <li>Database Administrator</li> </ul> | <ul style="list-style-type: none"> <li>Monitor Production Operations</li> <li>Resolve Issues or Incidents that are the County's responsibility</li> <li>Conduct Post-live Acceptance testing and, if applicable, issue Post-live Acceptance of the applicable Software</li> </ul> |



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### **Unique Implementation Tasks**

In addition to the standard AMS Advantage implementation methodology which CGI shall utilize in each Wave of this Project, there are some unique implementation activities and tasks for some the Waves, as listed below, that shall be performed:

#### ***Performance Budget Wave***

The tasks that shall be performed in the "Performance Budget" Wave of the Project are a subset of those in the standard AMS Advantage implementation methodology. Interface development will not be performed in the Performance Budget Wave implementation, and the operational and implementation readiness processes that will be performed in this Wave will be very abbreviated.

#### ***Debt Wave (Sympro)***

The "Debt" module from Sympro, the applicable third-party software vendor, shall be implemented by CGI in a traditional "turnkey" manner and in an abbreviated implementation timeframe of only 30 days. The turnkey approach that CGI shall follow shall include installation of the Debt Software, conversion of the County's existing debt positions, and testing of and training on the Debt Software.

The Live Testing period for the Debt Wave shall be of 30 days in duration.

The support provided by CGI in the Post-Implementation Phase for the Debt Wave of the Project shall be provided by the onsite CGI Project team, with level two support provided by Sympro (as, with respect to this SOW, CGI's subcontractor), as needed and requested by CGI.





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### ***Investment Wave (Sympro)***

The "Investment" module from Sympro, the applicable third-party software vendor, shall be implemented by CGI in a traditional "turnkey" manner and in an abbreviated implementation timeframe of only 30 days. The turnkey approach that CGI shall follow shall include installation of the Investment Software, conversion of 6 months of the County's applicable investment data from the County's legacy "APS2" system, and testing of and training on the Investment Software.

The Live Testing period for the Investment Wave shall be of 90 days in duration.

The support provided by CGI in the Post-Implementation Phase for the Investment Wave of the Project shall be provided by the onsite CGI Project team, with level two support provided by Sympro (as, with respect to this SOW, CGI's subcontractor), as needed and requested by CGI.

### ***Training (Learning Management) Wave (Meridian)***

During the Envision Phase for the "Training (Learning Management)" Wave of the Project, the County's requirements shall be gathered through a workbook. The workbook shall be presented and explained by CGI to the County, and then the County will complete the workbook.

The testing, development, and training system for the training to be provided in the Training (Learning Management) Wave of the Project will be hosted at a third-party vendor's (Meridian KSI's) facilities, at no additional cost or charge to the County, until time to migrate the system to the production environment. The production system for Training (Learning Management) will be hosted by the County on hardware provided by the County.

The Live Testing period for the Training (Learning Management) Wave shall be of 30 days in duration.

The support provided by CGI in the Post-Implementation Phase for the Training (Learning Management) Wave of the Project shall be provided by the onsite CGI Project team, with level two support provided by Meridian KSI (as, with respect to this SOW, CGI's subcontractor), as needed and requested by CGI:



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### ***Training (Content and Competency) Wave (Meridian)***

During the Envision Phase for the "Training (Content and Competency)" Wave of the Project, the County's requirements shall be gathered through a workbook. The workbook shall be presented and explained by CGI to the County, and then the County will complete the workbook.

The testing, development, and training system for the training to be provided in the Training (Content and Competency) Wave of the Project will be hosted at a third-party vendor's (Meridian KSI's) facilities, at no additional cost or charge to the County, until time to migrate the system to the production environment. The production system for Training (Content and Competency) will be hosted by the County on hardware provided by the County.

The Live Testing period for the Training (Content and Competency) Wave shall be of 30 days in duration.

The support provided by CGI in the Post-Implementation Phase for the Training (Content and Competency) Wave of the Project shall be provided by the onsite CGI Project team, with level two support provided by Meridian KSI (as, with respect to this SOW, CGI's subcontractor), as needed and requested by CGI.

### **AMS Advantage ERP Software Solution Functional Implementation**

Without limiting any other provisions of this SOW, this section of this SOW describes the functional capabilities of the AMS Advantage ERP Software solution that shall be included in the scope of the implementation to be conducted hereunder and the Project. However, the AMS Advantage ERP Software solution includes baseline functionality not described here and that may be implemented as CGI and the County perform prototyping and business process reengineering activities during the Envision Phase for the applicable Waves of the Project and that may be configured and setup up during the applicable Build Phase.

The functional capabilities of the AMS Advantage ERP Software solution that shall be included in the scope of the implementation and the Project to be conducted hereunder include, but are not necessarily limited to, the following:



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## ***AMS Advantage Procurement and Vendor***

### **PO, Contracts, VSS**

- Centralized Contract Management
- Departmental Purchasing including on-line requisition
- Web-based solution for vendors registration and solicitation
- Standardized commodity approach (NIGP) for purchasing, reporting and analysis.
- Measure vendor performance

## ***AMS Advantage Financial Management***

### **Billing, AR, Collections**

- Automation of receivables tracking in AMS Advantage to replace current Microsoft Excel, QuickBooks, Quicken, or manual systems.
- Standardized entry of cash receipts for in Advantage by County Departments where other external Accounts receivable systems will continue to be used.
- Automated cash reconciliation

### **Accounts Payable**

- Implementation of 2-way match
- Automated discount processing
- Automate procurement card processing
- Automated EFT payments
- Automated 1099 reporting
- MICR printing of checks
- Standardized department A/P processing and workflow



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### Work Orders

- Tracking and reporting various expenditures and costs associated with the work order by entering the task order number on the financial transactions or time sheet.

### Security and Workflow

- Automated document routing and approval.
- Workspaces to support ease of system use for end users.
- Enhanced security model

### Cash Management

- Advantage Cash Management including cash controls, flows, and forecasting, bank reconciliation and automated cash sweep process
- Simplified Interest Allocation

### GI and Financial Reporting

- Redesigned Chart of Accounts
- Journals and ledgers for various reporting purposes
- CAFR reporting
- Automated annual close and encumbrance roll.

### Budget Control

- Control valid chart of account combinations that are allowed on accounting transactions
- Track document activity at operating, organizational, project, or grant levels
- Multi-year budget tracking



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### Cost Plan

- Simplify creation of State Cost plan by using AMS Advantage processes and reporting.

### ***AMS Advantage Project and Grant Management***

#### Cost Accounting (Projects and Grants)

- Recording and tracking budgets, controlling expenses and revenues, and providing online inquiry and reporting capability for project and grant budgets, expenses, and revenues by utilization of system-wide, as well as departmental chart of account elements as well as recommended budget structures
- Automated reimbursement process to provide timely and accurate data related to monies owed the County for reimbursement on grants.
- Automated process charging indirect costs to grants to allow quicker reimbursement to the County
- Time sheet entry including cost accounting elements to provide the County timely and accurate posting of labor costs to grants.
- Service Department Charging

### ***AMS Advantage Asset Management***

#### Fixed Assets

- Track and Transfer assets by custodian or location
- Classify capitalized and non-capitalized assets
- Track CIP (construction in progress) costs and reclassify as assets when construction is complete.
- GASB 34 compliance



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***AMS Advantage Inventory Management***

Inventory

Inventory module and functionality is **not** in the scope of this SOW.

***Sympro – Debt and Investment Modules***

Investment and Debt Management

- Sympro Investment and Debt management, tracking, and reporting.

***AMS Advantage Performance Budgeting***

- Budget Formulation
- Salary and Benefits Forecasting
- Budget Book Publishing

***Meridian KSI – Learning Management and Content and Competency***

Learning Management and Content and Competency (Training)

County-wide training and competency management functionality

***AMS Advantage Employee Self-Service***

ESS

- Employee can access ESS 24/7 from any web browser from any place
- Benefit enrollments can be fully managed in-house, without relying on an outside vendor to perform this task



- Personnel

#### Time and Attendance

- Performance of all timekeeping functions.
- Electronic timesheets available to employees through Employee Self Service
- Automatic generation of overtime, shift and other premium pays
- Automatic data validation (including budget string and leave balances) at time of data entry

#### Benefits

- Benefit enrollments can be fully managed in-house, without relying on an outside vendor to perform this task

Cobra benefit functionality is **not** within the scope of this SOW.

#### ***AMS Advantage Human Resources Management***

The following AMS Advantage Human Resources Management modules are included and shall be implemented in the Project:

- Human Resources;
- Position Control;
- Benefits Administration;
- Time & Attendance;
- Payroll Management; and
- Employee Self Service.



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### Compensation

- Tracking of service hours for step advancement eligibility determination
- Maintenance of future, current and retroactive compensation changes and pay schedules
- Framework to enforce rules and guidelines centrally and at the department level when necessary
- Centrally maintained classification and compensation data

### Position Control

- Real-time position control counts and automatic validation of any transactions affecting position counts
- Timeline maintained position information supports future and retroactive position related data updates, as well as automatic expiration of records
- Allows for multiple incumbents within the same position, as well as employees with multiple positions

### Payroll

- Effective dating for all payroll related transactions allowing for past- and future-dated transactions
- Retroactive pay adjustments are processed automatically
- Ability to provide configurable level of access to all or some payroll information to decentralized departments
- Configurable automatic notification of employees and system users when certain personnel actions are performed
- User configurable workflow and approval paths for any payroll transactions
- Reimbursement functionality for travel and other employee items such a tuition reimbursements.

### Personnel

- County-wide tracking of personnel





- Configurable automatic notification of employees and system users when certain personnel actions are performed

#### Worker's Compensation

- Tracking total length of time employee is absent for worker's compensation
- Tracking light duty assignments and restrictions for worker's compensation.
- Ability to accommodate a return-to-work plan.

The following AMS Advantage 3.x Software modules are not within the scope of this SOW:

- o Grievance and Discipline Tracking
- o Risk Management
- o Talent Management (Recruitment)

#### **Project Managers**

CGI's Project Manager for this SOW will be Cynthia LaJoy.

The County's Project Manager for this SOW will be Ed Munoz.

#### **Key Personnel**

In addition to CGI's Project Manager (who, as provided in the Agreement, is one of the Key Personnel), the Key Personnel that CGI shall assign to performance of the Services under this SOW are:

- a. Financial Lead – Kelley Pace;



- b. Performance Budget Lead – John Kohls;
- c. HR / Payroll Lead – Andreas Staubli; and
- d. Technical Lead – Peter Lanik.

### Project Plan

The Project Plan for the Project is provided, in different detailed segments or components, in the following Exhibits to the SOW (collectively, Exhibit C):

- o Exhibit C – 1 MC ERP Project Management Project Schedule and Plan;
- o Exhibit C – 2 MC ERP Financial Project Schedule and Plan;
- o Exhibit C – 3 MC ERP Performance Budgeting Project Schedule and Plan;
- o Exhibit C – 4 MC ERP HRM Schedule and Plan;
- o Exhibit C – 5 MC ERP Meridian KSI Project Schedule and Plan; and
- o Exhibit C – 6 MC ERP Debt and Investment Management.

The high-level project roadmap of the major activities that shall be performed under this SOW is given in Exhibit A-7



**Exhibit A-7 MC ERP Project Roadmap:**

| Fiscal Year   | FY 07 / 08 |     |     |     | FY 08 / 09 |     |     |     | FY 09 / 10 |     |     |     |      |     |     |     |     |     |     |     |  |
|---|------------|-----|-----|-----|------------|-----|-----|-----|------------|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|--|
|   | Sept       | Oct | Nov | Dec | Jan        | Feb | Mar | Apr | May        | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr |  |
| Duration  | 1          | 2   | 3   | 4   |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| FINANCIALS<br>G/L, A/R, A/P, Budget Control, Cash Mgmt,<br>Cost Acctg, Cost Plan, Fixed Asset, Proc.,<br>Treasury, and VSS  |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
|   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
|   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
|   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| Debt Management (Sympro)  |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| Investment Management (Sympro)  |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| PERFORMANCE BUDGETING   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
|   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| HRM/PAYROLL   |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| Compensation, Position Control, Payroll,<br>Employee Travel, ESS, Personnel, Time &<br>Attendance, and Benefits (Advantage) |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |
| Training (Mendian)  |            |     |     |     |            |     |     |     |            |     |     |     |      |     |     |     |     |     |     |     |  |



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### **Legend Description for Exhibit A-6**

\*Financial post-implementation support shall include support for:

- a. WINCAMS Interface for Payroll;
- b. Cost Accounting for Payroll; and
- c. Vendor Solicitation.

\*\*Performance Budgeting post-implementation support activities shall include:

- a. Recommended Budget Book preparation; and
- b. Any other in-scope activities described elsewhere in this SOW or in the Project Plan.

\*\*\*HRM post-implementation support activities shall include:

- a. Any in-scope activities described elsewhere in this SOW or in the Project Plan.

"Other#", as used in Exhibit A-6, means the following:

- a. WINCAMS Interface for Payroll;
- b. Cost Accounting for Payroll; and
- c. Vendor Solicitation.

"BB" means "Budget Book."

"BB1" means "Recommended Budget Book."

"BB2" means "Adopted Budget Book."



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### **Critical Milestones**

The following are the Critical Milestones for each Wave of the Project to be conducted under this SOW. The start and completion dates for these Critical Milestones will only be changed upon the express, written mutual agreement by both CGI and the County

#### ***Financial Wave***

- Start date = 04/07/2008
- Begin Integrated System Test = 03/26/2009
- Complete Pre-live Acceptance Testing = 06/26/2009
- Go Live Date = 07/09/2009
- Complete Post-live Acceptance Testing = 9/22/2009

#### ***Debt Wave***

- Start date = 07/01/2008
- Complete Pre-live Acceptance Testing = 07/29/2008
- Go Live Date = 08/01/2008
- Complete Post-live Acceptance Testing = 09/01/2008



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***Investment Wave***

- Start date = 06/01/2009
- Complete Pre-live Acceptance Testing = 06/30/2009
- Go Live Date = 07/01/2009
- Complete Post-live Acceptance Testing = 09/30/2009

***Performance Budget Wave***

- Start date = 04/07/2008
- Begin Integrated System Test = 09/30/2008
- Complete Pre-live Acceptance Testing = 10/21/2008
- Go Live Date = 11/14/2008
- Complete Post-live Acceptance Testing = 01/28/2009

***HR / Payroll Wave***

- Start date = 10/01/2008
- Begin Integrated System Test = 05/19/2009
- Complete Pre-live Acceptance Testing = 09/30/2009



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- Go Live Date = 01/04/2010
  - Complete Post-live Acceptance Testing = 03/18/2010

***Training Wave***

- Start date (Learning Management) = 10/01/2008
- Complete Pre-live Acceptance Testing (Learning Management) = 03/10/2009
- Go Live Date (Learning Management) = 04/01/2009
- Complete Post-live Acceptance Testing (Learning Management) = 05/01/2009
- Start date (Content and Competency) = 04/02/2009
- Complete Pre-live Acceptance Testing (Content and Competency) = 08/05/2009
- Go Live Date (Content and Competency) = 08/26/2009
- Complete Post-live Acceptance Testing (Content and Competency) = 09/28/2009

NGEDOCs: 1509603.6



Each party has caused its authorized representative whose name and signature appears below to execute this Statement of Work, effective as of the SOW Effective Date.

**CGI Technologies and Solutions Inc.  
(CGI)**

By: *David Delgado*

(Signature of Chair, President, or Vice-President)

Name: DAVID DELGADO

Title: VICE PRESIDENT

Date: 3/11/08

By:

*J. Figini*

(Signature of Secretary, Asst. Secretary,  
CFO, or Asst. Treasurer)

Name: Joseph Figini

Title: Asst. Secretary

Date: 3/9/08

**The County of Monterey, California  
(Customer)**

By: *Michael R. Depp*

Name: Michael R. Depp

Title: Contracts/Purchasing Manager

Date: 4-3-08

Approved as to Form:

By:

Name: *W. Allen Bidwell*

Title: County Counsel Deputy

Date: 03-21-2008

Approved as to Fiscal Provisions:

By: *Michael G. Miller*

Name:

Title: Auditor / Controller

Date: March 27, 2008



