

ADDENDUM- FLOCK GROUP INC SERVICES AGREEMENT

CITY OF ROCKLIN

- I. Section 2.7.3 FLOCK'S OBLIGATIONS.** Flock shall install Flock Hardware in conformity with all requirements, specifications, acceptance criteria, and time periods set forth or referenced in the Agreement. Following installation, Flock shall utilize complete and thorough testing procedures and criteria to ensure Flock Hardware is installed and is performing in conformance with the requirements of this Agreement. Flock installation activities shall not be deemed completed until the Agency has accepted the installation of the Flock Hardware, which acceptance shall not be unreasonably withheld or delayed.
- II. Section 4.1 CONFIDENTIALITY.** This Agreement is not "Proprietary Information," as that term or phrase is defined in the Agreement, and this Agreement may be disclosed to the public as required for compliance with the California Public Records Act.
- III. Section 5.3 INVOICING, LATE FEES; TAXES, AUDIT.** All invoices submitted by Flock shall contain the following information:
- (1) Job/project name or description;
 - (2) Agency's current purchase order and/or work order number (if applicable);
 - (3) Flock's invoice number;
 - (4) Date of invoice issuance;
 - (5) Description of services billed under invoice, including the description of tasks performed and the corresponding rate charged for the completion of that task;
 - (6) Amount of invoice, itemizing all authorized reimbursable expenses; and
 - (7) Total billed to date under agreement.

Agency shall make payment to Flock net 30 days from receipt of an acceptable invoice. During performance of the agreement and for a period of three (3) years after completing all services, Flock shall maintain all accounting and financial records related to this Agreement, including but not limited to records of Flock's costs for all services performed under this agreement and records of Flock's reimbursable expenses, in accordance with generally accepted accounting practices, and shall keep and make the records available for inspection and audit by representatives of the Agency upon reasonable written notice. Flock shall pay when and as due, any and all taxes incurred as a result of Flock's compensation hereunder, including estimated taxes, and shall provide Agency with proof of payment upon request. Flock hereby agrees to indemnify Agency for any claims, losses, costs, fees, liabilities, damages or injuries suffered by Agency arising out of Flock's breach of this section.

- IV. Section 6.3 TERMINATION.** Upon termination of this Agreement, Flock shall use commercially reasonable efforts to avoid damage to property during the removal of Flock Hardware, and return the property to the same condition existing prior to installation of the hardware.

V. Section 7.4 INSURANCE

Flock agrees to have and maintain the policies set forth below, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services under this Agreement. All policies, endorsements, certificates, and/or binders shall be subject to approval by the City as to form and content. A lapse in any required insurance coverage during this Agreement shall be a breach of this Agreement.

A. Minimum Scope and limit of Insurance

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 00 01 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.

3. **Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

If Flock maintains broader coverage and/or higher limits than the minimums shown above, Agency requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Agency.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status.** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Flock including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Flock’s insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

2. **Primary Coverage.** For any claims related to this contract, Flock’s insurance coverage shall be primary with coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officers, officials, employees, or volunteers. Any self-insurance maintained by the Agency, its officers, officials, employees or volunteers shall be excess of Flock’s insurance and shall not contribute with it.

3. **Notice of Cancellation.** Each insurance policy required above shall not be canceled, except with notice to the Agency.

4. **Waiver of Subrogation.** Flock hereby grants to Agency a waiver of any right to subrogation which any insurer of Flock may acquire against the Agency by virtue of the payment of any loss under such insurance. Flock agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

5. **Self-Insured Retentions.** Self-insured retentions must be declared to and approved by the Agency. The Agency may require Flock to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or Agency.

6. **Acceptability of Insurers.** Insurance is to be placed with insurers authorized to conduct business in California with a current A.M. Best’s rating of no less than A:VII, unless otherwise acceptable to the Agency.

7. **Verification of Coverage.** Flock shall furnish the Agency with original Certificate of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage

required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to the Agency before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive Flock's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

8. **Subcontractors.** Flock shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Flock shall ensure that Agency is an additional insured on insurance required from subcontractors.

9. **Special Risks or Circumstances.** Agency reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

VI. Section 8.3 RESPONSIBILITY.

The following sentence is stricken from the Agreement, in its entirety. "Agency will not pursue any claims or actions against Flock's suppliers."

VII. Section 8.4 INDEMNITY.

Agency shall indemnify, defend, and hold harmless Flock against any damages, losses, liabilities, settlements and expenses in connection with any claim or action that arises from an alleged violation of Section 3.2, Agency's Installation Obligations, Agency's sharing of any data in connection with the Flock system.

Flock shall indemnify, defend, and hold harmless the Agency, its officers, officials, agents, and employees against all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys' fees, arising from Flock's negligent acts or negligent failure to act, errors, omissions or willful misconduct incident to the performance of this Agreement, except such loss or damage caused by the active negligence, sole negligence, or willful misconduct of the Agency. The provisions of this paragraph shall survive termination or suspension of this Agreement. These Indemnification provisions are independent of and shall not in any way be limited by the Insurance requirements of this agreement. Agency approval of the Insurance required by this Agreement does not in any way relieve the Flock from liability under this section.

VIII. Section 10.3 ENTIRE AGREEMENT. All documents, schedules, exhibits and or attachments specifically referenced in the Service Agreement and/or Order Form shall be included by reference as part of the Service Agreement, as though set forth fully therein.

IX. Section 10.11 COMPLIANCE WITH ALL LAWS

Parties shall stay fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by them or under their control to observe and comply with, all applicable laws, ordinances, and codes of federal, California and local governments, which in any manner affect the scope of services set forth in this Agreement or the materials used or which in any way affect the conduct of the work, and shall commit no trespass on any public or private property in performing any of the work authorized by this Agreement. Parties shall comply with California requirements for ALPR, set forth in California Civil Code section 1798.90.5, et seq., including but not limited to establishing, implementing and maintaining privacy and security policies and protocols to ensure Agency Data is protected against unauthorized access or use.

For all leases and purchases of materials, equipment, supplies or other tangible personal property used to perform the agreement and shipped from outside California, Flock and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment

Permit or Seller's Permit from the California State Board of Equalization, in accordance with the applicable SBE criteria and requirements. This provision applies in all instances unless prohibited by the funding source for the agreement.

Except as set forth in this Addendum, the Services Agreement is unaffected and shall continue in full force and effect in accordance with its terms. If there is a conflict between this Addendum and the Services Agreement, the terms of this Addendum will prevail.

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Addendum to the Flock Group Inc. Services Agreement as of the date(s) set forth below.

FLOCK GROUP INC.

City of Rocklin

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____