

**CRAFT SERVICES AGREEMENT NO.
(INDEPENDENT CONTRACTOR)**

CONTRACT TITLE

This SERVICES AGREEMENT (“Agreement”) is made and entered into as of EFFECTIVE DATE (“Effective Date”), by and between SACRAMENTO MUNICIPAL UTILITY DISTRICT, a political subdivision of the State of California with its principal executive offices at 6201 S Street, Sacramento, CA 95817-1899 (“SMUD”), and CONTRACTOR NAME, with its principal executive offices at CONTRACTOR ADDRESS (“Contractor”).

Recitals

WHEREAS, SMUD desires to engage Contractor to provide the services described herein, as an independent contractor;

WHEREAS, Contractor desires to provide such services to SMUD, on the terms and subject to the conditions of this Agreement;

NOW THEREFORE, in consideration of the mutual agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SMUD and Contractor agree as follows:

Agreement

1. TERM

This Agreement shall commence on the Effective Date and remain in effect until the termination date set forth on Schedule 1 hereto, or until earlier terminated as specified in Section 17 (“Termination”).

2. SERVICES

A. Services. SMUD hereby engages Contractor to provide the services set forth on Schedule 1 hereto (“Services”). This description of the Services is intended to be a general description of the goals Contractor shall achieve under this Agreement. Contractor shall determine the method, details and means of performing the Services, subject to SMUD’s requirements for the completed project. Unless specifically requested by SMUD in the case of a meeting, Contractor is not required to perform the Services during a fixed hourly or daily time. SMUD will not be required to furnish or provide any training to Contractor or to Contractor’s employees, agents, representatives or subcontractors (collectively, “Contractor’s Representatives”) to enable Contractor to perform the Services required by this Agreement.

B. Equipment and Supplies. Unless otherwise agreed between SMUD and Contractor on Schedule 1 or in a separate writing, Contractor shall furnish, at Contractor’s own expense, the equipment, supplies and other materials used to perform the Services.

C. Security. Access to SMUD facilities is controlled in accordance with specific site requirements, which SMUD may in its sole discretion modify from time to time. Contractor and all of Contractor's Representatives must comply with SMUD's security requirements and guidelines.

3. CONTRACTOR COMPENSATION

SMUD shall pay Contractor as set forth on Schedule 1 hereto ("Contractor Compensation"). The total Contractor Compensation under this Agreement shall not exceed the amount set forth on Schedule 1 hereto, which shall constitute SMUD's maximum financial obligation under this Agreement.

4. CONTRACT MANAGEMENT

Contractor shall coordinate its Services under this Agreement with the SMUD Contract Manager identified on Schedule 1 hereto ("SMUD Contract Manager").

5. NOTICE TO PROCEED

Contractor shall not commence work hereunder until issued a written Notice to Proceed from the SMUD Contract Manager ("Notice to Proceed") which shall be issued at the earliest practical date after execution of the Agreement, including any related documents, and acceptance of any required bonds, certifications, affidavits and evidence of insurance. Contractor shall, upon receipt of the Notice to Proceed commence, with diligence, performance of the Services.

6. PREVAILING WAGE OBLIGATIONS

A. Prevailing Wage. Contractor and all subcontractors under it shall, where required, comply with Labor Code Sections 1770 through 1780 inclusive, and shall not pay less than the general prevailing rate of per diem wages, and the general prevailing rate for holiday and overtime work, for the locality in which the work is to be performed, for each craft, classification, or type of worker needed to perform the work. Per diem wages shall include employer payments for health and welfare, pension, vacation, travel time, subsistence pay, apprenticeship and other training programs, and similar purposes.

B. Published Rates; Posting; Payroll Records. The prevailing rates of per diem wages shall be as determined by the Director of the Department of Industrial Relations of the State of California. Those rates that are published by the Department of Industrial Relations are available at <http://www.dir.ca.gov/dlsr/#PWD>. In accordance with Section 1773.2 of the California Labor Code Contractor is responsible for posting the applicable per diem wage rates at the jobsite, in a conspicuous place, so they can be reviewed by all craft personnel. Contractor shall maintain payroll records as specified in Labor Code Section 1776, shall comply with all other requirements of that section, and shall be responsible for its Subcontractor's compliance with said requirements.

C. Penalties.

- i. Contractor shall as a penalty, forfeit to SMUD, not more than two hundred dollars (\$200.00) for each calendar day or portion thereof, for each worker paid less than the

stipulated prevailing rate for work done under this Contract or any subcontract, all as provided in Section 1775 of the Labor Code.

ii. The time of service of any worker employed upon public work is limited and restricted by statute to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week. Contractor shall, as a penalty, forfeit to SMUD, twenty-five dollars (\$25.00) for each worker employed in the execution of this Contract by Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of Sections 1810 to 1815, inclusive, of the Labor Code; except workers may be permitted to work more than eight (8) hours per day and forty (40) hours during any one week if the rate of pay for all hours worked in excess of eight (8) hours per day and forty (40) hours during any one week is not less than one and one half times the basic rate of pay.

D. Apprentices. Contractor and any subcontractor under it shall comply with the requirements of Sections 1777.5 and 1777.6 in the employment of apprentices.

E. Prohibitions. Any Contractor performing work by contract or subcontract hereunder shall be prohibited from contracting or subcontracting with any person or entity which has been declared ineligible to work on a public work project pursuant to either Labor Code sections 1777.1 or 1777.7. Any subcontract entered into by Contractor in contravention to this requirement is void as a matter of law, pursuant to Public Contract Code section 6109(b).

F. Information. Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, San Francisco, California, or from the Division of Apprenticeship Standards.

G. Reporting Requirements. Contractors and subcontractors must furnish electronic certified payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. **The online Compliance Monitoring Unit's Payroll Records Application can be found here: <https://apps.dir.ca.gov/ecpr/DAS/AltLogin>**

When requested, the following original signed documents shall be submitted to the SMUD Contract Manager on the forms provided:

- i. Complete LIST OF ALL SUBCONTRACTORS, of all tiers;
- ii. CERTIFIED PAYROLL REPORTS by Contractor and all subcontractors of any tier, regardless of contract amount;
- iii. FRINGE BENEFITS STATEMENT from Contractor and all subcontractors whenever any fringe benefit(s) is paid to or on behalf of employees, showing all fringes paid for all classes of employees, the nature of the fringe and its monetary value; and
- iv. APPRENTICESHIP CERTIFICATIONS Other related documentation may be required and shall be provided when requested by the SMUD Contract Manager. Contractor will be advised in writing for noncompliance and whenever deficiencies are discovered. If Contractor fails to provide the required submittals or fails to correct deficiencies within fifteen (15) working days after notification, progress payment deductions may be made. Such deductions will be 10% of the estimated value of the work performed for the month, except that such deductions will not exceed \$10,000.00, nor be less than \$5,000.00, and will be deducted

from the next payment due Contractor. Such deductions will be in addition to all other deductions provided for in these specifications and will apply irrespective of the number of instances of noncompliance. Deductions may be made separately and additively for each period as each new deficiency arises. When all deficiencies for a period have been corrected, the deduction covering that period will be released on the next progress payment. Otherwise the deduction will be retained.

H. Department of Industrial Relations

- No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- Contractors and subcontractors must furnish electronic certified payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7. PERMITS AND LICENSES

Contractor shall be responsible to secure and maintain all permits and licenses required and/or necessary to perform any work contracted for under this Agreement. Contractor shall pay all permit fees, license fees, and any other costs incurred to meet compliance with the terms thereof, and shall give all necessary notices incident to the due and lawful prosecution of work whether such permits or licenses are obtained by SMUD or by Contractor. These costs include any incurred due to requirements imposed by any agency as a result of Contractor's operations or Contractor's failure to otherwise meet the requirements of the permits or licenses. A copy of all required permits and licenses obtained by Contractor shall be provided to the SMUD Contract Manager immediately after issuance.

In accordance with Public Contract Code Section 3300 and Business and Professional Code Section 7059, SMUD has determined that the Contractor must possess a current California Contractor's License in one of the following classes:

<http://www.cslb.ca.gov/licensing/classifications.asp>

C-61 LIMITED SPECIALITY/ D-39 SCAFFOLDING

If the Contractor is a specialty contractor, the majority of the work must fall within the specialty classification, and all work to be performed outside of the licensed specialty must be performed by appropriately licensed subcontractors.

All subcontractors employed by the Contractor must have a current license in the specialty for the work being done, and are limited to performing only work for which licensed.

A copy of all Contractor and subcontractor licenses shall be submitted to SMUD's Contract Manager prior to beginning the Work.

8. INVOICING, MANNER AND TIME OF PAYMENT

A. Invoicing. Contractor shall submit monthly invoices to SMUD. Contractor's invoice ("Invoice") shall be submitted to SMUD electronically. Each Invoice must comply with the following requirements:

- i. Each Invoice must be in PDF file format and e-mailed to: smudinvoice@smud.org.
- ii. Each Invoice and its supporting documents must be included in a single PDF file.
- iii. SMUD's contract or purchase order number must be clearly displayed on the Invoice.
- iv. Multiple Invoices may be transmitted in a single email; however, each Invoice and its related supporting documents must be contained in a single PDF file which is separate from the other Invoice files.
- v. Each copy of the invoice shall include verified time sheets or other records as applicable that support direct labor costs and records that support all recoverable costs.

If unable to submit electronically, mail Invoices to Sacramento Municipal Utility District, Attention: Accounting Department, Mailstop B302, Post Office Box 15830, Sacramento, CA 95852 0830.

B. Processing. SMUD shall process all undisputed invoices within 30 Days following receipt thereof. Contractor shall maintain books and accounts of personnel and other recoverable costs, if any, in accordance with generally accepted accounting principles and practices.

C. Modification. SMUD may modify internal invoicing and payment procedures at any time, and from time to time, upon written notice to Contractor. This does not apply to payment terms (as opposed to invoicing and payment procedures) contained herein.

9. NON-EXCLUSIVE AGREEMENT

This Agreement does not establish an exclusive agreement for the Services between Contractor and SMUD. SMUD reserves the right to use others to perform the Services and to solicit bids from other Contractors for the Services or for work similar to the Services. Contractor may also represent, perform services for, and be employed by such additional clients as Contractor, in its sole discretion, sees fit. It is understood that Contractor's services are available to the general public and not to SMUD exclusively.

10. RELATIONSHIP OF THE PARTIES

A. Independent Contractor. Contractor is an independent contractor of SMUD. This Agreement shall not be construed to create any association, partnership, joint venture, employee or agency relationship between Contractor and SMUD for any purpose. Contractor has no authority (and shall not hold itself out as having authority) to bind SMUD. Contractor shall not

make any agreements or representations on SMUD's behalf without SMUD's prior written consent.

B. Contractor's Employees. Contractor may, in its discretion and at its own expense, employ such assistants as Contractor deems necessary to perform the Services. If any specific employee is designated in Schedule 1 to perform the Services, Contractor may only replace such designated employee with SMUD's prior written approval, and with a replacement satisfactory to SMUD. SMUD may not control, direct, or supervise Contractor or Contractor's Representatives in the performance of the Services. Contractor agrees to assume full responsibility for the payment and deduction of all state and federal taxes and benefits from Contractor's Representatives, including but not limited to any applicable payroll and income taxes, unemployment insurance, disability insurance, retirement, workers' compensation, pension, or other social security benefits for all persons or entities employed or retained by Contractor in the performance of the Services under this Agreement, and if applicable for all self-employment and other taxes incurred by Contractor in the performance of the Services.

C. Employee Benefits. Neither Contractor nor Contractor's Representatives shall have or possess any right, entitlement or benefit of employment applicable to SMUD employees, either generally or specifically, pursuant to SMUD's established employment practices, policies and procedures, Civil Service Rules and/or any Memorandum of Understanding between SMUD and a recognized employee collective bargaining representative. Without limiting the generality of the foregoing, neither Contractor nor Contractor's Representatives shall be eligible to participate in any vacation, group medical or life insurance, disability, retirement benefits or any other fringe benefits or benefit plans offered by SMUD to its employees. Any persons employed by Contractor in connection with the performance of the Services shall be solely Contractor's employees and Contractor shall be fully responsible for them.

11. SUBCONTRACTORS

A. Designated Subcontractors. Contractor may use only those subcontractors who are identified on the Designation of Prime Contractor, Subcontractors, and Suppliers form which is included as an Appendix to this Agreement and by this reference is made a part hereof ("Subcontractor Appendix"). Substitution of any subcontractor identified on the Subcontractor Appendix requires the prior written approval of SMUD. If applicable, Contractor shall comply with the SEED participation commitments shown on the Subcontractor Appendix. Contractor shall not sublet or subcontract any portion of the work in excess of one half of one percent (0.5%) of Contractor's total bid to any subcontractor not specified in the Subcontractor Appendix without the written consent of SMUD, all as provided in Sections 4100 to 4114, inclusive, of the California Public Contract Code.

B. Relationships with Subcontractors. Contractor shall pay subcontractors in a timely manner. Nothing contained in the Contract shall create any contractual relation between any subcontractor and SMUD. Contractor shall, before permitting any subcontractor(s) retained to perform any part of the work contracted for hereunder, require and ensure that such subcontractor(s) have complied with Contractor's license provisions of this Agreement. No subcontract shall relieve Contractor of any liabilities or obligations under this Agreement. Contractor agrees that it is fully responsible for the acts and omissions of its subcontractors and all persons either directly or indirectly employed by Contractor.

12. INTELLECTUAL PROPERTY RIGHTS

A. Deliverables. SMUD is and shall be, the sole and exclusive owner of all right, title and interest throughout the world in and to all the results and proceeds of the Services performed under this Agreement, including but not limited to any deliverables set out on Schedule 1 (collectively, the “Deliverables”), including all patents, copyrights, trademarks, trade secrets and other intellectual property rights (collectively, “Intellectual Property Rights”) therein. Contractor agrees that the Deliverables are hereby deemed a “work made for hire” as defined in 17 U.S.C. § 101 for SMUD. If, for any reason, any of the Deliverables do not constitute a “work made for hire,” Contractor hereby irrevocably assigns to SMUD, in each case without additional consideration, all right, title and interest throughout the world in and to the Deliverables, including all Intellectual Property Rights therein.

B. Moral Rights. Any assignment of copyrights under this Agreement includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as “moral rights” (collectively, “Moral Rights”). Contractor hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Contractor may now or hereafter have in any jurisdiction to any Moral Rights with respect to the Deliverables.

C. Inventions. Contractor shall make full and prompt disclosure to SMUD of any inventions or processes, as such terms are defined in 35 U.S.C. § 100 (the “Patent Act”), made or conceived by Contractor alone or with others during the Term, whether or not such inventions or processes are patentable or protected as trade secrets and whether or not such inventions or processes are made or conceived during normal working hours or on the premises of SMUD. Contractor shall not disclose to any third party the nature or details of any such inventions or processes without the prior written consent of SMUD.

D. Attorney-in Fact. Upon the request of SMUD, Contractor shall promptly take such further actions, including execution and delivery of all appropriate instruments of conveyance, as may be necessary to assist SMUD to prosecute, register, perfect, record or enforce its rights in any Deliverables. In the event SMUD is unable, after reasonable effort, to obtain Contractor’s signature (or the signature of an authorized representative of Contractor) on any such documents, Contractor hereby irrevocably designates and appoints SMUD as Contractor’s agent and attorney-in-fact, to act for and on Contractor’s behalf solely to execute and file any such application or other document and do all other lawfully permitted acts to further the prosecution and issuance of patents, copyrights or other intellectual property protected related to the Deliverables with the same legal force and effect as if Contractor had executed them. Contractor agrees that this power of attorney is coupled with an interest.

E. Pre-Existing Materials; License. Notwithstanding Subsection D, to the extent that any of Contractor’s pre-existing materials are contained in the Deliverables, Contractor retains ownership of such preexisting materials and hereby grants to SMUD an irrevocable, worldwide, unlimited, royalty-free license to use, publish, reproduce, display, distribute copies of, and prepare derivative works based upon, such preexisting materials and derivative works thereof. SMUD may assign, transfer and sublicense such rights to others without Contractor’s approval.

F. No License. Except for such pre-existing materials, Contractor has no right or license to use, publish, reproduce, prepare derivative works based upon, distribute, perform, or display any

Deliverables. Contractor has no right or license to use SMUD's trademarks, service marks, trade names, trade names, logos, symbols or brand names.

G. Contractor's Representatives. Contractor shall require each of Contractor's Representatives to execute written agreements securing for SMUD the rights provided for in this section prior to such representative providing any Services under this Agreement.

13. CONFIDENTIAL INFORMATION AND DATA SECURITY REQUIREMENTS

A. The parties shall execute the Non-Disclosure Agreement attached as an Appendix to this Agreement ("Non-Disclosure Agreement") before exchanging any confidential information or data under this Agreement, as such confidential information is defined in the attached Non-Disclosure Agreement ("Confidential Information"). Contractor shall require each of Contractor's Representatives who is assigned by Contractor to perform services for SMUD or Contractor under this Agreement to acknowledge in writing the Non Disclosure Agreement and the individual's obligations thereunder as a Contractor Representative, and Contractor will provide such written acknowledgement to SMUD.

B. SMUD shall have the right for the full duration of time that Contractor is in possession or control of any Confidential Information, to conduct an audit of Contractor's compliance with the data security and/or non-disclosure provisions of this Agreement.

C. SMUD may require Contractor to certify the results of a background check for each person who will require access to SMUD systems. If required, the background check shall meet the requirements set forth in Schedule 1.

D. No SMUD data is to be downloaded, stored, copied, transferred or removed from SMUD systems to another party's system or medium without the prior written approval of the SMUD Information Security Officer.

E. All SMUD information technology systems are monitored for acceptable use. Contractor, and Contractor's Representatives, acknowledge that there is no expectation of any right to privacy in any such materials and data stored, processed, transmitted and /or maintained on SMUD property. Such material and data are subject to inspection and can be confiscated by SMUD at any time, with or without notice and with or without password protection.

14. REPRESENTATIONS AND WARRANTIES

Contractor represents, warrants and covenants to SMUD that:

A. Contractor has the right to enter into this Agreement, to grant the rights granted herein and to perform fully all of Contractor's obligations in this Agreement;

B. Contractor's entering into this Agreement with SMUD and Contractor's performance of the Services do not and will not conflict with or result in any breach or default under any other agreement to which Contractor is subject;

C. Contractor and Contractor's Representatives have the required skill, experience and qualifications to perform the Services and Contractor and Contractor's Representatives shall

devote sufficient resources to ensure that the Services are performed in a timely and reliable manner;

D. Contractor will perform the Services in accordance with the highest standard of care and practice appropriate to the nature of the technical and professional services rendered, the recommendations, guidance, and performance of Contractor and Contractor's Representatives shall reflect their best professional knowledge and judgment;

E. SMUD will receive good and valid title to all Deliverables, free and clear of all encumbrances and liens of any kind;

F. All Deliverables are and shall be Contractor's original work (except for material in the public domain or provided by SMUD) and do not and will not violate or infringe upon the intellectual property right or any other right whatsoever of any person, firm, corporation or other entity;

G. The Services will be performed in accordance with the terms of this Agreement, applicable laws and regulations, existing licenses, SMUD requirements, and industry technical guidelines. Work in progress, Deliverables, and finished products will be reviewed by SMUD for completion, compliance with required standards, and responsiveness to contract requirements; and

H. If within one year after the date of the Notice of Completion, any Services, items of material or equipment, or workmanship furnished by Contractor are found to be defective, Contractor shall, at once and at Contractor's own expense, make all repairs or furnish and install replacement Services, parts, design, workmanship or material, as approved by the SMUD Contract Manager. If Contractor is obliged to furnish and install replacement parts, the warranty period for the parts shall extend for one year from the installation of such parts.

Specific Warranties:

In addition to meeting the general warranties set forth in the Agreement, the Services shall meet each of the following specific warranties:

All warranties, including any specific warranties set forth hereto, shall be unconditional and shall not be invalidated by details of SMUD's design or the approval of Contractor's "or equal" submittals. Any detail that would cause an exception to a manufacturer's standard warranty must be brought to the attention of the Contract Manager, in writing, prior to accomplishment of that part of the work or Contractor shall not have cause to request approval of the exception. All expense of furnishing and installing parts or making alterations to existing parts, and of tests made necessary by failure of the apparatus to meet the warranties or other requirements of the Agreement, shall be borne by Contractor. Any material or machinery not furnished by Contractor that must be removed to give access to the apparatus furnished by Contractor will be removed and replaced by SMUD without cost to Contractor. In the event of Contractor's failure to comply with any warranty provisions within ten (10) days of being notified in writing, Contractor authorizes SMUD to proceed to have the defects repaired and made good at Contractor's expense and will pay the costs and damages therefore immediately upon demand.

15. INDEMNIFICATION, INSURANCE, BONDS

A. Indemnification of SMUD. To the fullest extent permitted by law, Contractor will unconditionally protect, indemnify, hold harmless, and defend (with counsel reasonably acceptable to SMUD) SMUD, and its past, present and future directors, officers, representatives, agents, and employees (each, a “SMUD Party”), from and against any and all losses, damages, claims, liabilities, judgments, actions, settlements, lawsuits, fines, levies, assessments, penalties, interest, costs and expense (including without limitation, reasonable attorneys’ and other professionals’ fees, expert witness fees, and other costs and expenses in connection with any claim, action, suit or proceeding brought against SMUD or a SMUD Party) which SMUD or any SMUD Party may incur, suffer, or become liable for, attributable to, arising out of, or in any way related to:

- i. Any breach of any representation, warranty, or obligation under this Agreement by Contractor or any of Contractor’s Representatives;
- ii. Any acts or omissions of Contractor or of any of Contractor’s Representatives
- iii. Any income, payroll, social security or other federal, state or local taxes, or insurance contributions, including unemployment or disability insurance, or the cost of worker’s compensation insurance, in connection with SMUD’s payments to Contractor under this Agreement; and
- iv. Any claim that any of Contractor’s Representatives is an employee of SMUD for any purpose, including but not limited to the provision of benefits.

SMUD may satisfy such indemnification (in whole or in part) by way of set off against any payment due to Contractor. The indemnification set forth in this section shall survive the termination of this Agreement.

B. Insurance. Without limiting any of the other obligations or liabilities of Contractor, Contractor shall provide and maintain insurance coverage in accordance with requirements established in the Insurance Requirements Form which is included as an Appendix to this Agreement and by this reference is made a part hereof.

C. Bonding. Contractor shall provide a Performance Bond in the form of Appendix Performance Bond hereto and a Payment Bond in the form of Appendix Payment Bond hereto.

16. PRESERVATION OF RECORDS, AUDIT RIGHTS

Contractor shall maintain, for a period of three (3) years following the termination of this Agreement, all records in connection with the Services performed hereunder, with the exception of Confidential Information as governed by Section 17.C. SMUD shall have the right, during Contractor’s normal business hours for the duration of this Agreement and for a period of three (3) years thereafter, to conduct the following audits, either on SMUD property or at Contractor’s offices, as SMUD may deem necessary or appropriate:

- i. Audits of books, records and accounts regarding Contractor’s performance of this Agreement;

- ii. Audits of books, records and accounts regarding Contractor's billing, invoicing, and receipt of payment for Services under this Agreement; and
- iii. Audits of books, records and accounts regarding personnel and other recoverable costs, if any, billed under this Agreement.

Contractor shall include an audit provision providing SMUD with the audit rights set forth herein in all subcontracts entered into by Contractor in connection with the Services.

Such audits shall be performed either by SMUD personnel or by an independent third party whom SMUD may use for the purpose of making such audits. SMUD and Contractor shall establish procedures for performing such audits and shall preserve the confidential and proprietary status of audited documents and information.

17. TERMINATION

A. Termination for Convenience. SMUD may terminate this Agreement, in whole or in part, at any time, upon written notice to Contractor, for any reason or for no reason. Contractor may terminate this Agreement at any time, for any reason or for no reason, upon thirty (30) days advance written notice to SMUD. In the event SMUD terminates this Agreement, so long as Contractor is not in breach of this Agreement, SMUD will pay Contractor for all Services performed through the date of termination, subject to the other terms and conditions of this Agreement. Contractor shall not be entitled to receive any lost profits or other consequential damages as a result of early termination.

B. Termination for Default/Breach. SMUD may terminate Contractor's services under this Agreement for cause, without liability to SMUD. As used in the preceding sentence, "cause" may include, but not necessarily be limited to, Contractor's material default or breach of any provision of this Agreement and Contractor fails to cure the default/breach within 30 days of written notice by SMUD describing the default/breach.

Should Contractor fail to cure the default/breach within 30 days of the written notice, SMUD may provide written notice to Contractor indicating the reason for termination and the effective termination date. Upon notice of termination on the effective date, Contractor shall immediately cease work under this Agreement and shall take all steps reasonably necessary to mitigate any costs or expenses for which SMUD or Contractor may be liable hereunder. Notwithstanding anything to the contrary contained herein, SMUD shall not be liable for any cost or expense incurred by Contractor after termination of this Agreement. Contractor shall not be entitled to receive any lost profits or other consequential damages as a result of early termination.

C. Contractor's Obligations Upon Termination. Upon expiration or termination of this Agreement, or at any other time upon SMUD's written request, Contractor shall promptly:

- i. Deliver to SMUD all Deliverables and all hardware, software, tools, equipment or other materials, if any, provided for Contractor's use by SMUD;
- ii. Deliver to SMUD all tangible documents and materials (and any copies) containing, reflecting, incorporating or based on the Confidential Information;

- iii. Permanently erase all of the Confidential Information from Contractor's computer systems; and
- iv. Certify in writing to SMUD that Contractor has complied with the requirements of this section.

18. FRANCHISE TAX

SMUD may be required to withhold an amount equal to seven percent (7%) from all payments made to Contractor if Contractor is not a resident of the State of California and if Contractor has not received an exemption from this requirement from the California Franchise Tax Board. This requirement applies to all independent contractors performing personal services in California for which SMUD pays in excess of fifteen hundred dollars (\$1,500.00) annually. (Cal. Rev. & Tax. Code §§ 18662, 18668)

19. EQUAL EMPLOYMENT OPPORTUNITY

Contractor shall not discriminate against any employee or applicant for employment contrary to the provisions of applicable state and/or federal antidiscrimination laws. Contractor shall ensure that this requirement is applied to applicants and employees in actions including, but not limited to recruiting, hiring, working conditions, benefits, training programs, promotions, layoffs or terminations, use of SMUD or Contractor facilities, and all other terms and conditions of employment.

20. ASBESTOS NOTIFICATION

Numerous SMUD buildings were constructed with some asbestos-containing components. An asbestos information sheet is provided as the Asbestos Notification Appendix to this Agreement, which shall be provided to all of Contractor's Representatives performing work within such SMUD buildings.

21. HAZARDOUS MATERIALS

A. Contractor and all subcontractors retained by Contractor to perform any services hereunder shall, prior to the commencement of any work hereunder, procure and provide the SMUD Contract Manager with:

- i. Material Safety Data Sheets for all hazardous substances as defined by California Code of Regulations, Title 8, Section 5194 which may or will be brought to the work site;
- ii. The location where the hazardous materials will be stored and/or used in conjunction with the performance of any work hereunder; and
- iii. A description of the labeling system used on Contractor's or any subcontractor's containers used for the handling, storage and/or transport of such hazardous materials.
- iv. Identify the transporter of any hazardous waste and hazardous waste disposal facility used in conjunction with the performance of any work hereunder. Said

transporter and disposal facility shall be subject to prior approval by the SMUD Contract Manager.

B. Contractor shall furnish the SMUD Contract Manager with the name and telephone number of the individual responsible for administering Contractor's or any subcontractor's hazardous materials communications program. Contractor and its subcontractors shall, upon request, provide the SMUD Contract Manager with written evidence of Contractor's or any subcontractor's employee training associated with the handling of hazardous materials.

C. Contractor and Contractor's Representatives shall perform all work in accordance with all applicable federal, state and local laws, rules, regulations and ordinances pertaining to hazardous waste management.

22. CHANGED JOBSITE CONDITIONS

A. Contractor shall immediately, and before the conditions are disturbed, notify the SMUD Contract Manager of: (1) Material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with the provisions of existing law; (2) Subsurface or latent physical conditions at the jobsite differing materially from those indicated in this Agreement, or (3) unknown physical conditions at the jobsite, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement. The SMUD Contract Manager will promptly investigate the conditions. If the SMUD Contract Manager determines that, in accordance with this Agreement, such conditions are unusual and materially different, or do involve hazardous waste, and cause an increase or decrease in the cost of the work or time required for the performance of this Agreement, an equitable adjustment may be made. Time or cost adjustments will not be allowed unless Contractor has given proper notice as specified above.

B. In the event a dispute arises, Contractor shall not be excused from any scheduled completion date provided for by the Agreement, and shall proceed with all work to be performed under the Agreement. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

23. SAFETY PROGRAM

The personal safety and health of the general public, SMUD employees, Contractor and Contractor's Representatives is of paramount importance. Contractor represents and warrants:

A. It has an effective Injury and Illness Prevention Program, which meets the requirements of all applicable laws and regulations, including but not limited to, California Labor Code Section 6401.7; (This section does not apply if Contractor does not perform any work under this Agreement within the State of California.) and

B. It has a written Code of Safe Practices, which relates to Contractor's operation in accordance with Title 8, California Code of Regulations (CCR) Section 1509, (Construction Safety Orders);

C. It has a written plan for employee Emergency Medical Services in accordance with Title 8, California Code of Regulations, (CCR) Section 1512 (Construction Safety Orders); It is fully responsible for the acts and omissions of Contractor's Representatives; and

E. Contractor will immediately notify the SMUD Contract Manager of any OSHA reportable accident occurring on/in SMUD premises, facilities or work sites.

24. ADDITIONAL SAFETY MATTERS

A. Air Pollution. Contractor shall conform to all local, state and federal air pollution control rules and regulations which apply to any work performed under this Agreement. This includes, but is not limited to, burning, use of solvents, painting, and liquid asphalt. Contractor shall immediately and continually abate dust nuisance resulting from the work performance or site condition by cleaning, sweeping, sprinkling of water, or other means as approved by the SMUD Contract Manager.

B. Water Pollution: Contractor shall take all precautions necessary to protect streams, reservoirs, drainage waterways, and groundwater from pollution resulting from its work under this Agreement. Contractor shall conduct its operations so as to prevent muddying of streams, lakes, reservoirs, groundwater or other waters. Water pollution prevention methods shall conform to all local, state and federal requirements.

C. Hazardous Waste.

i. Contractor and its subcontractors shall perform all work in accordance with all federal, state and local laws, rules, and regulations pertaining to hazardous waste management including but not limited to the Resources Conservation and Recovery Act (RCRA) of 1976, 42 USC Section 6901 and following, Title 40 Code of Federal Regulations, applicable provisions relating to hazardous waste contained in Division 20 (commencing with Chapter 6 5) of the California Health & Safety Code, and Title 22 California Code of Regulations.

ii. Contractor and its subcontractors shall promptly correct and remedy any discharge of hazardous materials or hazardous wastes occurring on the jobsite as a result of or in connection with its work. Such cleanup shall be performed in accordance with all applicable federal, state and local laws, rules, regulations and/or ordinances. Contractor shall notify the SMUD Contract Manager and any governmental regulatory agency of competent jurisdiction as may be required by any applicable federal, state and local law, rule, regulation and/or ordinance. Contractor shall begin such cleanup within 24 hours of notification and shall complete the corrections within 10 calendar days. If correction cannot be commenced within 24 hours of notification or completed within 10 calendar days, Contractor shall immediately demonstrate to the satisfaction of SMUD the reasons therefore, otherwise SMUD has the right to proceed with the cleanup itself or through a third party and Contractor agrees to reimburse SMUD promptly for costs it incurs to do so. Such cleanup shall restore the jobsite to its condition prior to the discharge.

iii. In the event hazardous waste or spill residue is generated as a result of the work at the jobsite by Contractor or its subcontractors, Contractor or its subcontractors shall arrange for proper transportation and disposal of these materials at their own expense. All such arrangements shall be approved by SMUD. Any interim storage of these materials prior to their prompt removal from the jobsite shall be approved by the SMUD Contract

Manager, and shall take place only in areas approved by the SMUD Contract Manager. Surplus hazardous substances and empty containers shall be removed from the jobsite as soon as they are no longer needed for the work.

D. Sanitary Conditions. All portions of the jobsite shall be maintained in a safe, neat, clean and sanitary condition at all times. Toilets shall be furnished, maintained at least weekly, and kept in a clean condition, by Contractor for all personnel on the jobsite, and they shall comply with all applicable local, state and federal laws, ordinances, and regulations pertaining to public health and sanitation.

E. Noise. All motor vehicles and construction equipment shall be equipped with the manufacturer's specified mufflers and/or other appropriate sound attenuation devices. Contractor shall conduct its operations at a time and in a manner so as to cause a minimum of noise disturbance, and shall comply with all local, state and federal laws, ordinances and regulations.

F. Fire. Contractor shall ensure that all motor driven vehicles and construction equipment have proper exhaust spark arrestors installed. Contractor shall conduct its operations so as to prevent fire danger in conformity with all applicable local, state and federal laws, ordinances and regulations. Contractor shall provide and maintain, at the jobsite, fire extinguishers, tools and equipment in the proper quantity and of the proper type to conform to the local Fire SMUD requirements.

G. Public Safety and Convenience.

i. Contractor shall conduct its operations so as not to close or obstruct any portion of any highway, road, or other property without a permit or permission from the appropriate authorities or owners. If any highway, road or other property is required to be kept open or is rendered unsafe by Contractor's operations, Contractor shall at its own expense make repairs and provide temporary barricades, guards, bridges, flaggers, lights, and other signals as shall be acceptable to the authorities having jurisdiction.

ii. Contractor shall make all necessary arrangements for the protection and the convenience of pedestrian traffic along and through the construction site. Contractor shall provide temporary access to all business establishments and pedestrian walkways as required by the appropriate authorities or the SMUD Contract Manager.

iii. Contractor, its subcontractors, and employees shall comply with all applicable health, safety, and environmental rules and regulations. These include, but may not be limited to, the rules and regulations promulgated by OSHA, Cal OSHA, EPA, Cal DTSC, Water Quality Control Board and air quality regulators. Where the requirements of such regulatory agencies overlap, the most protective regulations will apply.

iv. Contractor shall conduct safety meetings which include first aid instruction applicable to and appropriate for the type of work performed hereunder.

v. Contractor shall perform the work only by such methods and in such manner that will safeguard persons and property.

H. Notice and Records.

i. If SMUD notifies Contractor of non compliance with proper safety requirements, Contractor shall immediately if so directed, or in not more than 24 hours after receipt of such notice, make all reasonable efforts to correct the existent condition. If Contractor

fails or refuses to take immediate corrective action, the SMUD Contract Manager may: (1) have the unsafe conditions corrected by others at Contractor's expense, or (2) issue an order stopping all or part of the work until satisfactory corrective action has been taken; however, this right to stop work shall not give rise to any duty on the part of SMUD to exercise this right. Also, Contractor shall not base any claim or request for adjustment in time or money on any stop order issued under these circumstances. SMUD's failure to notify Contractor of any non compliance shall not relieve Contractor from any safety requirements.

ii. Contractor shall notify the SMUD Contract Manager immediately of any OSHA reportable accident.

iii. Contractor shall maintain accurate accident records and injury reports and shall furnish a copy of all accident reports to the SMUD Contract Manager on a monthly basis.

I. Equipment. Contractor shall furnish safety and health equipment and enforce the use of such equipment by all persons on the jobsite.

J. Waiver. Contractor waives the right to bring claim for damages against SMUD for any cause whatsoever because of any action taken or not taken, including but not limited to, the correction of unsafe conditions or work stoppages in connection with the safety requirements of this Agreement.

K. Additional Responsibilities.

i. Protection of members of the general public, SMUD employees, and Contractor's employees from the hazards of Contractor's own work is the responsibility of Contractor.

ii. Contractor also has the responsibility for preventing persons from entering the jobsite except for individuals involved in the performance of the work.

iii. While performing work at SMUD facilities, contractor shall follow applicable safety, security, and evacuation procedures.

iv. SMUD machines or equipment are not to be operated by Contractor's Representatives except upon written authorization by the SMUD Contract Manager.

v. Contractor shall not permit SMUD employees to use or maintain contractor's equipment. This requirement may be waived, however, if written permission is obtained from both Contractor and the SMUD Contract Manager.

vi. Where installed, emergency alarm controls, fire extinguishers, fire hose boxes, emergency breathing air units, safety showers, and other safety equipment are plainly marked and must be kept operational and free of obstruction for emergency use.

vii. Accidental damage to SMUD equipment and/or property must be reported immediately to the SMUD Contract Manager.

25. DISPUTE RESOLUTION, ATTORNEYS' FEES

A. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America in the Eastern District of California or the courts of the state of California, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. The parties irrevocably and unconditionally waive any objection to the laying of

venue of any suit, action or any proceeding in such courts, or to the exercise of personal jurisdiction by such courts, and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. It is further agreed that service of process in any such litigation may be made in the manner provided for in Section 415.40 of the California Code of Civil Procedure or in any other manner provided for in said code for service upon a person outside the State of California.

B. If any legal action or any mediation, arbitration or other proceeding is brought for the enforcement of this Agreement or because of any dispute, or alleged breach, default or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs, including, without limitation, expert witness fees and costs, incurred in that action or proceeding, in addition to any other relief to which the prevailing party or parties may be entitled.

26. GENERAL PROVISIONS

A. Amendment. No amendment, modification or supplement to this Agreement shall be binding on any of the parties unless it is in writing and signed by the parties in interest at the time of the modification.

B. Assignment; Successor and Assigns. Contractor shall not assign any rights, or delegate or subcontract (except as provided above), any obligations under this Agreement without SMUD's prior written consent. Any assignment in violation of the foregoing shall be deemed null and void. Subject to the limits on assignment stated above, this Agreement will inure to the benefit of, be binding upon, and be enforceable against, each of the parties hereto and their respective successors and assigns.

C. Captions. None of the captions of the sections of this Agreement shall be construed as a limitation upon the language of the sections, said captions having been inserted as a guide and partial index and not as a complete index of the contents of such sections.

D. Choice of Law. This Agreement shall be governed, construed and interpreted solely by and under the laws of the State of California without regard to conflict of laws provisions.

E. Entire Agreement/Integration. This Agreement and all Schedules, Appendixes, and Exhibits hereto, as well as agreements and other documents referred to in this Agreement constitute the entire agreement between the parties with regard to the subject matter hereof and thereof. This Agreement supersedes all previous agreements between or among the parties. There are no agreements, representations or warranties between or among the parties other than those set forth in this Agreement or the documents and agreements referred to in this Agreement.

F. Further Assurances. The parties to this Agreement agree to execute and deliver all such other instruments and take all such other actions that may be reasonably necessary from time to time to effectuate the transactions contemplated by this Agreement and carry out the purposes of the agreements contained herein.

G. Notices. All notices, reports, records or other communications that are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if

given in writing and delivered in person, by telecopy (provided it is followed by overnight courier), by overnight courier or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the address set forth on Schedule 1 hereto or to such other address as such party may have given to the other parties by notice pursuant to this subsection. Notice shall be deemed given on the date of delivery, in the case of personal delivery or telecopy, or on the delivery or refusal date, as specified on the return receipt, in the case of overnight courier or registered or certified mail.

H. Remedies Not Exclusive. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

I. Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the provision, covenant or condition determined to be invalid, void or unenforceable does not materially alter the essential terms of this Agreement.

J. Third Party Beneficiaries/Parties in Interest. This Agreement and all conditions and provisions hereof are for the sole and exclusive benefit of the parties hereto and their respective successors and assigns and are not intended for the benefit of any other person.

K. Time of the Essence. Time is of the essence in respect to all provisions of this Agreement in which a definite time for performance is specified; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period provided for in this Agreement.

L. Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

M. Counterpart, Facsimile Signatures. This Agreement may be executed in multiple counterparts and by facsimile or electronic signature, each of which shall be deemed an original and all of which together shall constitute one instrument.

[signature page follows]

**SACRAMENTO MUNICIPAL UTILITY DISTRICT
AGREEMENT NUMBER**

EFFECTIVE DATE

**ACCEPTED FOR
CONTRACTOR NAME**

**ACCEPTED FOR THE
SACRAMENTO MUNICIPAL UTILITY
DISTRICT**

By: _____ By: _____

Name: _____ Name: Choose One
(Type or Print)

Title: _____ Title: Choose One

Date: _____ Date: _____

Attachments

Appendix [Schedule 1](#)

Appendix [Insurance Requirements Form](#)

Appendix [Asbestos Notification](#)

Appendix [Confidential and Non-Disclosure Agreement](#)

Appendix [Designation of Prime Contractor, Subcontractor, and Suppliers](#)

Appendix [Performance Bond](#)

Appendix [Payment Bond](#)

APPENDIX - SCHEDULE 1

Services Description and Contractor Compensation

1. **Agreement Termination Date.** This Agreement shall terminate on .
2. **Services.** [Describe Services to be performed by Contractor. Do not incorporate or refer to Request for Proposals. Include any specific deliverables which are to be provided to SMUD by Contractor.]
3. **SMUD Contract Manager and Administrator.**

SMUD Contract Manager: (916) 732-
Contract Administrator: Jesse Mays (916) 732- 5744
4. **Project Schedule.** [Specify dates for required project milestones, if any, to establish critical path.]
5. **Contractor Compensation.** [Specify compensation to be received by Contractor, including any timeframes or schedules for payment (e.g. compensation may be in installments or tied to achieving certain milestones). Compensation might be a fixed sum, an hourly rate, or another form of compensation. Specify any items or expenses for which Contractor will be reimbursed (e.g. travel and other expenses).]

SMUD will compensate Contractor at the rate(s) set forth in the Rate Schedule below
6. **Maximum Contractor Compensation.** Contractor's compensation under this Agreement shall not exceed TBD.
7. **Background Check Requirements.** [If Contractor is required to perform background checks for its employees, agents, representatives and/or subcontractors that will perform Services for SMUD pursuant to the Agreement, specify required elements of background check (e.g. criminal history, motor vehicle report, identity check (Social Security Number verification).]
8. **Additional Provisions.** [Specify any additional SMUD or Contractor obligations in connection with the Services.]

9. Notice Addresses.

If to SMUD:

Name of Party
Address, Mailstop
City, State Zip Code
Phone Number
Fax Number
E-Mail

If to Contractor:

Name of Party
Address
City, State Zip Code
Phone Number
Fax Number
E-Mail

APPENDIX - INSURANCE REQUIREMENTS

TYPE OF COVERAGE		MINIMUM COVERAGE LIMITS	
<input checked="" type="checkbox"/>	Commercial General Liability (CGL)	Occurrence	Aggregate
	ISO form CG 0001 10 93, or other acceptable to SMUD. <input checked="" type="checkbox"/> Additional Insured Endorsement- Including on-going and products/completed operations <input checked="" type="checkbox"/> Coverage Limits shall be endorsed to be dedicated on a per contract or per project basis <input type="checkbox"/> Delete Railroad Exclusionary Language	Bodily Injury, Property Damage, Contractual Liability \$1M	\$2M
<input checked="" type="checkbox"/>	Business Automobile Liability (BAL)	Individual	Accident
	Covering claims arising from ownership, operation, loading, unloading owned, hired, leased, non-owned, and /or borrowed private passenger and commercial vehicles. <input checked="" type="checkbox"/> Additional Insured (Coverage noted on certificate)	Bodily Injury, Property Damage \$5M	\$5M
<input type="checkbox"/>	Environmental Impairment Liability (EIL) / Contractor's Pollution Liability (CPL)	Occurrence	Aggregate
	Covering claims arising from handling, abatement, and transport of pollutants including asbestos and lead paint.	Bodily Injury, Property Damage N/A	N/A
<input type="checkbox"/>	Aircraft Liability (Air)	Per Seat	Occurrence
	Covering claims from passengers, SMUD and other third parties <input type="checkbox"/> Additional Insured (Cover noted on certificate)	Bodily Injury, Property Damage Aircraft Capacity- Pilot Plus Maximum of 3 Passengers Aircraft Capacity- Pilot Plus 4 Passengers or More N/A	N/A
<input checked="" type="checkbox"/>	Professional Errors & Omissions Liability (E&O)	Each Claim	Aggregate
	Covering claims arising out of Contractor's Scope of Services. No subcontractor exclusion or subcontractor(s) must carry equal insurance.	Financial Loss, Personal Injury, Bodily Injury, Property Damage N/A	N/A
<input checked="" type="checkbox"/>	California Workers Compensation (WC) Including US Longshore & Harbor Workers Coverage where applicable	CA Statutory Limits	
<input checked="" type="checkbox"/>	Employer's Liability (EL)	Per Employee	Aggregate
	Covering Bodily Injury by Accident & Bodily Injury by Disease	\$ 1 M	\$ 1 M
<input type="checkbox"/>	Crime Insurance (NOT a Bond)	Each Claim	Aggregate
	Including fraud, theft, dishonesty and disappearance <input type="checkbox"/> SMUD named as Loss Payee	Financial Loss N/A	N/A
<input type="checkbox"/>	Fiduciary	Each Claim	Aggregate
	For funds managed or held in trust <input type="checkbox"/> SMUD named as Loss Payee	Financial Loss N/A	N/A
<input type="checkbox"/>	Other	Each Claim	Aggregate
	<input type="checkbox"/> Property <input type="checkbox"/> Cargo/Transit <input type="checkbox"/> Add'l Insured <input type="checkbox"/> Empl Practice <input type="checkbox"/> Garage <input type="checkbox"/> Loss Payee <input type="checkbox"/> Sexual Harassment, Discrimination, Molestation	N/A	N/A

**SACRAMENTO MUNICIPAL UTILITY DISTRICT
AGREEMENT NUMBER**

EFFECTIVE DATE

Primary Coverage: Insurance required above shall be primary as respects: SMUD, its directors, officers, representatives, agents, employees, lessors and/or any other person or entity for which SMUD has agreed in writing that its contractors shall include as an additional insured (collectively hereinafter referred to as "The Parties") and any other insurance effected or procured by any or all of The Parties shall be excess of and shall not contribute with the required insurance.

Additional Insureds Severability of Interests, Waivers of Subrogation: These policies, with the exception of WC, EL and E&O coverages, shall name The Parties as additional insureds as respects work performed pursuant to or incidental to this Agreement (including coverage for ongoing and products/completed operations hazards) except for active negligence of The Parties in public works construction contracts (Cal Ins Code §11580.04). ISO forms CG 2010 or CG 20 33(ongoing operations) and CG 2037 (products/completed operations), or other forms acceptable to SMUD, shall be used. CGL severability of interests (cross liability), and CGL, BAL, CPL and WC waiver of subrogation clauses shall be included. Pursuant to the terms of this Agreement, insurance effected or procured by Contractor shall not reduce or limit Contractor's obligation to indemnify and defend The Parties for claims made or suits brought which result from, or in connection with, the performance of this Agreement.

Products/Completed Operations: The coverages required herein, when written on an occurrence form, shall be maintained during the entire term of the Agreement. Coverages written on a claims-made form, and E&O, EIL coverage shall be maintained during the entire term of the Agreement and further until at least three years following completion and acceptance of all work under this Agreement. Additional insured endorsements providing products/completed operations coverage shall continue to provide coverage through the expiration of time within which a claim may be filed under all applicable laws.

Insurer Security: Insurers shall be rated A- / IX or better by A.M. Best, or shall be otherwise acceptable to SMUD. Insurers need not be admitted by the State of California.

Insurance Certificates, Endorsements, Notice of Policy Change/Cancellation: Before commencing work under this Agreement, Contractor's broker or agent shall provide copies of additional insured and waiver of subrogation endorsements, as well as deletion of railroad exclusionary language endorsement (if applicable), and certificates of insurance verifying that at least the minimum insurance coverages required above are in effect. In the event of a loss or claim potentially arising out of Contractor's Scope of Services, Contractor shall promptly provide complete copies of its insurance policies upon written request by SMUD. Certificates must disclose any self-insured retention of \$250,000 or more. Certificates must specify whether the liability coverages are written on an occurrence form or a claims-made form. There shall be no change(s) to or cancellation(s) of coverage(s) resulting in the Contractor becoming non-compliant with the insurance coverage required herein this Agreement. In the event a change or cancellation will result in Contractor becoming non-compliant with the insurance coverage required herein, Contractor shall provide thirty (30) days advance written notice to SMUD of any such change or cancellation. Contractor's failure to provide such advance written notice shall be construed to be a material breach of this Agreement.

SACRAMENTO MUNICIPAL UTILITY DISTRICT
P. O. BOX 15830, SACRAMENTO, CA 95852-1830
ATTENTION: JESSE MAYS/EA404

APPENDIX - ASBESTOS NOTIFICATION – 2015

Sacramento Municipal Utility District (SMUD) is required to give notice to employees and Contractors working at any SMUD facility that has asbestos-containing construction materials, pursuant to the Asbestos Notification Law (California Health & Safety Code 25915 et seq., and in particular 25915.1). **Be aware that this list only includes material tested and found to contain asbestos material. Materials not tested may contain asbestos. Asbestos inspection and testing is required prior to performing demolition, renovation, retrofit or remodeling in any facility constructed prior to 1981.**

LOCATION OF ASBESTOS

Headquarters Building:

- * Above the ceiling of the first floor (auditorium) and throughout the remainder of the building as troweled-on fireproofing material on decking and structural members;
- * Floor tiles (various sizes; 9-inchx9-inch; 12-inch x12-inch), and mastics;
- * Mechanical/electrical equipment;
- * Throughout the building (behind the walls, in equipment rooms and auditorium ceiling) in tank and pipe insulation;
- * Insulation on electrical wire;
- * Materials inside door frames;
- * Caulking on HVAC ducts; and
- * HVAC and piping insulation.

Corporation Yard:

- * HVAC and piping insulation within the D/S Building;
- * Hot water piping insulation in Building F - Transportation Shop;
- * Floor tile and mastic Building F - Transportation Shop – Break Room;
- * Mastic under floor tile - second floor of Building I – Warehouse; and
- * Pre-Fab Shop linoleum on restroom floor.

Energy Management Center

- * Arc chutes on some circuit-breakers.

Substations:

- * Rancho Seco switchyard building in floor tile and mastic
- * Arc chutes on some breakers – potentially all sub-stations
- * Elverta and Hurley in floor tile and adhesive and presumed asbestos containing materials (PACM) in all sub-stations;
- * Elverta ceiling tile and mastic and PACM in all sub-stations;
- * Mid-city sub in pipe insulation and PACM in all sub-stations;
- * Hedge sub station floor tile and mastic and PACM in all sub-stations
- * Manholes, switchboards, control and protection panels - Wire insulation in all sub-stations;
- * Some bus bar filler material in all sub-stations;
- * North city - transite on roof and inside walls and PACM in all sub-stations;
- * Outer paint cover on oil filled pipe from North City to Station A.
- * All substations, build prior to 1981, may contain asbestos containing floor tile

Fresh Pond:

- * Floor tiles and mastic
- * Transite panel – east side of north end bldg. exterior
- * Spray-on mastic finish, overhead above sidewalk of Adm. Bldg near front offices

Camp Far West

- * Pipe insulation on cooling water pipe;
- * Pipe insulation on mezzanine level behind battery room insulation

Union Valley

- * Pipe insulation
- * Bus bar bolt filler material
- * Fire-stop sealant on electrical cables
- * White material in PCB500

Loon Lake

- * Diesel generator exhaust piping
- * Insulation on HVAC duct
- * Black & White pipe wrap material
- * Fire stop sealant on electrical cables

Jaybird

- * Wiring insulation
- * Pipe insulation
- * Fire-stop sealant on electrical cables

**SACRAMENTO MUNICIPAL UTILITY DISTRICT
AGREEMENT NUMBER**

EFFECTIVE DATE

* Fresh Pond (continued):

White Rock

- * Fire-stop sealant on electrical cables
- * Arc chutes in breakers
- * Black pipe wrap material

Camino

- * Handle insulation
- * Bus bar bolt filler material
- * Firestop sealant on electrical cables

- * Breaker #310 arc chutes
- * Breaker #320 arc chutes

Jones Fork

- * Brake shoes

Ice House

- * Gray Roofing fish water valve house

Robbs Peak

- * Bus bar bolt filler material
- * Roof mastic (around equipment hatches)
- * Serpentine road rock at valve house
- * Arc chutes/breakers
- * Firestop sealant on electrical cables

McClellan Gas Turbine

- * Turbine unit door gasket

Rancho Seco:

- *Some cable, wire coverings in the Turbine Building and yard areas;
- *NSEB, Other Buildings, until tested; *Fire-stop material in the Auxiliary and Turbine Buildings.

SPECIAL NOTICE

Attention all employees assigned work at military bases (active or inactive) within the SMUD service area. Prior to performing any work, precautionary measures shall be taken to prevent possible exposure to asbestos fibers. The use of asbestos containing building materials (i.e., wall board, ceilings, floor tile, sprayed-on acoustical ceilings, mastics, roofing materials, insulation or other building materials) is presumed to contain asbestos until confirmed by an accredited NVLAP analytical laboratory. If you encounter building materials that need to be removed prior to performing your work, please contact Workforce Health and Safety at 916 732-5253 to have Health & Safety Specialist obtain samples of the materials and have them analyzed properly.

POTENTIAL HEALTH RISKS OF ASBESTOS EXPOSURE:

Asbestos becomes a health hazard only when fibers are released into the air where they may be inhaled or ingested. Asbestos does not present a hazard if it is not disturbed, if it is properly covered, or if the fibers are bound, as in floor tiles or "transite" boards.

Certain risk factors are relevant to the development of asbestos-related diseases, such as: the number, concentration and size of the asbestos fibers inhaled or ingested; the duration of the exposure and the length of time since exposure and susceptibility to disease development. If not properly controlled, asbestos may cause scarring of lung tissue (called asbestosis), cancer of the chest cavity lining (called mesothelioma), or lung cancer. Studies show the relationship between asbestos exposure and disease development has involved groups of workers who were heavily exposed to asbestos in occupational activities; that an extremely low incidence of disease is expected in populations with low levels of exposure; and that asbestos concentrations in buildings with asbestos might not differ significantly from concentrations found in the outside air in many urban environments. Although exact risk assessment is difficult, experts are in agreement that exposure to airborne asbestos fibers should be minimized to the lowest feasible levels.

ASBESTOS MANAGEMENT PROGRAM:

An Asbestos Operations and Maintenance Plan is in effect to insure proper warning labels and to periodically inspect and document the condition of the asbestos containing material and to make repairs, if necessary. Air samples taken in the Headquarters Building in 2009 indicated no asbestos above EPA clearance levels.

DO NOT DISTURB THE ASBESTOS:

Moving, drilling, boring, sanding or otherwise disturbing any asbestos-containing materials or PACM may present a health risk and, consequently, shall not be attempted by anyone who is not qualified, equipped to handle asbestos, or does not have a valid Asbestos Work Permit from Workforce Health & Safety Services. Should you become aware that asbestos materials have been disturbed or if you have questions, please call Ken Groves, Supervisor, Facilities Management (916) 732-7060 or David Payette, Workforce Health & Safety Services at (916) 732-6332.

/s/ Ken Groves _____ Date: January 16, 2015
Ken Groves, Supervisor
General Services – Facilities

/s/ Dave Payette _____ Date: January 16, 2015
Dave Payette, CIH, CSP
Occupational Health Program Manager
Workforce Health & Safety Services

**APPENDIX - CONFIDENTIALITY AND NON-DISCLOSURE
AGREEMENT**

This Confidentiality and Non-Disclosure Agreement ("Agreement") is entered into as of this ____ day of _____, _____, by and between the Sacramento Municipal Utility District ("SMUD"), a political subdivision of the State of California, with its principal executive offices at 6201 S Street, Sacramento, CA 95817-1899, and CONTRACTOR NAME, with its principal executive offices at CONTRACTOR ADDRESS ("Contractor"); referred to collectively as "Parties" and individually as "Party."

In connection with <CONTRACT NUMBER> ("Contract") between SMUD and Contractor, SMUD is furnishing Contractor with certain Confidential Information that is either non-public, confidential, and/or proprietary in nature. For the purposes of this Agreement, "Confidential Information" is all (a) information furnished by SMUD (including its directors, officers, agents, representatives or employees) (each, a "SMUD Party" and collectively, the "SMUD Parties"), and labeled as "confidential", "trade secret", or "proprietary information", and, if disclosed orally, summarized in written format within thirty (30) days of disclosure and identified as "confidential", "trade secret", or "proprietary information", or (b) information that Contractor or any of Contractor's employees, agents, representatives or subcontractors (each, a "Contractor Party" and, collectively, the "Contractor Parties") knows or has reason to know is confidential, trade secret or proprietary information of SMUD, or (c) the data listed in Attachment A. SMUD shall retain all ownership rights over its Confidential Information. In order to receive the Confidential Information, Contractor agrees to the following conditions:

1. The Confidential Information will be kept confidential and shall not, without SMUD's prior written consent, be disclosed by any Contractor Party, in any manner whatsoever, in whole or in part, and shall not be used in any manner directly or indirectly by any Contractor Party, other than in connection with providing services under the Contract. Moreover, Contractor agrees to reveal the Confidential Information only to Contractor Parties who need to know the Confidential Information for the purpose of providing services under the Contract, who are informed by Contractor of the confidential nature of the Confidential Information, and who shall agree to act in accordance with the terms and conditions of this Agreement. Contractor shall be responsible for any breach of this Agreement by any Contractor Party.
2. During the term of this Agreement, if any additional information is required to fulfill Contractor's obligations in connection with the Contract, SMUD may update Attachment A to list the additional Confidential Information. All revisions to Attachment A shall be countersigned by SMUD and Contractor.
3. Without SMUD's prior written consent, except as required by law, no Contractor Party will disclose to any person the fact that the Confidential Information has been made available to such Contractor Party.
4. Contractor will use, and ensure that each Contractor Party uses, commercially reasonable measures to maintain the security, privacy, confidentiality and integrity of Confidential Information. Within 30 days of termination of the Contract, unless

directed to retain or return Confidential Information by SMUD, any and all Confidential Information in the possession or control of any Contractor Party shall be destroyed in accordance with this section. Confidential Information residing on any and all hardware shall be securely removed. Computer and servers must be electronically wiped (e.g. using a secure data deletion program for computers that writes random data in multiple passes) or the physical media must be destroyed. Each Contractor Party shall securely delete or destroy, within 30 days of termination of the Contract, any and all tapes, CDs, cartridges and other electronic and/or physical storage and backup media and devices containing Confidential Information. All paper documents that contain Confidential Information, whether received from SMUD or reproduced by a Contractor Party must be shredded using at least a cross-cut shredder or pulverized.

5. Contractor must provide a letter of certification to the SMUD Project Manager (below) substantially in the form of Attachment B to this Agreement and signed by an officer of the company attesting to the destruction/return of the Confidential Information in conformance with this Agreement.

Project Manager Name Sacramento Municipal Utility District Address, Mailstop City, State Zip Code
--

6. If there is a breach of security or privacy of Confidential Information, Contractor will notify the SMUD Information Security Officer by email and telephone without unnecessary delay using the contact information provided below. Contractor agrees to cooperate with SMUD in identifying the extent of which Confidential Information has been exposed and the measures necessary to limit further exposure of Confidential Information.

SMUD Information Security Officer Email: InformationSecurity@smud.org Telephone: 916-732-5200

7. The term "Confidential Information" shall not include such portions of the Confidential Information which (i) are or become generally available to the public other than as a result of a disclosure by a Contractor Party, or (ii) become available to a Contractor Party on a non-confidential basis from a source other than a SMUD Party who is not prohibited from disclosing such information to a Contractor Party by a legal, contractual, or fiduciary obligation to SMUD, or (iii) the disclosing Contractor Party knew prior to disclosure as evidenced by such Contractor's Party's written records; or (iv) is disclosed under the order or requirement of a court, administrative agency, or other governmental body or is otherwise required by law to be disclosed, including without limitation, pursuant to the California Public Records Act.
8. In the event that a Contractor Party or anyone to whom a Contractor Party transmits the

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Confidential Information pursuant to this Agreement becomes legally compelled to disclose any of the Confidential Information, Contractor will provide SMUD with prompt notice so that SMUD may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that SMUD waives compliance with the provisions of this Agreement, such Contractor Party will furnish only that portion of the Confidential Information which such Contractor Party is advised by opinion of counsel is legally required, and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information.

9. Contractor acknowledges that remedies at law may be inadequate to protect against breach of this Agreement, and Contractor hereby in advance agrees to the granting of injunctive relief in SMUD's favor without proof of actual damages in addition to, and not in lieu of, all other remedies available to SMUD. Contractor further acknowledges that no failure or delay by SMUD in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof, or of any other grant, power, or privilege hereunder, so operate as a waiver.
10. This Agreement shall be governed by the laws of the State of California. Any disputes regarding this Agreement shall be resolved in accordance with the dispute resolution provisions of the Contract.
11. Upon the termination of the Contract, all Confidential Information obtained under this Agreement shall be destroyed pursuant to Sections 4 and 5 above. Notwithstanding such termination, the obligations of each Contractor Party to protect the confidentiality of the Confidential Information shall survive in perpetuity.
12. This Agreement, together with the Contract, represents the entire agreement of the Parties pertaining to the subject matter of this Agreement, and supersedes any and all prior oral discussions and/or written correspondence or agreements between the Parties with respect thereto.

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its respective, fully authorized representative as of the date first written above.

**SACRAMENTO MUNICIPAL UTILITY
DISTRICT**

By: _____

Title: _____

Date: _____

CONTRACTOR NAME

By _____

Title: _____

Date: _____

Attachment A
Confidential Information

1. <LIST THE DATA ELEMENTS INDIVIDUALLY THAT WILL BE RELEASED IN THIS SECTION>

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**Attachment B
Letter of Certification**

<ENTER COMPANY NAME>
<ENTER COMPANY ADDRESS>

<Date>

<SMUD CONTRACT MANAGER>
Sacramento Municipal Utility District
6301 S Street, <ENTER MAIL STOP NUMBER>
Sacramento, CA 95817

RE: Letter of Certification: <Destruction>/ <Return> of SMUD Confidential
Information

Pursuant to the Non Disclosure Agreement between <ENTER COMPANY NAME> and
SMUD dated, <DATE>, all SMUD Confidential Information has been
<destroyed>/<returned> in accordance with the provisions of the Non Disclosure
Agreement.

<Signature of Officer of Company>
<Printed Name of Officer of Company>
<Telephone number of Officer of Company>

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**APPENDIX - DESIGNATION OF PRIME CONTRACTOR,
SUBCONTRACTORS AND SUPPLIERS
(if applicable)**

PERFORMANCE BOND

BOND NO: _____

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Sacramento Municipal Utility District hereinafter designated as "Obligee", has awarded to
CONTRACTOR NAME as Principal, hereinafter

(Print Company Name)

designated as the "Principal", a contract for the work described as **CONTRACT TITLE**

by and between Obligee and Principal, dated _____, for Obligee Contract No. _____, hereinafter designated as the "Contract";

AND WHEREAS, the Principal is required to furnish a bond in connection with said Contract guaranteeing faithful performance thereof;

NOW, THEREFORE, we the undersigned Principal and Surety are held and firmly bound unto the Obligee in the sum of \$ _____ "Bond Sum" to be paid to the said Obligee or its certain attorney, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents. The Bond Sum includes liability for design services if any are included in the contract scope.

THE CONDITION of this obligation is such,

That if the Principal shall in all things well and truly keep and perform the undertakings, covenants, terms, conditions and agreements of the Contract as it may be modified as provided below, on the Principal's part to be kept and performed at the time and in the manner therein specified, as extended or modified by the Obligee and during the life of any guaranty or warranty required under the Contract, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the said Obligee, its officers and agents, as therein stipulated, of and from any and all loss, damage and expense, including costs and attorney's fees sustained by the Obligee by reason of the Principal's failure to do so, then this obligation shall become and be null and void; otherwise, it shall be and remain in full force and effect.

Whenever the Principal shall be, and declared by Obligee to be in default under the Contract, the Obligee having performed the Obligee's obligations thereunder, the Surety may promptly remedy the default in any manner acceptable to the Obligee. In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the Court.

As a condition precedent to the satisfactory completion of the Contract, the above obligation in said amount shall remain in full force and effect until all warranty obligations under the Contract are satisfied by the Principal, during which time the Principal, its heirs, executors, administrators, successors or assigns shall fail to make full, complete and satisfactory repair and replacements or totally protect the said Obligee from loss or damage made evident during said period of one (1) year from the date of acceptance of the work, and resulting from or caused by defective materials or faulty workmanship in the prosecution of the work done, the above obligation in the said sum shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.

No prepayment or delay in payment, no change, extension of time, addition, alteration, omission or other modification of any provision of the Contract, the work to be performed thereunder or in the plans or specifications agreed to between the Principal and the Obligee, nor any rescission or attempted rescission of the Contract or this Bond, nor any condition precedent or subsequent in this Bond attempting to limit the right of recovery of claimants otherwise entitled to recover under this Bond, nor any fraud practiced by any person other than the Obligee seeking to recover on this Bond, nor any novation of the Contract, nor any forbearance on the part of said Obligee shall in any way affect the Surety's obligation on this Bond, and the Surety hereby waives notice of and consents to any such changes, extensions of time, alterations, additions, omissions, other modifications or novations. The Surety agrees that to the extent that it undertakes to pay claimants based on claims of non-payment of sums related to labor,

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materials or equipment furnished to the Principal or any Subcontractor, and the payment obligation could be construed as an obligation under this Bond or the payment bond issued by the Surety contemporaneously with the issuance of this Bond, such payment shall be treated solely as the discharge of an obligation under the payment bond and shall not reduce or impact on the Surety's obligations under this Bond.

The Surety hereby waives the provisions of California Civil Code Sections 2819 and 2845.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this ____ day of _____.

Principal:	Surety:
Signed:	Street Address:
Print Name:	City: State: Zip:
Title:	Surety Telephone:
	By:

(Attorney-In-Fact)

(The signature of the Surety on this bond must be acknowledged before a Notary Public.)

PAYMENT BOND

BOND NO: _____

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Sacramento Municipal Utility District hereinafter designated as the "Obligee", has awarded to
CONTRACTOR NAME as Principal, hereinafter

(Print Company Name)

designated as the "Principal", a contract for the work describes as **CONTRACT TITLE**

by and between Obligee and Principal, dated _____, for Obligee Contract No., _____ hereinafter designated as the "Contract";

AND WHEREAS, said Principal is required by the provisions of California Civil Code Section 9550, et seq. to furnish a bond in connection with said Contract, as hereinafter set forth;

NOW, THEREFORE, we the undersigned Principal and Surety are held and firmly bound unto said Obligee in the sum of \$ _____ "Bond Sum" to be paid to the said Obligee or its certain attorney, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents. The Bond Sum includes liability by the Surety for design services if any are included in the contract work scope.

THE CONDITION of this obligation is such,

That if said Principal or its Subcontractors, or its or their subcontractors or suppliers, shall fail to pay any of the persons named in California Civil Code Sections 9100 or 9554, or amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the Contract, or any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the Principal or its Subcontractors, or its or their subcontractors or suppliers, pursuant to Section 13020 of the California Unemployment Insurance Code, all as required by the provisions of California Civil Code Section 9550, et seq. and acts amendatory thereof, and sections of other codes of the State of California referred to therein and acts amendatory thereof, that the Surety or sureties will pay for the same, in an amount in the aggregate not exceeding the sum specified in this Bond, and also, in case suit is brought upon the Bond, reasonable attorneys' fees, to be fixed by the Court.

This bond shall inure to the benefit of any and all of the persons named in California Civil Code Sections 9100 and 9554 so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

No prepayment or delay in payment, no change, extension of time, addition, alteration, omission or other modification of any provision of the Contract, the work to be performed thereunder or in the plans or specifications agreed to between the Principal and the Obligee, nor any rescission or attempted rescission of the Contract or this Bond, nor any condition precedent or subsequent in this Bond attempting to limit the right of recovery of claimants otherwise entitled to recover under this Bond, nor any fraud practiced by any person other than the Obligee seeking to recover on this Bond, nor any novation of the Contract, nor any forbearance on the part of said Obligee shall in any way affect the Surety's obligation on this Bond, and the Surety hereby waives notice of and consents to any such changes, extensions of time, alterations, additions, omissions, other modifications or novations. The Surety agrees that to the extent that it undertakes to pay claimants based on claims of non-payment of sums related to labor, materials or equipment furnished to the Principal or any Subcontractor, and the payment obligation could be construed as an obligation under this Bond or the payment bond issued by the Surety contemporaneously with the issuance of this Bond, such payment shall be treated solely as the discharge of an obligation under the payment bond and shall not reduce or impact on the Surety's obligations under this Bond.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction is to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted from this Bond and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

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The Surety hereby waives the provisions of California Civil Code Sections 2819 and 2845.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this ____ day of _____.

Principal:	Surety:
Signed:	Street Address:
Print Name:	City: State: Zip:
Title:	Surety Telephone:
	By:

(Attorney-In-Fact)

(The signature of the Surety on this bond must be acknowledged before a Notary Public.)