CONTRACT FOR PROFESSIONAL, TECHNICAL, OR EXPERT SERVICES
CONTRACT NO. 30003359
SHORT TITLE OF WORK PROJECT: QSA and AVS Services for PCI-DSS Compliance

This contract "Contract" is between the City of Portland, acting by and through its Bureau of Technology Services, hereafter called "City," and Coalfire Systems, Inc., hereafter called Contractor. The City's Project Manager for this Contract is Logan Kleier.

Effective Date and Duration
This Contract shall become effective on June 30, 2013 (or on the date at which every party has signed this Contract, whichever is later.) This Contract shall have an initial term of five (5) years. The City may exercise an option to extend the term for additional periods up to five (5) years, for a maximum total term of ten (10) years. This Contract shall expire, unless otherwise terminated or extended, on June 30, 2018.

Statement of Work
(a)   The statement of work is contained in EXHIBIT A attached hereto and by this reference made a part hereof.
(b)   The delivery schedule for the work is identified in EXHIBIT A.

Consideration
(a)   City agrees to pay Contractor a sum not to exceed $210,000.00 for accomplishment of the work for the initial term.
(b)   Interim payments shall be made to Contractor according to the schedule identified in EXHIBIT A.

Terms and conditions listed on pages below.

CONTRACTOR DATA, CERTIFICATION, AND SIGNATURE

Name (please print): Coalfire Systems, Inc.
Address: 1633 Westlake Ave. N., Suite 100, Seattle, WA 98109
Social Security #: NA
Federal Tax ID #: 84-1600418   State Tax ID #: NA   Business License #697938
Citizenship: NA   Nonresident alien ____ Yes ____ No
Business Designation (check one): ____ Individual   ____ Sole Proprietorship   ____ Partnership   _X_ Corporation
____ Limited Liability Co (LLC)   ____ Estate/Trust   ____ Public Service Corp.   ____ Government/Nonprofit

Payment information will be reported to the IRS under the name and taxpayer I.D. number provided above. Information must be provided prior to Contract approval. Information not matching IRS records could subject you to 20 percent backup withholding.

I, the undersigned, agree to perform work outlined in this Contract in accordance to the terms and conditions (listed on pages 2-4 and made part of this Contract by reference) and the statement of work made part of this Contract by reference: hereby certify under penalty of perjury that I/my business am not/is not in violation of any Oregon tax laws: hereby certify that my business is certified as an Equal Employment Opportunity Affirmative Action Employer and is in compliance with the Equal Benefits Program as prescribed by Chapter 3.100 of Code of the City of Portland: and hereby certify I am an independent Contractor as defined in ORS 670.600.

Approved by the Contractor: _____ Exec. VP, Sales   June 11, 2013
                              Signature/Title   Date

CITY OF PORTLAND SIGNATURES

By: _____   Date: _____
     Chief Procurement Officer

Approved as to Form
by City Attorney: _____ 6/11/2013 _____
                   Office of City Attorney   Date

CITY OF PORTLAND
STANDARD CONTRACT PROVISIONS FOR
PROFESSIONAL, TECHNICAL & EXPERT SERVICES (MANDATORY PROVISIONS)
I.   DEFINITIONS

These definitions apply to the entire Contract including Exhibits, and any subsequent Amendments.

"Acceptance" means a Deliverable has been delivered, inspected, configured, and diagnostic tests have been performed to demonstrate, to the City's satisfaction, that the Deliverable conforms and operates according to the requirements of this Contract, applicable Acceptance Criteria or Documentation, and Contractor's representations.

"Acceptance Criteria" means all Specifications, functionality and performance requirements as set forth in the Statement of Work (as such Specifications, and requirements and Statement of Work may be changed from time to time by an Amendment) and Contractor's representations and warranties. The City's Acceptance Criteria will be based on reliance on Contractor's experience and expertise. City and Contractor agree to establish the Acceptance Criteria in writing for the purpose of conducting Acceptance Testing.

"Acceptance Date" means the date on which the City certifies to Contractor in writing that the Deliverable or Service has met the applicable Acceptance Criteria and is complete.

"Amendment" means a written document required to be signed by both Parties when in any way altering the terms and conditions, term, or cost provisions of the Contract or changing, adding to, or substantially altering a Statement of Work.

"Assessment" has the meaning ascribed to those terms in Appendix A of the PCI Security Standards Validation Requirements for Qualified Security Assessors, a copy of which is located at https://www.pcisecuritystandards.org.

"Business Day" means a calendar day of twenty-four hours, excluding weekends and City recognized holidays, beginning at midnight and ending at midnight twenty-four hours later.

"Calendar Day" means a calendar day of twenty-four hours, including weekdays, weekends and holidays, beginning at midnight and ending at midnight twenty-four hours later.

"City Confidential Information" means any information, in any form or media, including verbal discussions, whether or not marked or identified by the City, which is reasonably described by one or more of the following categories of information: (1) financial, statistical, personnel, human resources data or Personally Identifiable Information as described in the Oregon Consumer Identity Theft Protection Act of 2007: (2) business plans, negotiations, or strategies: (3) unannounced pending or future Products, services, designs, projects or internal public relations information; (4) trade secrets, as such term is defined by ORS 192.501(2) and the Uniform Trade Secrets Act ORS 646.461 to 646.475: (5) Exempt per ORS 192.501 and/or ORS 192.502 (6) attorney/client privileged communications, (7) exempt per federal laws (including but not limited to Copyright, HIPPA) and (8) information relating to or embodied by designs, plans, configurations, Specifications, programs, or Systems developed for the benefit of the City including without limitation, data and information Systems, any Software code and related materials licensed or provided to the City by third parties: processes; applications: codes, modifications and enhancements thereto; and any work Products produced for the City.

"Confidential Information" means any information that is disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, labeled or identified at the time of disclosure as being confidential or its equivalent; or if the information is in verbal form, it is identified as confidential or proprietary at the time of disclosure and is confirmed in writing within thirty (30) Calendar Days of the disclosure. Confidential Information does not include any information that: is or becomes publicly known through no wrongful or negligent act of the receiving party; is already known to the receiving party without restriction when it is disclosed: is, or subsequently becomes, rightfully and without breach of this Contract or any other agreement between the Parties or of any applicable protective or similar order, in the receiving party's possession without any obligation restricting disclosure; is independently developed by the receiving party without breach of this Contract; or is explicitly approved for release by written authorization of the disclosing party.

"Configuration" means a) revisions and modifications to the Software to enhance features and functionality but which do not include changes to the source code and/or b) selection of functional options from choices provided within the Software.

"Contract" means the Standard Terms and Conditions, all Exhibits, any subsequent Amendments, and all documents referenced as incorporated into the Contract.

"Customization" means (a) any modification to or adaptation of Software or a System, or (b) any new component or accessory or new code, whether prepared, created, or developed by the Contractor or an contractor at the City's request as a work for hire, by the City, or by the City in conjunction with any contractor.

"Deliverable(s)" means the means the goods or Services or Documentation or other tangible work Products described in the Statement of Work, to be provided to the City by Contractor.

Coalfire Systems, Inc.

"Documentation" means User manuals, work products, and other written materials in any form that describe the features or functions of the Software, System, or Deliverables, including but not limited to published Specifications, marketing materials, technical manuals, and operating instructions provided to the City, or readily available to the public, or as required to be produced by Contractor subject to the terms of this Contract.

"Error" means any defect, problem, condition, bug, or other partial or complete inability of a Deliverable to perform either in accordance with the applicable Acceptance Criteria, Specifications, or in the same manner in which it operated as of the Acceptance Date.

"Fix" means a correction to Software or other Deliverable that does not function or operate in accordance with the applicable Specifications. A Fix is not a Modification or Upgrade.

"Hardware" means any equipment, machinery, device, tool, computer, computer component, computer System, including add-ons, or peripherals of tangible form together with the necessary supplies for upkeep and maintenance, and other apparatus necessary for the proper operation, modification, or support of a System.

"Material Breach" means any breach of this Contract that (a) causes or may cause substantial harm to the non-breaching party; or (b) substantially deprives the non-breaching party of the benefit it reasonably expected under this Contract.

"Operating System Software" means any computer program Product that is installed on, and is a component integral to the function and basic operation of the Hardware of a specific data-processing System or platform in order to allow Users and application programs to make use of it.

"Product(s)" means Software, Hardware, Documentation and supplies, Services including warranty services, professional services, which may include Upgrades, Customization and training.

"Project" means the overall collection of Deliverables, Services, and activities required under this Contract, any of which Contractor may be providing in whole or in part.

"Results" means the Report on Compliance and any associated working papers, notes and other materials and information generated in connection with an Assessment, including a copy of this Contract.

"Services" means both ordinary and professional services as required to be performed by Contractor under this Contract for the City as set forth in the Statement of Work.

"Software" means the, including, without limitation, the software applications, modules and computer programs used in any City System as well as any Customization, diagnostic software, interactive computer service for compliance assessment and management solutions, Updates, Upgrades and any related Documentation, including without limitation, all functionality, web-services, supplements, add-on components, corrections, modifications, bug Fixes, enhancements and other applications, new versions, releases, and programs covered by Services supplied by Contractor to the City under this Contract, to the extent that such items are not accompanied by a separate end user license agreement.

"Specifications" means the most current statement of capabilities, functionality and performance requirements as set out in the Acceptance Criteria, the Statement of Work, Documentation, Contractor's Proposal and Proposal Clarifications, and the City's Request for Proposals.

"Statement of Work" (SOW) means the written detailed Specifications of the Deliverables or Services(s) to be delivered to the City by Contractor subject to the terms and conditions of this Contract.

"Subcontractor" means any person or business entity employed to perform all or part of an obligation of this Contract under the control of Contractor.

"System" means collectively all Products, Hardware, Software, and other tangible components and interfaces.

"Update" means a change, modification, or enhancement to the System or Software, and related Documentation, which improves its performance or efficiency, but does not alter its core functionality.

"Upgrade" means a newer, better version, change, modification, or enhancement to the System or Software, and related Documentation, which incorporates major new features or increases the core functionality of the System or Software and may be considered a new version.

"User" means any person employed or working on behalf of the City, its Bureaus, Divisions, Offices, Directors, and any person or entity under contract or authorized by the City to provide it with Services and to use the City's resources in whole or in part, in the course of assisting the City.

II. GENERAL PROVISIONS

1. Access to Records

The Contractor shall maintain, and the City of Portland ("City") and its duly authorized representatives shall have access to the books, documents, papers, and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts, and transcripts for a period of three years after final payment. Copies of applicable records shall be made available upon request. Payment for cost of copies is reimbursable by the City.

2. Audits

(a) The City, either directly or through a designated representative, may conduct financial and performance audits of the billings and Services specified in this Contract at any time in the course of this Contract and during the three (3) year period established by Section 1, Access to Records. Audits will be conducted in accordance with generally accepted auditing standards as promulgated in Government Auditing Standards by the Comptroller General of the United States General Accounting Office.

(b) If an audit discloses that payments to the Contractor were in excess of the amount to which the Contractor was entitled, then the Contractor shall repay the amount of the excess to the City.

(c) If any audit shows performance of Services is not efficient in accordance with Government Auditing Standards, or that the program is not effective in accordance with Government Auditing Standards, the City may pursue remedies provided under Section 5, Early Termination of Contract and Section 7, Remedies.

3. Effective Date and Duration

The passage of the Contract expiration date (as recorded on reverse side) shall not extinguish, prejudice, or limit either party's right to enforce this Contract with respect to any default or defect in performance that has not been cured.

4. Order of Precedence

This Contract consists of the terms and conditions of this Contract, the Request for Proposals (RFP) issued by the City, if any, and the Contractor's proposal in response to the RFP. In the event of any apparent or alleged conflict between these various documents, the following order of precedence shall apply to resolve the conflict: a) these Terms and Conditions, b) Statement of Work and Payment Schedule; c) any exhibits attached to the Contract, d) the City's RFP 115181 (incorporated by this reference), and e) the Contractor's proposal in response to the RFP (incorporated by this reference).

5. Early Termination of Contract

(a) The City and the Contractor, by mutual written Contract, may terminate this Contract at any time.

(b) The City, on thirty (30) days written notice to the Contractor, may terminate this Contract for any reason deemed appropriate in its sole discretion.

(c) Either the City or the Contractor may terminate this Contract in the event of a breach of this Contract by the other. Prior to such termination, however, the party seeking the termination shall give to the other party written notice of the breach and of the party's intent to terminate. If the party has not entirely cured the breach within fifteen (15) days of the notice, then the party giving the notice may terminate this Contract at any time thereafter by giving a written notice of termination.

6. Payment on Early Termination

(a) In the event of termination under subsection 5(a) or 5(b), Early Termination of Contract hereof, the City shall pay the Contractor for work performed in accordance with this Contract prior to the termination date.

(b) In the event of termination under subsection 5(c), Early Termination of Contract hereof, by the Contractor due to a breach by the City, then the City shall pay the Contractor as provided in subsection (a) of this section.

(c) In the event of termination under subsection 5(c), Early Termination of Contract hereof, by the City due to a breach by the Contractor, then the City shall pay the Contractor as provided in subsection (a) of this Section, subject to set off of excess costs, as provided for in subsection 7(a), Remedies.

(d) In the event of early termination all of the Contractor's work Product will become and remain property of the City.

7. Remedies

(a) In the event of termination under subsection 5(c), Early Termination of Contract, hereof, by the City due to a breach by the Contractor, then the City may complete the work either itself, by Contract with another contractor or by a combination thereof. In the event the cost of completing the work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then the Contractor shall pay to the City the amount of the reasonable excess.

(b) The remedies provided to the City under Section 5, Early Termination of Contract and Section 7, Remedies for a breach by the Contractor shall not be exclusive. The City also shall be entitled to any other equitable and legal remedies that are available.

(c) In the event of breach of this Contract by the City, then the Contractor's remedy shall be limited to termination of this Contract and receipt of payment as provided in subsection 5(c), Early Termination of Contract and subsection 6(b), Payment on Early Termination hereof.

8. Subcontracts and Assignment

Contractor shall not subcontract, assign or transfer any of the work scheduled under this Contract, without the prior written consent of the City. Notwithstanding City approval of a Subcontractor, the Contractor shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Contractor hereunder. The Contractor agrees that if Subcontractors are employed in the performance of this Contract, the Contractor and its Subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

9. Compliance with Applicable Law

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In connection with its activities under this Contract, Contractor shall comply with all applicable federal, state and local laws and regulations including the City's Equal Benefits Ordinance and its administrative rules, all of which are incorporated by this reference. Contractor agrees it is currently in compliance with all tax laws. Contractor shall comply with Title VI of the Civil Rights Act of 1964 and its corresponding regulations as further described at: http://www.portlandoregon.gov/bibs/article/446806. Failure to comply with the Ordinance permits the City to impose sanctions or require remedial actions as stated in Section 13.1 of the administrative rules. Contractor shall complete Exhibit B, Workers' Compensation Insurance Questionnaire, which is attached hereto and by this reference made a part hereof.

9a. Indemnity - Claims for Other than Professional Liability
Contractor shall defend, save, and hold harmless the City of Portland, its officers, agents, and employees, from all claims, suits, or actions of whatsoever nature, including intentional acts, resulting from or arising out of the activities of Contractor or its Subcontractors, agents or employees under this Contract.

9b. Indemnity - Claims for Professional Liability
Contractor shall defend, save, and hold harmless the City of Portland, its officers, agents, and employees, from all claims, suits, or actions arising out of the professional negligent acts, Errors or omissions of Contractor or its Subcontractors and sub-consultants, agents or employees in performance of professional Services under this Contract. In no event shall Contractor's liability under this Contract exceed $3,000,000.

9c. Indemnity - Standard of Care
If Contractor's Services involve engineering or consulting, the standard of care applicable to Contractor's Service will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar Services at the time such Services are performed. Contractor will re-perform any Services not meeting this standard without additional compensation.

10. Insurance
Exhibit C is hereby referenced and made a part of this Contract.

11. Ownership of Work Product
(a) The City understands that the Contractor is engaged to use its existing knowledge, training, experience and proprietary methodologies ("Contractor Methodologies") to assess the City's information technology System and certain security aspects thereof and to provide a written report regarding such security aspects to the City. The Deliverables, as described in the applicable Statement of Work, will be owned by the City and, subject to subsection 11(b) below, the Contractor and the City intend that such work Product shall be deemed "work made for hire" of which the City shall be deemed the author. If for any reason a work Product is deemed not to be a "work made for hire," the Contractor hereby irrevocably assigns and transfers to the City all right, title and interest in such work Product, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrines. Subject to subsection 11(b), Contractor waives all rights relating to work Product, including any rights arising under 17 USC 106A, or any other rights of authorship, identification or approval, restriction or limitation on use or subsequent modifications in the Deliverables.
(b) Notwithstanding anything in this Contract or Oregon Law to the contrary, the City will not acquire, and the Contractor will not assign, any right, title or interest in or to the Contractor Methodologies or any text, data or other materials that were owned by, or licensed to, the Contractor prior to the Contractor's performance of Services under the applicable Statement of Work ("Pre-existing Intellectual Property"). As between the Contractor and the City, the Contractor is and will remain the owner of all Pre-existing Intellectual Property and all processes, know-how, methodologies and technology used in connection with providing the Services. If any Deliverable, as described in the applicable Statement of Work, includes any Pre-existing Intellectual Property, the Contractor hereby grants to the City a perpetual, non-exclusive, royalty-free license to make a reasonable number of copies of such Deliverables (with the Pre-existing Intellectual Property therein) solely for the City's governmental purposes and to the extent that such license is required to enable the City to make use of the Contractor's Services hereunder. . The City hereby grants to the Contractor a perpetual, non-exclusive, royalty-free license to use any new knowledge, techniques and methodologies developed by the Contractor in the performance of the Services and the creation of the Deliverables.

12. EEO Certification
In the event Contractor provides in excess of $2,500.00 for Services to the City in any fiscal year, Contractor shall obtain EEO certification from the City.

13. Equal Benefits
Contractor must comply with the City's Equal Benefits program as prescribed by Chapter 3.100 of the Code of the City of Portland. The required Documentation must be filed with Procurement Services, City of Portland, prior to Contract execution.

14 Nondiscrimination
Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. Contractor also shall comply with the Americans With Disabilities Act of 1990 (Pub l. No. 101-336) including Title II of that Act, ORS 659.425, and all regulations and administrative rules established pursuant to those laws.

15. Successors in Interest
The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and approved assigns.

16. Severability

Coalfire Systems, Inc.

The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

17.   Waiver
The failure of the City to enforce any provision of this Contract shall not constitute a waiver by the City of that or any other provision.

18.   Errors
The Contractor shall perform such additional work as may be necessary to correct Errors in the work required under this Contract without undue delays and without additional cost.

19.   Governing Law
The provisions of this Contract shall be construed in accordance with the provisions of the laws of the State of Oregon. Any action or suits involving any question arising under this Contract must be brought in the appropriate court in Multnomah County Oregon.

20.   Amendments
All changes to this Contract, including changes to the scope of work and Contract amount, must be made by written Amendment and approved by the Purchasing Agent to be valid. Any Amendment that increases the original Contract amount by more than 25% must be approved by the City Council to be valid.

21.   Business Tax Registration
The Contractor shall obtain a City of Portland business license as required by PCC 7.02 prior to beginning work under this Contract. The Contractor shall provide a business license number in the space provided on page one of this Contract. Additionally, the Contractor shall pay all fees or taxes due under the Business License Law and the Multnomah County Business Income Tax (MCC Chapter 12) during the full term of this Contract. Failure to be in compliance may result in payments due under this Contract to be withheld to satisfy amount due under the Business License Law and the Multnomah County Business Income Tax Law.

22.   Prohibited Interest
(a) No City officer or employee during his or her tenure or for one year thereafter shall have any interest, direct or indirect, in this Contract or the proceeds thereof.
(b) No City officer or employee who participated in the award of this Contract shall be employed by the Contractor during the period of this Contract.

23.   Payment to Vendors and Subcontractors
The Contractor shall timely pay all suppliers, lessors and contractors providing it Services, materials or equipment for carrying out its obligations under this Contract. The Contractor shall not take or fail to take any action in a manner that causes the City or any materials that the Contractor provides hereunder to be subject to any claim or lien of any person without the City's prior written consent.

24. Electronic Signatures
The City and Contractor may conduct this transaction, including any Contract Amendments, by electronic means, including the use of electronic signatures.

25. Third Party Beneficiaries
There are no third party beneficiaries to this Contract. Enforcement of this Contract is reserved to the Parties.

26.   **Responsibilities of the City** The City will reasonably cooperate with Contractor and take all actions reasonably necessary to enable Contractor to perform the Services contemplated herein in an effective and efficient manner. The City is responsible for nonconformities arising from inaccurate, inauthentic or incomplete data or information provided by the City, or for failures or delays arising from lack of cooperation of the City. The City is further responsible for informing Contractor of any changes to the information presented to Contractor.

27.   **Contractor's Examination** The City acknowledges and agrees that: (i) any outcome of the Services involving compliance assessment is limited to a point-in-time examination of the City's compliance or non-compliance status with the applicable standards or industry best practices set forth in the Scope of Work in Exhibit A, and (ii) in assisting in the examination of the City's compliance or non-compliance status, Contractor relies upon accurate, authentic and complete information provided by the City as well as use of certain sampling techniques.

28.   **No Liability for PCI Standards** The Parties agree that Contractor will have no liability for actions by PCI Security Standards Council (PCI SSC) or PCI SSC's member organizations, their employees, officers, contractors, subcontractors or affiliates with respect to the City's Confidential Information contained in the formal compliance attestation report subject to standards published by the PCI SSC (including, but not limited to, Report on Compliance, Report on Validation, ASV Vulnerability Scan Report, and other developed materials).

29.   **PCI Record Retention Requirements** The Services requested by the City in the Statement of Work found in Exhibit A include an Assessment, and notwithstanding anything in this Contract to the contrary, the City acknowledges and agrees that Contractor is required to, and may, comply with the record retention policies of PCI SSC or such longer period of time

required to satisfy any applicable legal or regulatory requirements. All such information shall be held confidential in accordance with this Contract. Notwithstanding any agreement between the Parties to the contrary, and to meet compliance requirements imposed by the PCI SSC, the City understands and agrees that, with notice to the City, Contractor will be permitted to submit the Results of each Assessment to appropriate parties at the PCI SSC or its affiliate payment brands.

30. **Authorization for System Security Testing** The Services requested by the City in Exhibit A, the Statement of Work include technical security testing, penetration testing (including physical, application, ethical or network penetration assessment and testing) and computer forensic Services. Contractor is hereby authorized to perform those Services identified in the Statement of Work subject to this Contract on Systems, including IP addresses, identified by the City as within scope. The City is responsible for adverse consequences resulting from inaccurate information, including inaccurate IP Addresses, furnished by the City with respect to any System.

31. **Navis Services and Advisor Support** The Services requested by the City in Exhibit A, the Statement of Work include the City's access to Contractor's NAVIS® Services (i.e., hosted compliance assessment or management solutions Software modules). Subscriptions to Contractor's Navis® Products entitle the City to Software access for a 12-month period or for the term stipulated in the Statement of Work subject to this Contract. Reasonable access to a Contractor advisor, if purchased with QSA-led SAQ Services, is available within the first 90-days of service initiation to support use of Navis® Software and customer compliance issues; thereafter, Contractor advisors are available for quarterly check-ins for up to one-half hour each, and an advisor may proactively contact the City to provide this follow-up support. Additional support time may be purchased, if needed, beyond the initial 90-day timeframe at the City's request at the rate listed in Exhibit A

III. OPTIONAL PROVISIONS (selected by City Project Manager)

32. **Arbitration:** /_x_/ Not Applicable /___/ Applicable (consult with City Attorney's Office before finalizing as applicable)
(a) Any dispute arising out of or in connection with this Contract, which is not settled by mutual agreement of the Contractor and the City within sixty (60) days of notification in writing by either party, shall be submitted to an arbitrator mutually agreed upon by the parties. In the event the parties cannot agree on the arbitrator, then the arbitrator shall be appointed by the Presiding Judge (Civil) of the Circuit Court of the State of Oregon for the County of Multnomah. The arbitrator shall be selected within thirty (30) days from the expiration of the sixty (60) day period following notification of the dispute. The arbitration, and any litigation arising out of or in connection with this Contract, shall be conducted in Portland, Oregon, shall be governed by the laws of the State of Oregon, and shall be as speedy as reasonably possible. The applicable arbitration rules for the Multnomah County courts shall apply unless the parties agree in writing to other rules. The arbitrator shall render a decision within forty-five (45) days of the first meeting with the Contractor and the City. Insofar as the Contractor and the City legally may do so, they agree to be bound by the decision of the arbitrator.
(b) Notwithstanding any dispute under this Contract, whether before or during arbitration, the Contractor shall continue to perform its work pending resolution of a dispute, and the City shall make payments as required by this Contract for undisputed portions of work.

33. **Progress Reports:** /___/ Applicable /_X_/ Not Applicable The Contractor shall provide monthly progress reports to the Project Manager. If applicable, Exhibit A should list what information the Contractor must include in monthly progress reports.

34. **Contractor's Personnel:** /___/ Applicable /_X_/ Not Applicable The Contractor shall assign the following personnel to do the work in the capacities designated: If applicable, list selected personnel in Exhibit A. The Contractor shall not change personnel assignments without the prior written consent of the City.

35. **Subcontractors:** /___/ Applicable /_X_/ Not Applicable The Contractor shall assign the following Subcontractors to perform work in the capacities designated: If applicable, list selected Subcontractors in Exhibit A. The Contractor shall not change Subcontractor assignments without the prior written consent of the City.

36. **ACH Payments**

It is the City's policy to pay its Contractor invoices via electronic funds transfers through the automated clearing house (ACH) network. To initiate payment of invoices, Contractors shall execute the City's standard ACH Vendor Payment Authorization Contract which is available on the City's website at http://www.portlandoregon.gov/bfs/article/409834?.

Upon verification of the data provided, the Payment Authorization Contract will authorize the City to deposit payment for Services rendered directly into Contractor accounts with financial institutions. All payments shall be in United States currency.

37. **Merger Clause**
THIS CONTRACT AND ATTACHED EXHIBITS CONSTITUTES THE ENTIRE CONTRACT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION, OR CHANGE OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION, OR CHANGE IF MADE, SHALL BE EFFECTIVE ONLY IN SPECIFIC INSTANCES AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, CONTRACTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. CONTRACTOR, BY THE SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT HE OR SHE HAS READ THIS CONTRACT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACT FOR PROFESSIONAL, TECHNICAL, OR EXPERT SERVICES
EXHIBIT A

Statement of the Work
and
Payment Schedule

Payment Card Industry- Data Security Standard (PCI-DSS) – Contract SOW between the City of Portland and Coalfire Systems.

I. CONTRACTOR - SCOPE OF WORK

Contractor will provide the City of Portland, Bureau of Technology Services (BTS):

1. A PCI Report on Compliance (ROC) assessment from a certified Qualified Security Assessor (QSA) to baseline the City's full and current compliance status of three distinct payment platforms operated by the City, including:
   a. BTS' Payment Gateway
   b. Parks & Recreation Bureau's on-line class registration Systems, and
   c. Office of Management and Finance's Smart Park facilities
2. Remediation guidance to supplement the ROC in the form of a Gap Analysis including policy templates and remediation cost estimates
3. Quarterly network scans for the active, external facing IP addresses within the above referenced platforms payment card environments (PCE)
4. Payment for all Task work Products and Services shall be contingent on the City's Acceptance of the work Product. The City shall accept the work Product for each Task if it meets the stated Acceptance Criteria for that work Product. Acceptance shall not be unduly withheld by the City.

Report on Compliance
Contractor conducts the ROC through the following Project tasks:

1. Charter Meeting
2. Pre-Assessment
3. ROC assessment
4. Analysis & Reporting
5. Presentation & Debrief Meeting

Task 1 Charter Meeting
The Project will be initiated with a formal kick off meeting, referred to as the Charter. The Charter re-states objectives and aligns the City and Contractor team members to their specific roles and responsibilities, communication methods, resource availability, and schedules.

Work Product: (Task 1) During the Charter, Contractor will request Documentation from the City relating to policies, standards, procedures, organizational charts, and other PCI specific diagrams not previously provided.

Acceptance Criteria: (Task 1) City shall accept the Contractor Documentation request, if the request has all the elements mentioned above, and the City's Project Manager or their designee determines the correct Documentation has been requested.

Task 2 Pre-Assessment
Contractor will conduct a thorough Documentation review of PCI-required elements, including Documentation covering existing controls, processes, architectural diagrams, card transaction and data flow, general business plans, policies, and procedures. To supplement and validate the Documentation review, Contractor will interview City business units and process managers involved in the payment card environment (PCE) for the three distinct platforms. Contractor and the City will also inventory payment

this task. Payment for these activities shall occur upon the City's Acceptance of Task 4's Deliverables.

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Task 3 ROC Assessment

Testing and validation is required to complete the ROC and identify control compliance and non-compliance to the PCI-DSS. Only applicable controls that are part of the PCE assessment scope are subject to testing.

Through a combination of interviews, observations, control performance, and technical testing, Contractor shall complete the assessment according to PCI ROC testing procedures.

Details regarding QSA security auditing procedures to the PCI DSS may be downloaded at: www.pcisecuritystandards.org/pdfs/pci_audit_procedures_v1-1.pdf

Work Products (Task 3): During this Project task, test data is collected. There are no specific written Deliverables for Project Task 3. The test data shall be reviewed and the evidence and conclusions presented in the Deliverables associated with Project Task 4, the Report on Compliance (ROC), and the Gap Analysis.

Project Duration (Task 3): It is estimated that Task 3 activities will be performed over the course of five business days, provided reasonable access is allowed to City staff and information related to this task. Payment for these activities shall occur upon the City's Acceptance of Task 4's Deliverables.

Task 4 Analysis & Reporting

Based on the assessment findings, Contractor shall complete the Report on Compliance (ROC). The ROC will be presented to the City in draft form and Amendments submitted before the ROC is finalized. Any objections or suggested Amendments to the ROC shall be provided in writing to Contractor within 30 days of the delivery of the ROC. The ROC is the primary report required by the card associations to demonstrate compliance for Level 1 merchants. The ROC will be presented to the City in a PCI-compliant format and the City may elect to pass the ROC on to Wells Fargo Bank.

If compliance gaps are identified, a Gap Analysis report shall be presented to the City. The Gap Analysis identifies areas of non-compliance and reports on the level of risk associated with each compliance gap. The Gap Analysis provides details regarding the recommended remediation activities and level of urgency for each activity. The Gap Analysis supplements the ROC and is intended to be used by City management and staff to manage progress towards compliance. The report is also intended to be passed on to the City's acquirer, by the City, to demonstrate the City's commitment to PCI and the City's estimated timelines to deploy the required controls to attain compliance.

As a Deliverable, Contractor will provide City staff with PCI-compliant policy templates that the City may customize to fit their unique business model.

Work Products (Task 4): There are three Deliverables resulting from the ROC. They include:
  1. Report on Compliance

card Systems and document the supporting controls and business processes. The net result of this Project task is a defined PCE which ensures appropriate scoping for Task 3 Services.

Upon completion, the pre-assessment task templates shall be established, testing sample sizes determined and on-site testing dates scheduled.

Work Products (Task 2): There are no written Deliverables for this Project task; however, Contractor shall notify the City in writing when it has completed Task 2.

Project Duration (Task 2): It is estimated that Task 2 activities will be completed over the course of

2. Gap Analysis

Project Duration (Task 4): It is estimated that Task 4 activities will be completed within two weeks of completion of Task 3 activities.

Acceptance Criteria (Task 4) Acceptance and payment for Task 4 shall be contingent upon the City's Acceptance of both Deliverables. The City's Project Manager or their designee shall review each Deliverable for the following:

1. The Report on Compliance shall be acceptable, if there are no outstanding objections or Amendments to the Report, and the report is in the requested PCI compliant format.

2. The Gap Analysis shall be acceptable if it contains all the necessary compliance gaps, levels of risk, levels of urgency and recommendations, and all those elements are determined to be correct and complete.

Task 5 Presentation & Debrief Meeting

Contractor will provide an executive presentation to appropriate City managers (IT, Finance) involved in the City's PCI initiative. This meeting will detail Contractor's findings and serve as an opportunity to clearly explain Contractor's findings, areas of risk being introduced to the City, and the City's existing controls program alignment to the PCI DSS.

Work Products (Task 5): The City will receive a PowerPoint presentation.

Project Duration (Task 5): Contractor will work with the City to conduct the presentation at a time that is mutually agreeable, preferably one week after Task 4 activities conclude.

Acceptance Criteria (Task 5) The City shall accept the PowerPoint presentation if the City's Project Manager or their designee determines that the PowerPoint presentation clearly explains Contractor's findings, areas of risk, and the City's existing controls program alignment to the PCI-DSS.

Quarterly Network Scans

Over the course of four calendar quarters, Contractor will provide required network scans that meet the scanning requirements for merchants to the City.

Contractor will schedule scans with IT staff at a time convenient to operations and follow PCI scanning procedures and report formatting. Remediation advice for found vulnerabilities shall be provided to the City along with raw data from the scan results. Vulnerabilities identified as Urgent, Critical or High will be resolved to produce a successful scan report. Scan reports will provide details regarding identified vulnerabilities, vulnerability ratings, and remediation recommendations to address identified vulnerabilities.

The vulnerabilities will be classified in accordance with PCI Security Scanning requirements and are presented below:

Level	Severity	Description
5	URGENT	Trojan horses, file read and write exploit, remote command execution
4	CRITICAL	Potential Trojan Horses, file read exploit
3	HIGH	Limited exploit of read, directory browsing and DoS

| 2 | MEDIUM | Sensitive Information can be obtained by hackers on Configuration |
| 1 | LOW | Configuration Information can be obtained by unauthorized Users |

Work Products (Quarterly Scans): Deliverables presented quarterly include:

1. *Detailed Scan Results:* This report is automatically generated by most scan tools. This report details each IP scanned and associated vulnerabilities, if any. Also included in the Detailed Scan Results report is an overview of all IP's scanned, along with their vulnerability rating.

2. *Vulnerability Tracking Report:* This is intended to supplement the Detailed Scan Results report and is designed to assist the City with the identification of vulnerabilities by hosts and to ensure that an efficient and effective remediation plan is executed.

3. *PCI Scan Report:* This report is an abbreviated version of the Detailed Scan Results report and is intended to be passed on to the City's acquiring bank or associated business partners. This report details the full IP assessment scope, each IP's vulnerability score, and a high-level review of any prevalent weaknesses or vulnerabilities.

Payment Schedule

Contractor will provide Services under this Contract with budgets not-to-exceed those shown in the following table. Reasonable out-of-pocket expenses for travel will be billed as actual up to the amount shown on the table below.

	Description	Annual Fees
Task 1	**Charter Meeting/Project Management** **Milestones:** 1. Establish Project Portal 2. Conduct Charter Meeting 3. Provide the City with a formal document request	$3,000.00
Task 2	**Pre-Assessment/Card Data Environment (CDE) Definition** **Milestones:** 1. Review documents, diagrams and policies 2. Map the City's Payment Card Environment (PCE) 3. Document supporting controls and business processes 4. Establish templates and testing sample sizes 5. Coordinate Task 3 schedules	$31,750.00
Task 3	**PCI DSS Report on Compliance (ROC Assessment)** **Milestones:** 1. On-site interviews, observation, control performance and technical tests	

Tasks 4	ROC Analysis and Reporting **Milestones** 1. Draft Report on Compliance is presented 2. Deliverable : Final Report on Compliance is presented and accepted by the City 3. Deliverable: Gap Analysis is presented 4. Deliverable: Policy Templates are presented 5. Coordinate Task 5 schedule	
Tasks 5	**Debrief Meeting** **Milestone** Presentation to City management	$2,750.00
	Project Services Subtotal	$37,500.00[1]
	Quarterly External Vulnerability Scanning with RapidScan[sm] (Annual license fee for up to 14 external IP addresses) **Milestones:** For each Quarterly scan, Scan Reports are posted to the Project Portal	$595.00[2]
	Contractor Seal and Certificate of Completed Assessment	Included
	Contractor's hourly rate for Advisor support exceeding 90 days per Section 31	$176.89 per hour or the current prevailing wage in State of Oregon Contract 0400 between DAS SPO and Coalfire
	Not-to-Exceed Budget (excluding travel reimbursement)	$38,095.00
	Maximum Reimbursable Travel Expenses[3]	$2,000.00

(1) . Total level of effort in performance of the ROC is estimated at 212 service hours.

(2) Fee is based on the City's previous history of having 14 IP addresses within scope for the required quarterly external ASV scans. The fee for the license is $400/annually for a single IP, with each additional IP beyond one (1) billed at $15/IP (13 IPs x $15 = $195). Each additional IP address the City introduces to their CDE beyond 14 will be billed at $15/IP for the balance of the license year and is not included in the above annual fees estimate of $595.

(3) Multiple Project tasks may be completed in the same month, in which case they may appear on the same invoice.

SUBCONTRACTORS

Contractor has not subcontracted or partnered with any State of Oregon certified M/W/ESB firms on a Project within the last 12 months nor are they subcontracting any element of this Contract.

In the event any subcontractors are used by Contractor, the City will enforce all diversity in workforce and Minority, Women and Emerging Small Business (M/W/ESB) subcontracting commitments submitted by the Contractor in its Proposal. The Contractor shall submit a Monthly Subcontractor Payment and Utilization Report (Exhibit A1 attached hereto) reporting ALL Subcontractors employed in the performance of this Contract.

COMPENSATION

The maximum that the Contractor can be paid on this Contract is $210,000.00 hereafter the "not to exceed" amount.). The "not to exceed" amount includes all payments to be made pursuant to this Contract, including reimbursable expenses, if any. Nothing in this Contract requires the City to pay for work that does not meet the Standard of Care or other requirements of the Contract. The actual amount to be paid Contractor may be less than that amount.

The Contractor is entitled to receive progress payments for its work pursuant to the Contract as provided in more detail above. The City will pay Contractor based on these invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete work based on the Contract without additional compensation unless there is a change to the scope of work.

Any estimate of the hours necessary to perform the work is not binding on the City. The Contractor remains responsible if the estimate proves to be incorrect. Exceeding the number of estimated hours of work does not impose any liability on the City for additional payment.

If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's bills previously submitted for acceptable work performed and approved.

MONTHLY SUBCONTRACTOR PAYMENT AND UTILIZATION REPORT

1. Solicitation No. _____   2. Contract No. _____   3. Prime Contractor _____

4. Contract Amount _____   5. Report Dates: Beginning __/__/__ Ending Dates __/__/__   6. Project Name _____

7. Progress Report No.

8 ALL SUBCONTRACTOR NAMES APPEARING ON ORIGINAL FIRST-TIER SUBCONTRACTOR DISCLO FORM	9 ORIGINAL SUBCONT AMOUNT (S	10 AMENDED SUBCONTRACTOR AM	11 PAYMENT AMOUNTS AND DAT FOR MONTH (S)	12 TOTAL PAYMENTS TO
N/A No subcontractors on this Contract				

SUBCONTRACTORS ADDED AFTER PROJECT AWARD (Must be EEO Certified with the City of Portland)*

13 SUBCONTRACTOR NAME (LIST ANY SUBCONTRACTORS NOT ABOVE)	14 NATURE OF WORK	15 STATUS MBE, ESB	16 SUBCONTRACTOR AMOUNT	17 PAYMENT AMOUNTS AND D MADE, FOR MONTH (S	18 TOTAL PAYMENTS TO

*CHANGES TO CONTRACT: Before replacing, substituting, or adding any Subcontractor, please contact the PTE Compliance Specialist

Please note: Explanations and additional instructions for completing this report are on the reverse side.

IT IS HEREBY CERTIFIED THAT THE ABOVE LISTED FIRMS HAVE BEEN UTILIZED BY OUR FIRM IN THE AMOUNTS REPRESENTED ABOVE AND THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE AND ACCURATE.

_____   _____
Authorized Signature of Contractor Representative   Date

Submit with invoice by the 15th of the month to the City's Project Manager AND City of Portland, Bureau of Purchases, Contract Compliance Specialist, 1120 SW 5th Avenue, Room 750, Portland, OR 97204

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Coalfire Systems, Inc.

INSTRUCTIONS FOR COMPLETING THE MONTHLY SUBCONTRACTOR PAYMENT AND UTILIZATION REPORT

1. **SOLICITATION NUMBER:** Enter City of Portland solicitation number.
2. **CONTRACT NUMBER:** Indicates the Contract number assigned by the City Auditor for this Project.
3. **PRIME CONTRACTOR:** Indicate the name of the prime Contractor.
4. **PRIME CONTRACT AMOUNT:** Indicate the total dollar amount of the prime Contract.
5. **REPORT DATES:** Indicate the beginning and ending dates corresponding to the progress payment period or use calendar month (i.e. 1/1/02 thru 1/31/02); reports should be sequential and not overlap.
6. **PROJECT NAME:** Indicate the Project name as indicated on the Contract documents.
7. **PROGRESS REPORT NUMBER:** Enter report No.1 for the first report submitted and sequential numbers for reports submitted thereafter.
8. **ALL SUBCONTRACTOR NAMES:** List the names of all Subcontractors listed on the original First-Tier Subcontractor Disclosure form as submitted at solicitation due date.
9. **ORIGINAL SUBCONTRACT AMOUNT:** Indicate the dollar amount for each Subcontractor at time of award.
10. **AMENDED SUBCONTRACTOR AMOUNT:** This amount should be the total dollar value (original Subcontractor amount plus any additions or deletions) of the Subcontract.
11. **PAYMENT AMOUNTS AND DATES MADE, FOR MONTH:** Please list any payment amounts for the month, and the dates the payments were made.
12. **TOTAL PAYMENTS, TO DATE:** This amount should be the total dollar amount paid-to-date to the Subcontractor.

SUBCONTRACTORS ADDED AFTER PROJECT WAS AWARDED

13. **SUBCONTRACTOR NAME:** Please list any Subcontractors not appearing on original disclosure form.
14. **NATURE OF WORK:** Briefly describe Subcontractors work (i.e. CAD drafting, environmental testing, etc.).
15. **STATUS:** Indicate the appropriate M/W/ESB status of each Subcontractor listed (i.e. MBE, WBE, and ESB). **Note:** Designations should be consistent with how firms were certified by the State at time of Contract award. Leave blank for non-certified firms.
16. **SUBCONTRACTOR AMOUNT:** Indicate the dollar amount of the subcontract.
17. **PAYMENT AMOUNTS AND DATES MADE, FOR MONTH:** Please list any payment amounts for the month, and the dates the payments were made.
18. **TOTAL PAYMENTS, TO DATE:** This amount should be the total dollar amount paid-to-date to the Subcontractor

COMMENTS (Include why any payment amounts made to a Subcontractor are less than that requested by the Subcontractor).

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EXHIBIT B
WORKERS' COMPENSATION INSURANCE STATEMENT
IF YOUR FIRM HAS CURRENT WORKERS' COMPENSATION INSURANCE, CONTRACTOR MUST SIGN HERE:

I, undersigned, am authorized to act on behalf of entity designated below, and I hereby certify that this entity has current Workers' Compensation Insurance.

Contractor Signature: _____ Date: **6/11/13** Entity: **Coalfire Systems, Inc.**

IF YOUR FIRM DOES NOT HAVE CURRENT WORKERS' COMPENSATION INSURANCE, CONTRACTOR MUST COMPLETE THE FOLLOWING INDEPENDENT CONTRACTOR CERTIFICATION STATEMENT:

As an Independent Contractor, I certify that I meet the following standards:

1. The individual or business entity providing labor or Services is registered under ORS Chapter 701, if the individual or business entity provides labor or Services for which such registration is required;

2. Federal and state income tax returns in the name of the business or a business Schedule C or form Schedule F as part of the personal income tax return were filed for the previous year if the individual or business entity performed labor or Services as an independent contractor in the previous year; and

3. The individual or business entity represents to the public that the labor or Services are to be provided by an independently established business. Except when an individual or business entity files a Schedule F as part of the personal income tax returns and the individual or business entity performs farm labor or Services that are reportable on Schedule C, an individual or business entity is considered to be engaged in an independently established business when four or more of the following circumstances exist.
   Contractor: check four or more of the following:

_____ A. The labor or Services are primarily carried out at a location that is separate from the residence of an individual who performs the labor or Services, or are primarily carried out in a specific portion of the residence, which portion is set aside as the location of the business;

_____ B. Commercial advertising or business cards as is customary in operating similar businesses are purchased for the business, or the individual or business entity has a trade association membership;

_____ C. Telephone listing and service are used for the business that is separate from the personal residence listing and service used by an individual who performs the labor or Services;

_____ D. Labor or Services are performed only pursuant to written contracts;

_____ E. Labor or Services are performed for two or more different persons within a period of one year; or

_____ F. The individual or business entity assumes financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, Errors and omission insurance or liability insurance relating to the labor or Services to be provided.

_____   _____
Contractor Signature   Date

FOR CITY USE ONLY

PROJECT MANANGER-COMPLETE ONLY IF CONTRACTOR DOES NOT HAVE WORKER'S COMPENSATION INSURANCE
ORS 670.600 Independent Contractor standards. As used in various provisions of ORS Chapters 316, 656, 657, and 701, an individual or business entity that performs labor or Services for remuneration shall be considered to perform the labor or Services as an "independent contractor" if the standards of this section are met. The contracted work meets the following standards:

1. The individual or business entity providing the labor or Services is free from direction and control over the means and manner of providing the labor or Services, subject only to the right of the person for whom the labor or Services are provided to specify the desired results;

2. The individual or business entity providing labor or Services is responsible for obtaining all assumed business registrations or professional occupation licenses required by state law or local government ordinances for the individual or business entity to conduct the business;

3. The individual or business entity providing labor or Services furnishes the tools or equipment necessary for performance of the contracted labor or Services;

4. The individual or business entity providing labor or Services has the authority to hire and fire employees to perform the labor or Services;

5. Payment for the labor or Services is made upon completion of the performance of specific portions of the Project or is made on the basis of an annual or periodic retainer.

_____   _____
City Project Manager Signature   Date

EXHIBIT C

INSURANCE (The Project Manager must answer and initial b through d below)

Insurance
Contractor shall obtain and maintain in full force at Contractor's expense, throughout the duration of the Contract and any warranty or extension periods, the required insurance identified below. The City reserves the right to require additional insurance coverage as required by statutory or legal changes to the maximum liability that may be imposed on Oregon cities during the term of the Contract.

(a)   Workers' compensation insurance as required by ORS Chapter 656 and as it may be amended. Unless exempt under ORS Chapter 656, the Contractor and all Subcontractors shall maintain coverage for all subject workers.

_X_ Required and attached   or ¬¬¬   __ Proof of exemption (i.e., completion of Workers' Compensation Insurance Statement)

(b)   General commercial liability (CGL) insurance covering bodily injury, personal injury, property damage, including coverage for independent contractor's protection (required if any work will be subcontracted), premises/operations, contractual liability, Products and completed operations, in per occurrence limit of not less than $1,000,000, and aggregate limit of not less than $2,000,000.

_X_ Required and attached   or   __ waived by Bureau Director or designee

(c)   Automobile liability insurance with coverage of not less than $1,000,000 each accident, and an umbrella or excess liability coverage of $2,000,000. The insurance shall include coverage for any auto or all owned, scheduled, hired and non-owned auto. This coverage may be combined with the commercial general liability insurance policy.

_X_ Required and attached   or   __ waived by Bureau Director or designee

(d)   Professional Liability and/or Errors & Omissions insurance to cover damages caused by negligent acts, Errors or omissions related to the professional Services, and performance of duties and responsibilities of the Contractor under this Contract in an amount with a combined single limit of not less than $1,000,000 per occurrence and aggregate of $3,000,000 for all claims per occurrence. In lieu of an occurrence based policy, Contractor may have claims-made policy in an amount not less than $1,000,000 per claim and $3,000,000 annual aggregate, if the Contractor obtains an extended reporting period or tail coverage for not less than three (3) years following the termination or expiration of the Contract.

_X_ Required and attached   or   __ waived by Bureau Director or designee

Continuous Coverage: Notice of Cancellation: The Contractor agrees to maintain continuous, uninterrupted coverage for the duration of the Contract. There shall be no termination, cancellation, material change, potential exhaustion of aggregate limits, or non renewal of coverage without thirty (30) days written notice from Contractor to the City. If the insurance is canceled or terminated prior to completion of the Contract, Contractor shall immediately notify the City and provide a new policy with the same terms. Any failure to comply with this clause shall constitute a Material Breach of Contract and shall be grounds for immediate termination of this Contract.

Additional Insured: The liability insurance coverages, except Professional Liability, Errors and Omissions, or Workers' Compensation, shall be shall be without prejudice to coverage otherwise existing, and shall name the City of Portland and its bureaus/divisions, officers, agents and employees as Additional Insureds, with respect to the Contractor's activities to be performed, or Products or Services to be provided. Coverage shall be primary and non-contributory with any other insurance and self-insurance. Notwithstanding the naming of additional insureds, the insurance shall protect each additional insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured.

Certificate(s) of Insurance: Contractor shall provide proof of insurance through acceptable certificate(s) of insurance, including additional insured endorsement form(s) and all other relevant endorsements, to the City prior to the award of the Contract if required by the procurement documents (e.g., request for proposal), or at execution of the Contract and prior to any commencement of work or delivery of goods or Services under the Contract. The Certificate(s) will specify all of the parties who are endorsed on the policy as Additional Insureds (or Loss Payees). Insurance coverages required under this Contract shall be obtained from insurance companies acceptable to the City of Portland. The Contractor shall pay for all deductibles and premium. The City reserves the right to require, at any time, complete, certified copies of required insurance policies, including endorsements evidencing the coverage the required.

Subcontractor(s): Contractor shall provide evidence that any Subcontractor, if any, performing work or providing goods or service under the Contract has the same types and amounts of coverages as required herein or that the Subcontractor is included under Contractor's policy.

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