

The State Bar of California

REQUEST FOR PROPOSAL



This document is a Request for Proposal (“RFP”) for Offsite Records Storage for our Los Angeles Offices.

Please submit 7 copies of your proposal no later than 5 p.m. on November 2, 2007 to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attn: Patricia Horn
Library/Archives
415-538-2566
patricia.horn@calbar.ca.gov

I. INTRODUCTION

The State Bar of California (“ the State Bar”), created in 1927 by the Legislature and adopted into the California Constitution in 1960, is a public corporation within the judicial branch of state government. The State Bar is a unified, or integrated bar, which means that membership is mandatory for all attorneys who are licensed to practice law in the state. In addition to its mandated licensing and disciplinary and certification functions, the State Bar offers a number of other programs designed to assist, educate and protect its members and the public. The State Bar has three (3) business locations within the state, located within the greater Los Angeles, Sacramento and San Francisco areas. More information about the State Bar can be found in an article entitled “*The State Bar of California – What Does It Do, How Does It Work?*” available on the State Bar’s website at http://calbar.ca.gov/state/calbar/calbar_home_generic.

In accordance with statute and the State Bar's procurement policies, contracts of \$50,000 or more are subject to formal competitive bidding. As a governmental agency, the State Bar regularly is granted favorable governmental pricing and contract terms.

The State Bar is seeking proposals for secure offsite storage and related services for State Bar records for its offices located at 1149 South Hill Street, Los Angeles,

California. Service to include pick up and delivery of record boxes upon request. Contract period desired is for an initial period of 3 years, with an option to renew for 2 additional 1-year terms.

Contact with State Bar personnel in connection with this RFP may not be made other than as specified in this RFP. Unauthorized contact of any State Bar personnel may be cause for rejection of a bid.

II. GENERAL INFORMATION

The submission requirements for this RFP are set forth below. A proposal shall constitute an irrevocable offer for 60 business days following the deadline for its submission. Reference to a certain number of days in this RFP shall mean business days unless otherwise specified.

A. Submission Requirements

To be considered responsive, a proposal must contain the following, referenced by number and in the order below:

1. A brief description of the history and organization of the bidder's firm, and of any proposed subcontractor.
2. Copies of business licenses, professional certifications or other credentials, together with evidence that bidder, if a corporation, is in good standing and qualified to conduct business in California.
3. The most recent year's annual reports, or comparable document, including detailed current profit and loss, assets and liabilities, and other relevant financial data. Bidder must submit a completed Business History / Financial Viability Questionnaire (Attachment B) electronically and submit either on disc with proposal, or emailed directly to andrew.conover@calbar.ca.gov.
4. A description of new account transfer process for similar new accounts acquired by the bidder within the past three (3) years including the techniques, approaches and methods to be used in completing the project.
5. Qualifications, background and experience of the project director and other staff proposed to work on the project.
6. References with contact information from organizations that have used bidder's services within the last 12-18 months.

7. A description of the chronology for completing the work, including a time line and deadlines for each task.
8. Screen-shot samples and navigation information for bidder's online inventory control system, including sample request forms, look-up queries and other account management tools.
9. Sample inventory reports, activity reports, and itemized monthly billing statements.
10. A detailed cost proposal, including any travel costs and other expenses. Bidder must submit a completed Itemized Cost Proposal (Attachment A) electronically and submit either on disc with proposal, or emailed directly to andrew.conover@calbar.ca.gov. As the State Bar may award a contract based on the initial offer, a bidder should make its initial offer on the most favorable terms available. The State Bar reserves the right, however, to have discussions with those bidders falling within a competitive range, and to request revised pricing offers from them and to make an award or conduct negotiations thereafter.
11. A written acknowledgement of the acceptance of the Contracting Requirements set forth in section IV of this RFP. Specific terms may be reserved for future negotiation, but must be clearly identified and reasons given for the reservation.

Proposals which fail to address each of the submission requirements above may be deemed non-responsive and will not be further considered.

B. Rejection of Proposals

The State Bar reserves the right in its sole discretion to reject any or all proposals in whole or in part, without incurring any cost or liability whatsoever. All proposals will be reviewed for completeness of the submission requirements. If a proposal fails to meet a material requirement of the RFP, or if it is incomplete or contains irregularities, the proposal may be rejected. A deviation is material to the extent that a proposal is not in substantial accord with RFP requirements.

Immaterial deviations may cause a bid to be rejected. The State Bar may or may not waive an immaterial deviation or defect in a proposal. The State Bar's waiver of an immaterial deviation or defect shall in no way modify the RFP or excuse a bidder from full compliance with the RFP requirements.

Any proposal may be rejected where it is determined to be not really competitive, or where the cost is not reasonable.

Proposals that contain false or misleading statements may be rejected if in the State Bar's opinion the information was intended to mislead the State Bar regarding a requirement of the RFP.

C. Evaluation Process and Highest Score Bidder

An evaluation team will review in detail all proposals that are received to determine the Highest Score Bidder ("HSB").

The State Bar reserves the right to determine the suitability of proposals on the basis of a proposal's meeting administrative requirements, technical requirements, the review team's assessment of the quality and performance of the equipment and services proposed, and cost.

During the evaluation process, the State Bar may require a bidder's representative to answer questions with regard to the proposal and/or require certain bidders to make a formal presentation to the evaluation team and/or the State Bar Senior Executive Team. The State Bar may also have discussions with those bidders falling within a competitive range, and request revised pricing offers from such bidders and make an award and/or conduct negotiations thereafter.

The following criteria will be used in reviewing and comparing the proposals and in determining the HSB. The weight to be assigned to each criterion appears following each item.

1. Responsiveness of the proposal to the submission requirements set forth in the RFP (10%).
2. Agreement with the State Bar's contracting requirements (10%).
3. The technical ability, capacity, and flexibility of the bidder to perform the contract in a timely manner and on budget, as verified by, e.g., the quality of any demonstration, client references, demonstrated success in projects with similar requirements and any other contracts with the State Bar (35%).
4. The financial viability of the bidder as evidenced by standard financial reports (10%).
5. The total cost of the proposal solution. If the proposal contains itemized rates, per piece pricing, or commission-based pricing, the State Bar reserves the right to calculate total contracted cost by calculating rates using either previous know usage activity or future projected volume. Costs will be evaluated only if a proposal is determined to be otherwise

qualified. Costs should be itemized by type to allow the State Bar to implement the solution over the term of the contract (35%).

If a large number of proposals are received, the State Bar reserves the right to review the proposals using a tiered evaluation system. All proposals will be evaluated based on the Submission Requirements and Cost, with the top candidates advancing as finalists and receiving a full evaluation as outlined above. The State Bar may elect to conduct facility inspections for the finalists prior to determination of the HSB.

D. Award and Execution of Contract

Subject to the State Bar's right to reject any or all proposals, the HSB will be awarded the contract. Notice will be posted at the State Bar's offices at 180 Howard Street, San Francisco, CA and written notice sent to bidders on or about December 7, 2007 of the Bar's intention to award the contract to the HSB. It is anticipated that final selection of the HSB will be made by December 14, 2007. The evaluation team will select a winning proposal subject to approvals granted by the Board of Governors. Upon selection, the State Bar and the selected Vendor will enter into good faith negotiations on a contract containing, without limitation, the Statement of Work and Contracting Requirements sections below.

No contract or agreement, express or implied, shall exist or be binding on the State Bar before the execution of a written contract by both parties. If agreement on the terms of such a contract cannot be reached after a period deemed reasonable by the State Bar in its sole discretion, the State Bar may enter into negotiations and sign a contract with any other bidder who submitted timely, responsive and responsible proposals to this RFP.

If, after the State Bar and the HSB agree to terms and execute a contract, that contract is terminated for any reason, the State Bar may, in its sole discretion, either enter into negotiations with the next highest scored bidder, or issue a new RFP and begin the proposal process anew.

Questions regarding the State Bar's award of any business on the basis of proposals submitted in response to the RFP, or on any other matter in connection with the selection process, should be addressed in writing to Andrew Conover, Finance Manager, at andrew.conover@calbar.ca.gov.

Where written notice is required in this RFP, the notice must be sent by U.S. mail and either facsimile or e-mail.

E. Errors in the RFP

If a bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the bidder should immediately provide the State Bar with written notice of the problem and request that the RFP be clarified or modified. Without disclosing the

source of the request, the State Bar may modify the document prior to the date fixed for submission of proposals by issuing an addendum to all potential bidders to whom the RFP was sent.

If prior to the date fixed for submissions, a bidder knows of or should have known of an error in the RFP but fails to notify the State Bar of the error, the bidder shall bid at its own risk, and if, awarded the contract, shall not be entitled to additional compensation or time by reason of the error or its later correction.

F. Questions Regarding the RFP

Questions regarding the RFP may be addressed in writing to Patricia Horn at patricia.horn@calbar.ca.gov. All questions must be submitted no later than 10 days prior to the date for submission of proposals. Questions and answers regarding the RFP may be shared with all bidders known to be interested in submitting a proposal.

If a question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the bidder may submit the question in writing, conspicuously marking it as "CONFIDENTIAL." With the question, the bidder must submit a statement explaining why the question is sensitive. If the State Bar concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the State Bar does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the bidder will be notified.

A bidder who believes that one or more of the RFP's requirements is onerous or unfair, or unnecessarily precludes less costly or alternative solutions, may submit a written request that the RFP be changed. The request must set forth the recommended change and reason for proposing the change. The State Bar must receive any such request no later than 10 days before the deadline for submitting proposals.

G. Addenda

The State Bar may modify the RFP prior to the date fixed for submission by posting, mailing, emailing or faxing an addendum to the bidders known to be interested in submitting a proposal. If any bidder determines that an addendum unnecessarily restricts its ability to bid, it must notify the State Bar in writing no later than 5 days before the deadline for submitting proposals.

H. Withdrawal and Resubmission/Modification of Proposals

A proposal may be withdrawn at any time prior to the deadline for submitting proposals by notifying the State Bar in writing of its withdrawal. The notice must be

signed by the bidder. The bidder may thereafter submit a new or modified proposal, provided that it is received at the State Bar no later than the deadline.

Modification offered in any other manner, oral or written, will not be considered. Proposals cannot be changed after the evaluation process begins.

I. Protest Procedure

A bidder may protest the award if it meets all the following conditions:

1. The bidder has submitted a proposal that it believes is or should have been the HSB, under the criteria set forth above;
2. The bidder believes that its proposal meets the State Bar's administrative and technical requirements, proposes services of proven quality and performance, and offers a competitive cost to the State Bar; and
3. The bidder believes that the State Bar has incorrectly selected another bidder.

A bidder qualified to protest should contact Andrew Conover, Finance Manager, (415) 538-2207, to attempt an informal resolution. If this contact is unable to resolve the protest to the bidder's satisfaction, the bidder must file a written protest within 5 days of the notice of intention to award the contract. The written protest must state the facts surrounding the issue and the reasons the bidder believes the award to be invalid. The protest must be sent by certified or registered mail or delivered personally to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attention: Peggy Van Horn, Chief Financial Officer

Protests will be reviewed and decided by the State Bar's Award Protest Team within 30 days after the State Bar issues written acknowledgment of the protest. In the event that a protest is filed, the contract award will be postponed pending resolution of the protest.

J. News Releases

News releases pertaining to the award of a contract may not be made without the prior written approval of the State Bar.

K. Disposition of Materials

All materials submitted in response to an RFP will become the property of the State Bar of California and will be returned only at the State Bar's option and at the expense of the bidder. One copy of each proposal will be retained for the State Bar's official files and become a public record. Specific limited pages of a proposal, not including proposed cost and compensation, may be marked as proprietary and confidential. The bidder's consent will be requested before release of such pages to non-State Bar personnel. By submitting a proposal, a bidder agrees to these terms and waives any right to pursue a cause of action for damages incurred as a result of the release of any information contained in a proposal.

III. STATEMENT OF WORK

The State Bar of California is soliciting proposals from Record Storage Service Providers to furnish off-site document storage and related services for its Los Angeles office. The office is located at 1149 South Hill Street, Los Angeles, CA 90015-2299. The State Bar's business hours are 8:45 a.m. to 5:00 p.m. Monday through Friday, excluding holidays. Currently four separate departments at this location require secure offsite storage of their documents: State Bar Court, Enforcement, Client Security Fund, and Probation. As of March 2007, these four departments had approximately 25,000 boxes in storage combined. Additional boxes will be added to this total as required. The majority of the boxes currently stored are standard letter/legal file boxes (15" L x 12" W x 10" H), which are 1.2 cubic feet. Other boxes may include legal size transfer boxes (24" L x 15" W x 10" H, 3.6 cubic feet), planner/blueprint boxes (4" x 4" x 42"), and large planner/blueprint boxes (8" x 8" x 42"). For additional details, see Offsite Account Samples, Attachment C. The Scope of Services shall include, but not be limited to the following services outlines below

A. Record Storage

The vendor must provide secure off-site storage for the State Bar's documents and be able to provide enough physical storage capacity for approximately 25,000 boxes at the initiation of the contract. The State Bar may add more boxes to the vendor's facility during the contract period. The vendor must accommodate the additional boxes at the rates offered.

The vendor must store the State Bar's boxes and/or files at facilities located in the Los Angeles area.

B. Record Pickup and Delivery

The vendor shall accept and respond to pickup and delivery requests from authorized State Bar staff. The vendor will deliver requested boxes and/or files during the State Bar's regular business hours of 8:45 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

Orders for delivery placed before 3:00 p.m. will be delivered by the next business day. Orders for rush delivery placed before 1:00 p.m. will be delivered within 4 hours. Orders for pickup of new or refile boxes and/or files will be picked up within 2 business days.

Deliveries are to be made to the 7th floor mailroom in the State Bar building unless the requesting department specifically asks for delivery to another location in the building. New or refile boxes and/or files for pick up will be picked up from the requesting department's office unless the department requests pick up from a different location in the building.

Vendor shall combine delivery and pick up of boxes into one trip when requested, and shall meet the delivery requirements listed above.

C. Transition Services

At the commencement of the contract, the vendor must assume full responsibility for the transfer of all of the State Bar's records stored at its current storage facility to the vendor's facility. This responsibility includes new bar coding, labeling, data entry, and inventorying for the boxes to be stored at the vendor's facility or facilities at the beginning of the contract period. The vendor should include in its response the process for acquiring the client's boxes from the current facility and a time line for the process. Any costs related to this requirement must be clearly identified in the vendor response.

The new vendor will replace boxes damaged during transfer from the State Bar's current vendor to the new vendor's facilities. Should such damage occur, the new vendor shall furnish a report to the State Bar detailing which boxes were damaged and replaced.

Upon successful completion of the transfer, the vendor will supply to the State Bar an inventory report of the boxes moved to the new storage facility. This inventory report will list boxes by department name and /or cost center and number of boxes for each department/cost center.

D. Permanent Removal or Destruction Services

The State Bar may require the permanent removal or destruction of specified boxes stored with the vendor. The vendor shall provide for the permanent removal of such specified boxes and return to the State Bar. Boxes permanently removed from storage must not appear on subsequent monthly invoices for storage. Any costs or fees associated with permanent removal of boxes must be identified in the vendor's response.

The vendor must have the ability to accomplish the certified destruction of records stored at the vendor's facility and off site at the State Bar offices. The certified destruction shall be performed by either shredding or incineration. The vendor must ensure that confidentiality of all destroyed records is maintained throughout the destruction process. The vendor will provide a certificate of destruction to the State Bar for those records destroyed. No records shall be destroyed without written approval from the administrator or authorized user of the State Bar account with the vendor.

E. Inventory Tracking

The vendor shall maintain an accurate, bar-coded and computer-based inventory tracking system. The computerized system must be web enabled, with adequate security, to provide Internet access to the information by State Bar users.

At a minimum, this system must identify each stored State Bar box by department, cost center, description, and status (checked in/checked out). Essential data fields include: box number, bar code, box size, location, cost center, department, major description, minor description, status, and box history (dates of check out and check in).

The inventory tracking process shall include appropriate logs and receipts for pick up and delivery of the individual boxes for verification and audit purposes. Logs and receipts will be made available to the State Bar upon request.

The inventory status must be updated within 24 hours of activity.

F. Reporting

The vendor shall provide the following reports to the State Bar upon request. The State Bar should have access to these reports without additional fees. The vendor will list costs or fees, if any, for these reports.

1. Inventory reports for all State Bar boxes stored at the vendor's facility. Also detailed reports of the quantity of boxes and/or files by division or departments.
2. Activity reports including a summary of ordering activity by location, quantity, and order type. Retrieval activity reports includes history for checked out, permanently removed, and destroyed inventory.
3. Financial reports that provide billing activity for a specified invoice period.

G. Account and Invoicing

The main account set up for the State Bar of California must include separate billing and invoicing for 5 sub accounts. The 5 sub accounts are for the State Bar Court, the Client Security Fund, Probation, and 2 of the accounts will be for the Enforcement Department.

The vendor will provide monthly invoices to each designated department showing a line item for that department's storage and activity costs. The invoice will include a detail list of all transactions for that department. The total monthly cost for each department will be billed to and paid separately by each department.

H. Secure Storage and Facility Standards

The vendor's storage facilities shall provide a level of protection consistent with industry standards. The vendor's storage facility shall be solidly constructed with secure loading and unloading areas. Floors shall support at least 300 pounds per square foot, and shall be at or above ground level to assure dry storage. Walls surrounding the record storage area shall be four hour fire resistant. Roof shall be of non-combustible construction and leak proof.

The records storage facility must meet all applicable and current requirements of the National Fire Protection Association.

Vendor shall provide an environmentally controlled (at minimum, an average office environment temperature and humidity) storage area. The climate control equipment should not be turned off or thermostat settings adjusted during nights, weekends and holidays. The vendor must have a back-up power system in all facilities. Storage facilities cannot house any hazardous material. Storage facilities cannot be located within a flood area or risk exposure from external hazards.

The vendor is responsible for security of all storage facilities. Storage facilities must be equipped with an intrusion alarm system that is monitored 24 hours per day, including weekends and holidays.

The vendor must provide adequate storage capacity to meet both the current and future needs of the State Bar.

The vendor is responsible for all the contents stored in any of its storage facilities. The vendor must provide a written disaster and recovery plan for any catastrophic occurrences including but not limited to earthquake, flood, fire, etc.

The vendor is responsible for recovery from any catastrophic occurrences, including but not limited to fire, damage or theft, as well as any associated costs. The vendor must carry the appropriate insurance and provide proof thereof.

The storage facility or facilities must be properly shelved, fully secured, and equipped with motion, smoke and heat detectors/alarms to prevent loss from theft and fire. The State Bar requires that the facility or facilities be constructed and equipped with fire safety systems as required by the International Fire Code and other applicable codes.

Appropriate redundant systems must ensure continuous operation.

Vendor shall provide proof of semi-annual treatment and/or inspection for rodent and insect protection.

I. Transportation

The vendor must provide vehicles designed for the transportation of storage records. The vehicles must have the appropriate security features (anti-theft device) and be secured while at a delivery/pick up site. All vehicles must be equipped with a fire extinguisher.

J. Account Representation

The vendor shall appoint an account representative for the State Bar as a single point of contact in order to insure a high level of responsiveness to the State Bar's needs. A backup contact shall also be designated for the purposes of providing coverage during the primary contact's absence.

K. Price Schedule

Please provide firm fixed pricing detail for each category listed in the Itemized Cost Proposal, Attachment A. All charges, fees and rates must be entered in the applicable cells on the worksheet. Cost proposals submitted in any other format will be deemed non-responsive and not be considered by the RFP evaluation team. See instructions on worksheet for additional information. All prices are to be based on the standard size box (15' x 12" x 10"). Prices must be stated per box not cubic foot unless otherwise stated.

Please list any additional charges for miscellaneous services, including but not limited to labor, data processing, recurring operation charges, all inclusive costs for access to vendor's website (if any), charges for reports (including special sorting costs, special file listing costs, computer listing charges, initial setup, and download fees), costs for vendor required storage supplies including vendor's bar codes, transmittal sheets, file

labels, etc. Also detail any other management fees or recurring operation charges not itemized on Attachment

Every effort must be made to provide detailed information for ordinary, usual, and routine services and goods, whether or not noted in the item descriptions above. If the renewal option is exercised the pricing in the existing contract will apply.

IV. CONTRACTING REQUIREMENTS

Upon selection of a vendor, the terms set forth in this RFP are to be embodied in a definitive agreement containing such additional covenants and other provisions as may be mutually acceptable.

The State Bar contemplates that, in addition to the terms described above in this RFP, final agreement between the State Bar and the selected vendor will include, without limitation, the following terms. Submission of a proposal shall constitute agreement to contract on these terms, except for any term specifically reserved in the proposal for future negotiation.

A. Warranties and Representations

Vendor will warrant and represent that it possesses such expertise, experience, facilities, and resources to perform the scope of services required in a diligent, timely and professional manner consistent with the standards of the industry. Vendor will supply at all times an adequate number of well-qualified personnel to perform the work. Vendor will provide a contact person available and authorized to remedy any non-conformity with this warranty.

B. Equipment, Tools, Supplies

The Vendor will supply all equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services and insurance required. The Vendor is not required to purchase, rent or hire any equipment, tools, supplies, offices, transportation, personnel, insurance or instrumentalities from the State Bar. The State Bar has no obligation whatsoever to provide any equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services or insurance required to perform services under this agreement.

C. Indemnity Obligations of Vendor

To the fullest extent permitted by law, the Vendor will agree to protect, indemnify, defend and hold the State Bar and the State Bar's Board of Governors, officers, employees, agents and representatives and each of their successors and assigns (the "Indemnities") entirely harmless from and against any and all claims, actions, demands, proceedings, liabilities, damages, judgments, fines, penalties, settlements,

costs and charges, including, without limitation, attorneys' fees and expenses, arising directly or indirectly from or in connection with (a) any breach of the Agreement, (b) any actual or alleged negligent act, negligent error or omission, intentional misconduct of, or violation of any law by Vendor, the Vendor's employees, subcontractors, agents, representatives or assigns (collectively, the "Vendor's Agents") in the performance or non-performance of the professional services required to be performed by the Vendor under the Agreement; or (c) the State Bar's enforcement of its rights under this indemnity provision. The Vendor will agree that its obligations under this indemnity will survive the expiration and termination of this agreement.

In the event both the State Bar and Vendor are named as defendants in the same civil action, and the State Bar determines that a conflict of interest exists between the parties, Vendor will agree to provide, at its own cost, independent counsel for the State Bar. The State Bar may, at its option, designate its Office of General Counsel as equal participating counsel in any litigation wherein the Vendor defends the State Bar.

D. Insurance Obligations of Vendor

The Vendor will provide and keep in full force and effect during the term of this agreement, at the Vendor's own cost and expense, the following insurance policies for the joint benefit of the Vendor and the State Bar, with an insurer reasonably acceptable to the State Bar:

1. Commercial general liability insurance with a general aggregate limit (other than products/completed operations) of at least Two Million Dollars (\$2,000,000.00); at least One Million Dollars (\$1,000,000.00) personal and advertising injury limit; at least One Million Dollars (\$1,000,000.00) premises and operations limit; at least One Million Dollars (\$1,000,000.00) each occurrence limit;
2. Workers' compensation coverage as required by law, together with employer liability coverage with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence.
3. Comprehensive automobile liability insurance covering owned, leased, hired and non-owned vehicles with at least One Million Dollars (\$1,000,000.00) combined single limit.
4. Professional liability insurance with a general aggregate limit of Two Million Dollars (\$2,000,000) and an occurrence limit of two Million Dollars (\$2,000,000).

The Vendor will deliver to the State Bar offices at 180 Howard Street, San Francisco, CA 94105 Attn: Andrew Conover, Finance Manager, true and correct copies of its insurance policies required above, and certificates of such insurance within seven (7) days of the execution of this agreement. Each such policy will name the State Bar as

an additional insured and will state that the Vendor's policy shall be primary and that any insurance carried by the State Bar shall be noncontributing with respect thereto. Each such policy will provide for thirty (30) days prior written notice to the State Bar in the event of cancellation or reduction in coverage or amount. If the Vendor fails to secure and maintain insurance policies complying with the provisions of this agreement, the State Bar may purchase the appropriate insurance policies and the Vendor will pay upon demand the cost of it to the State Bar or the State Bar may terminate this agreement. In addition to the insurance required to be obtained and maintained by the Vendor, if the Vendor assigns any portion of the duties under this agreement in accordance with the terms, hereof, each subcontractor or assignee will purchase and maintain the same insurance coverage required hereunder.

The Vendor will immediately notify the State Bar if the Vendor's commercial general liability insurance contains restrictive endorsements other than those restrictive endorsements normally included in the State of California. If the Vendor's commercial general liability insurance contains such restrictive endorsements, the Vendor shall have five (5) business days to remove said restrictions. If the Vendor is unable to do so, the State Bar may terminate this agreement, and will be required to give the Vendor no more than two (2) days' notice of such termination, anything in this agreement to the contrary notwithstanding.

E. Termination

1. **At Will.** The agreement will be terminated by the State Bar, in its sole and complete discretion, upon thirty (30) days written notice to Vendor. In the event of termination pursuant to this section, the vendor's sole compensation will be for that portion of services performed or goods delivered up to the date of termination, together with reimbursable expenses, if any then due. Vendor will not be paid for any services, goods or reimbursable expenses associated with any work or service not specifically authorized by the State Bar.
2. **Authorization of Funds.** If the term of this agreement extends into fiscal year(s) subsequent to that in which it is signed, it is understood that the continuation of this contract is subject to the authorization of sufficient funding for such purpose by the California State Legislature. If sufficient funds are not so authorized, the parties mutually agree that the contract may be terminated or amended as appropriate in response to the reduction in funding. If the agreement is terminated, Contractor agrees to take back any affected equipment, products, software, or hardware furnished under this contract, and relieve the State Bar of any further obligation, except for the State Bar's obligation to pay for services already performed pursuant to this agreement.

3. **Default by Vendor.** This agreement may be terminated by the State Bar upon fifteen (15) days written notice to the Vendor in the event the Vendor is in default under any of its provisions. In the event this agreement is terminated due to the default by the Vendor, the Vendor will not be entitled to receive any compensation for services performed or for any reimbursable expenses incurred, and the State Bar will have the right to have the services completed by other parties and the Vendor will reimburse the State Bar for the actual costs to complete the services in excess of the balance of the fee and reimbursable expenses, if any, provided for in this agreement. Any such act by the State Bar will not be deemed a waiver of any other right or remedy of the State Bar, including, without limitation, the State Bar's right to consequential damages caused directly or indirectly by the Vendor's default.
4. **Automatic Termination.** This agreement will automatically terminate on the occurrence of any of the following events: (a) bankruptcy or insolvency of either party; (b) sale of the business of either party; (c) failure to comply with federal, state or local laws, regulations or requirements, or (d) expiration of the agreement.

F. Confidentiality and Publicity

The Vendor will retain all confidential information provided by the State Bar in the strictest confidence and will neither use it nor disclose it to anyone other than employees requiring the information to perform services under this agreement without the prior written consent of the State Bar. The State Bar retains the right to enjoin any unauthorized disclosure in an appropriate court of law. The Vendor will not issue any public announcements concerning the State Bar without the prior written consent of the State Bar.

G. Compliance with Laws

The Vendor agrees to comply with all applicable federal, state, and local laws and regulations, including but not limited to the provisions of the Fair Employment and Housing Act (Govt. Code, § 12900 et seq.) and any applicable regulations promulgated there under (Cal. Code of Regs., tit. 2, § 72850.0 et seq.). Vendor agrees to include the non-discrimination and compliance provisions of this clause in any and all subcontracts to perform work under the agreement.

H. Assignment/Subcontracting

1. **Assignment.** The Vendor will not assign or transfer its interest, in whole or in part, under this agreement, without the written consent of the State Bar, which consent may be granted or withheld in the sole and absolute discretion of the State Bar.

2. **Subcontracting.** The Vendor may subcontract with other qualified firms or individuals as required to complete all, or a portion of, the delivery of equipment and services, with the prior written approval of the State Bar.

The Vendor will clearly describe the reason for using any subcontractors, the specific role each subcontractor will play in the project, and the relationship between the Vendor and its subcontractor to be maintained during the term of this agreement. No subcontract will be approved unless the Vendor provides a written guarantee that the Vendor's firm will be contractually obligated to assume all project responsibilities and the insurance requirements set forth above.

I. General Provisions

1. **Force Majeure.** Neither party will be deemed in default of this agreement or any provision hereunder to the extent that any delay or failure in the performance of the obligations of such party (other than the payment of money) results from any significant and material causes beyond its reasonable control and without fault or negligence by such party. Examples of such causes include, but are not limited to, (1) acts of God or public enemy, (2) acts of the government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) embargoes, (9) earthquakes, and (10) unusually severe weather.
2. **Governing Law.** The agreement will be governed by the laws of the State of California without giving effect to its principles of conflict of laws.
3. **Attorneys' Fees.** In the event either party institutes any action or proceeding against the other party relating to this agreement, the unsuccessful party in such action or proceeding will reimburse the successful party for its disbursements incurred in connection therewith and for its reasonable attorneys' fees as fixed by the court. In addition to the foregoing award of attorneys' fees to the successful party, the successful party in any lawsuit shall be entitled to collect or enforce the judgment. This provision is separate and several and shall survive the merger of the agreement into any judgment.
4. **Audit.** Vendor agrees that the State Bar or its designee shall have the right to review and copy any financial records and supporting documentation pertaining to the performance of this Agreement. Vendor agrees to maintain such financial records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Vendor agrees to allow the

State Bar or its designee access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Vendor agrees to include a similar right of the State Bar or its designee to audit records and interview staff in any subcontract related to performance of this Agreement.

5. **License.** In those instances where required, the Vendor represents and warrants that the Vendor holds a license, permit or special license to perform the services pursuant to this agreement, as required by law, or employs or works under the general supervision of the holder of such license, permit or special license and shall keep and maintain all such licenses, permits or special licenses in good standing and in full force and effect at all times while the Vendor is performing the services pursuant to the agreement.

Account Samples

CURRENT ACCOUNT INFORMATION

Estimated volume and activity from 3/06 through 2/07.

Department	Location	Address	Standard size	Legal Size	Odd Size X1	Odd Size X2
State Bar Court	5th floor	1149 South Hill St. LA	5100			
Enforcement	10th floor	1149 South Hill St. LA	15632		18	220
Enforcement	10th floor	1149 South Hill St. LA	3017			
Client Secutity Fund	6th floor	1149 South Hill St. LA	492	35		
Probation	6th floor	1149 South Hill St. LA	403			

SAMPLE ACTIVITY

Not all billable categories listed.

Department	2 hour Svc	Half-day Svc	Next Day	Retreivals	Refiles	New Inventory
State Bar Court	0	0	60	397	429	9
Enforcement	8	1	155	549	527	1634
Enforcement	0	0	53	10	13	146
Client Secutity Fund	0	0	10	1	7	0
Probation						