

0150-10086-0000

TRANSMITTAL

TO The Council	DATE JAN - 3 2014	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	

Professional Services Agreement with LoJack Corporation to provide stolen vehicle recovery services to the Los Angeles Police Department

Transmitted for your consideration. See the City Administrative Officer report attached.

ERIC COOPER
by [Signature]
MAYOR

MAS:JCY:04140066t

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

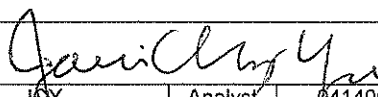
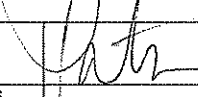
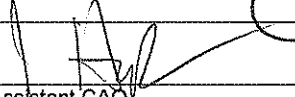
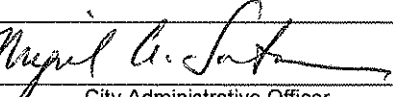
To: The Mayor	Date: 12-23-13	C.D. No.	CAO File No.: 0150-10086-0000				
Contracting Department/Bureau: Police Department, Commercial Crimes Division		Contact: Captain Bill Williams, (213) 485-4130					
Reference: Board of Police Commissioners Transmittal dated September 13, 2013; referred for report October 3, 2013							
Purpose of Contract: Provide Stolen Vehicle Recovery Network Services							
Type of Contract: (X) New contract () Amendment		Contract Term Dates: 5 Years; June 11, 2013 through June 10, 2018					
Contract/Amendment Amount: \$0							
Proposed amount \$ 0 + Prior award(s) \$ 0 = Total \$ 0							
Source of funds: N/A							
Name of Contractor: LoJack Corporation							
Address: 40 Pequot Way, Canton, Massachusetts 02021							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available			X	b. Good Faith Effort Outreach**			X
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested		X		d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: %				*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

The Los Angeles Police Department (LAPD) requests authority to execute a sole source Professional Services Agreement with LoJack Corporation for stolen vehicle recovery network services. The term of the proposed agreement is five years at no cost to the City.

The City previously had a five-year agreement with LoJack that expired on June 10, 2013 (C-113587) and has partnered with LoJack for stolen vehicle recovery services since 1989 at no cost to the City. LoJack operates and maintains the proprietary LoJack Stolen Vehicle Recovery System (LSVRS), which assists cooperating law enforcement agencies in their efforts to recover stolen vehicles equipped with LoJack transmitting devices. The LAPD has found that using the LSVRS has also helped the Department reduce related criminal activity. For example, stolen vehicles equipped with LoJack often lead police to vehicle "chop shops" that steal vehicles and sell them for parts, which can result in arrests and the recovery of even more stolen vehicles. An additional benefit of the LSVRS is that officers can follow a stolen vehicle at a safe distance until the suspect can be apprehended, reducing the risk of injury associated with high speed pursuits.

The LSVRS has three major components: the LoJack Unit installed in private vehicles, the Police Tracking Computer (PTC), and the stand-alone computer network Sector Activation System (SAS).

 JCY	 Analyst	04140066	 Assistant CAO	 City Administrative Officer
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Under the proposed agreement, LoJack will install, maintain and repair the PTCs in LAPD vehicles and provide training and assistance on use of the PTCs and related LSVRS equipment. LoJack will assume all costs associated with the operation of the LSVRS, including the cost to access data from and communications with the California Department of Justice's Stolen Vehicle System.

The LAPD reports that LoJack is the only company that provides a stolen vehicle recovery system controlled by law enforcement agencies, and due to the proprietary nature of the LSVRS and equipment, City employees do not have the expertise to perform the work. The City Attorney has reviewed and approved the sole source and has approved the proposed contract as to form.

RECOMMENDATION

That the Council, subject to the approval of the Mayor, authorize the Chief of Police to retroactively execute the attached Professional Services Agreement on behalf of the City with LoJack Corporation for stolen vehicle recovery network services for the Los Angeles Police Department for a term of five years, from June 11, 2013 through June 10, 2018, at no cost to the City.

FISCAL IMPACT STATEMENT

Approval of this proposed contract between the City and LoJack Corporation will result in no direct cost to the City and is in compliance with the City's Financial Policies. There is no impact on the General Fund.

MAS:JCY:04140066

Attachment

LOS ANGELES POLICE COMMISSION

BOARD OF
POLICE COMMISSIONERS

STEVE SOBOROFF
PRESIDENT

PAULA MADISON
VICE PRESIDENT

SANDRA FIGUEROA-VILLA
KATHLEEN C. KIM
ROBERT M. SALTZMAN

MARIA SILVA
COMMISSION EXECUTIVE ASSISTANT I



ERIC GARCETTI
Mayor

RICHARD M. TEFANK
EXECUTIVE DIRECTOR

ALEXANDER A. BUSTAMANTE
INSPECTOR GENERAL

EXECUTIVE OFFICE
POLICE ADMINISTRATION BUILDING
100 WEST FIRST STREET, SUITE 134
LOS ANGELES, CA 90012-4112

(213) 236-1400 PHONE
(213) 236-1410 FAX
(213) 236-1440 TDD

October 2, 2013

BPC #13-0328

The Honorable Eric Garcetti
Mayor, City of Los Angeles
City Hall, Room 303
Los Angeles, CA 90012

Attention Mandy Morales

Dear Honorable Mayor:

RE: REQUEST APPROVAL OF PERSONAL SERVICES AGREEMENT WITH LOJACK CORPORATION FOR STOLEN VEHICLE RECOVERY NETWORK SERVICES

At the regular meeting of the Board of Police Commissioners held Tuesday, September 24, 2013, the Board APPROVED the Department's report relative to the above matter.

This matter is being forwarded to you for approval.

Respectfully,

BOARD OF POLICE COMMISSIONERS

A handwritten signature in cursive script that reads "Maria Silva".

MARIA SILVA
Commission Executive Assistant

Attachment

c: Chief of Police
ASB

2013 OCT -4 PM 12:23
ADMINISTRATIVE OFFICER

BPC #13-0328

INTRADEPARTMENTAL CORRESPONDENCE

RECEIVED

SEP 18 2013

September 13, 2013
16.3

POLICE COMMISSION

REVIEWED

TO: The Honorable Board of Police Commissioners

FROM: Chief of Police

Edward M. DeFank
EDWARD M. DEFANK
EXECUTIVE DIRECTOR
9/18/13
DATE

SUBJECT: REQUEST APPROVAL OF PERSONAL SERVICES AGREEMENT WITH LOJACK CORPORATION FOR STOLEN VEHICLE RECOVERY NETWORK SERVICES

RECOMMENDED ACTIONS

1. That the Board of Police Commissioners (Board) REVIEW and APPROVE the attached Personal Services Agreement for services with LoJack Corporation.
2. That the Board TRANSMIT the Agreement to the Office of the Mayor and the City Clerk for committee and Council consideration.
3. That the Board AUTHORIZE the Chief of Police to execute the Agreement upon Mayoral and City Council approval.

DISCUSSION

On November 10, 1998, the Los Angeles Police Department (LAPD) executed a five-year lease agreement with the LoJack Corporation to provide the stolen vehicle recovery network services to the LAPD. That agreement expired on November 10, 2003. On June 6, 2008, the LAPD executed another five-year contract with the LoJack Corporation to provide the stolen vehicle recovery network services to the LAPD. The current contract expired on June 10, 2013. The LAPD is completely satisfied with the services provided by the LoJack Corporation and wishes to enter into another five-year contract. The agreement has been reviewed and approved as to form by the City Attorney.

Should you have any questions regarding this matter, please contact Captain Bill Williams, Commanding Officer, Commercial Crimes Division, at (213) 485-4130.

Respectfully,



CHARLIE BECK
Chief of Police

Attachment

BOARD OF
POLICE COMMISSIONERS
Approved August 29, 2013
Secretary *Martha Silva*

INTRADEPARTMENTAL CORRESPONDENCE

September 6, 2013
8.7

TO: Chief of Police

FROM: Chief of Detectives

SUBJECT: REQUEST APPROVAL OF PERSONAL SERVICE AGREEMENT WITH
LOJACK CORPORATION FOR STOLEN VEHICLE RECOVERY NETWORK
SERVICES

On November 10, 1998, the Los Angeles Police Department (LAPD) executed a five-year lease agreement with the LoJack Corporation to provide the stolen vehicle recovery network services to the LAPD. That agreement expired on November 10, 2003. On June 6, 2008, the LAPD executed another five-year contract with the LoJack Corporation to provide the stolen vehicle recovery network services to the LAPD. The current contract expired on June 10, 2013. The LAPD is completely satisfied with the services provided by the LoJack Corporation and wishes to enter into another five-year contract. The agreement has been reviewed and approved as to form by the City Attorney.


Should you have any questions regarding this matter, please contact Captain Bill Williams, Commanding Officer, Commercial Crimes Division, at (213) 486-8430.



KIRK J. ALBANESE, Deputy Chief
Chief of Detectives

Attachment.

REVIEWED.



MICHEL R. MOORE, Assistant Chief
Director, Office of Special Operations

PROFESSIONAL SERVICES AGREEMENT

Contractor: LoJack Corporation

Regarding: Continuation of the Stolen Vehicle Recovery System

Agreement Number _____

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ATTACHMENTS

- ATTACHMENT A – System Overview and Specifications – LSVRS
- ATTACHMENT B – Maintenance, Repairs and Training for the LSVRS
- ATTACHMENT C – LoJack License Agreement
- ATTACHMENT D – Standard Provisions for City Contracts (Rev. 3/09)

AGREEMENT NUMBER _____
BETWEEN
THE CITY OF LOS ANGELES
AND
LOJACK CORPORATION
FOR THE CONTINUATION OF
THE STOLEN VEHICLE RECOVERY SYSTEM

THIS AGREEMENT is made and entered into by and between the City of Los Angeles, California, a municipal corporation (hereinafter referred to as the "City"), acting by and through the Los Angeles Police Department (hereinafter referred to as the "LAPD" or the "Department"), and LoJack Corporation, a Massachusetts corporation, (hereinafter referred to as the "Contractor").

WHEREAS, Contractor has designed, developed, and operated a computer and electronic system which can be used by law enforcement agencies to identify the location of stolen vehicles equipped with Contractor's transmitting devices; and

WHEREAS, the City desires to continue the operation of the LoJack Stolen Vehicle Recovery System (hereinafter referred to as "LSVRS"), to assist the LAPD and other cooperating law enforcement agencies (Stolen Vehicle Recovery Network – SVRN) in their efforts to recover stolen vehicles; and

WHEREAS, the City's Agreement No. C-113587 with the Contractor expired on 6/10/2013, and the City desires to continue the operation of the LoJack Stolen Vehicle Recovery System (LSVRS) to assist the LAPD and other cooperating law enforcement agencies (SRVN) in their efforts to recover stolen vehicles; and

WHEREAS, Contractor has provided satisfactory service to the Department since 1990; and

WHEREAS, the services to be performed are expert and technical but also temporary and occasional in nature; and

WHEREAS, Unlike GPS- based systems, Contractor has a unique product and proprietary equipment that can be used by law enforcement agencies to identify the location of stolen vehicles equipped with Contractor's transmitting devices, whether obstructed from view, underground, or within an enclosed building; and

WHEREAS, Contractor is familiar with the Department's needs and operational procedures regarding its use; and

WHEREAS, Contractor's global search stolen vehicle recovery system is used worldwide as the leading system in tracking and recovering stolen vehicles. Contractor

operates on a special radio frequency specifically allocated by the FCC exclusively for stolen vehicle recovery; and

WHEREAS, the cost to select a contractor through a Request for Proposals (competitive selection process) would be impractical as to both cost and time as the Contractor is a sole source for the services to be specifically required by LAPD; and

WHEREAS, the parties hereto wish to enter into an Agreement pursuant to which Contractor will perform the work and furnish the deliverables as described herein for consideration and upon the terms and conditions as hereinafter provided.

NOW THEREFORE, in consideration of the above promises and of the terms, covenants and considerations set forth herein, the parties do agree as follows:

1.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES

1.1 Parties to the Agreement

The parties to this Agreement are:

- a. City – The City of Los Angeles, a municipal corporation, having its principal office at 100 West First Street, Los Angeles, California 90012.
- b. Contractor – LoJack Corporation, 40 Pequot Way, Canton, Massachusetts 02021.

1.2 Representatives of the Parties

The representatives of the parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

- a. The City's representative is, unless otherwise stated in the Agreement:

Charlie Beck
Chief of Police
Los Angeles Police Department
100 West First Street, Ste. 1072
Los Angeles, California 90012

With copies to:

Commanding Officer
Commercial Crimes Division
Los Angeles Police Department
100 West First Street, Rm. 530
Los Angeles, California 90012
Telephone Number: (213) 486-8430
Facsimile Number: (213) 486-8754

- b. Contractor's representative is, unless otherwise stated in the Agreement:

Randy L. Ortiz
Chairman and CEO (or successor)
LoJack Corporation
40 Pequot Way
Canton, Massachusetts 02021
Telephone Number: (781) 302-4200

With copies to:

John W. Raber
Vice President Western Region
LoJack of California
9911 West Pico Boulevard, PH 111
Los Angeles, California 90035

- 1.3 Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing.
- 1.4 If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice will be given in accordance with this Section, within five (5) working days of said change.

2.0 TERM OF AGREEMENT

The term of this Agreement will commence June 11, 2013 and will terminate June 10, 2018. Performance will not begin until Contractor has obtained approval of insurance as required herein.

3.0 SERVICES TO BE PROVIDED

3.1 Contractor Performance Obligations

Contractor shall, at no cost to the City, provide the services described in Attachment B, and shall install, maintain, integrate, test and/or replace equipment, hardware and software identified and described as follows:

- a) The Sector Activation System (SAS) to be installed, maintained, upgraded, or replaced as necessary for the continuation of the City's Stolen Vehicle Recovery Network (SVRN), which consists of:
 - The Sector Activation Computer (SAC);
 - The Sector Activation Transmitter Controller (SATC); and
 - The Sector Activation Transmitters (SAT).
- b) Police Tracking Computers (PTCs) installed and maintained in police vehicles.
- c) All equipment, hardware and software necessary to interface the LSVRS with the California Department of Justice's Stolen Vehicle System (SVS). The SAS, and its related software, and the PTCs are hereinafter referred to collectively as the "LSVRS" and are more particularly described in Attachment A.

3.2 Data Communications Lines

Contractor shall pay for all costs incurred for the use of data communication line(s) that connect the LSVRS to the California Department of Justice designated facility.

3.3 Title to and Removal of the LSVRS

- a) Title to the LSVRS - Notwithstanding, any LSVRS component(s) that are, or may become in any manner attached to or permanently resting on real property or improvements, Contractor shall retain title to the LSVRS during the term of this Agreement. The LSVRS is and shall remain the property of Contractor.
- b) Removal of the LSVRS - At the end of the term of this Agreement, the City shall permit Contractor to enter City facilities and vehicles to remove the SAS and PTCs at no cost or charge to the City. Any City equipment or facilities damaged in the removal process shall be repaired at the Contractor's expense.

3.4 Authorizations

- a) Federal Communications Commission (FCC) License – Contractor shall be responsible for maintaining and/or renewing its FCC license or other authorizations required by the FCC, as well as complying with FCC rules in the operation of the LSVRS.
- b) Federal Aviation Administration (FAA) – Contractor shall be responsible for maintaining, renewing or acquiring any license(s), permit(s), or other authorization(s) from the FAA in conjunction with LAPD airborne LSVRS operations.
- c) The City shall continue to request jurisdictional authorization from the California Department of Justice (DOJ) to utilize the LSVRS within the City and all counties within the state of California.

3.5 Contractor's License Grant to the City

Contractor hereby grants to the City a nonexclusive, nontransferable license to use the LSVRS software, as herein defined and described in this Agreement, including Attachment C. The LSVRS software license shall include in its meaning, in addition to the description contained herein, any subsequent improvements, additions, or modifications thereto by Contractor.

3.6 Restrictions on the City's Use of the LSVRS Software License

The City shall limit its use of the LSVRS software to the operations of the City. The City shall have no right to sell, transfer, assign (in whole or in part), convey, pledge, encumber or otherwise dispose of the LSVRS software or other related proprietary materials, or any right, duty or license to use the LSVRS software hereunder without the prior written consent of Contractor. The City understands and agrees that any violation of the restrictions set forth in this Section will give Contractor the right to revoke the LSVRS license granted to the City.

3.7 City Performance Obligations

The City shall perform the following in conjunction with Contractor's performance of the Agreement:

- a) Maintain the dedicated data communications line(s) to the California Department of Justice.

- b) Provide supervised ingress and egress to City facilities and/or sites as requested by Contractor and have such facilities available for maintenance or modification of the LSVRS equipment and software.
- c) Provide appropriate identification for Contractor employees to enter into restricted facilities/areas, as the LAPD's representative may deem appropriate.
- d) Operate the LSVRS during the term of this Agreement. This includes the utilization of the SAS, and to the maximum practicable extent, use of PTC-equipped police vehicles and aircraft.

3.8 City's Right to Utilize other Vehicle Recovery System

The City's obligation to utilize the LSVRS in accordance with the provisions of this Agreement shall not prevent the City from testing, procuring, or using other vehicle monitoring systems as it may desire during the term of this Agreement.

4.0 ACCESS TO CITY FACILITIES

The City shall provide Contractor access to City facilities and personnel during normal business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m., except City holidays.

In instances where Contractor requires access to City facilities and personnel during off-hours, Contractor shall provide the City with forty-eight (48) hours' notice prior to each requested access. Each such request will be subject to approval by the City.

5.0 FINANCIAL OBLIGATIONS

5.1 Contractor's Financial Obligation

Contractor shall perform the services described herein and in Attachment B, and shall provide and maintain the LSVRS equipment, hardware and software as described in Sections 3, 6, and 7 of this Agreement at no cost or charge to the City.

5.2 City's Financial Obligation

In consideration for the above described Contractor obligations, the City agrees to operate the LSVRS during the term of the Agreement and provide the services and equipment described in Section 3.7 of this Agreement at no cost or charge to Contractor.

5.3 Property Taxes

Contractor shall pay property taxes for the equipment to which Contractor has title.

6.0 DAMAGE TO LSVRS EQUIPMENT, HARDWARE AND SOFTWARE

6.1 Contractor Responsibilities

Except as provided in Section 6.3 of this Agreement, Contractor shall be responsible for all repairs or replacement of lost, stolen, damaged or destroyed LSVRS equipment, including the hardware and software provided by Contractor.

6.2 Contractor Responsibilities for Hardware and Software Damage or Destruction

Contractor shall be responsible for establishing reasonable procedures to prevent damage to all LSVRS hardware and software material regardless of where these materials are located. Contractor shall clearly label all related software, equipment, magnetic tapes, disk packs, cards, listing and other software materials during the performance of its work within City facilities. The City shall not, unless otherwise agreed upon in this Agreement, utilize, handle, or alter any such software-related materials.

6.3 City Responsibilities

The City shall be responsible for loss, damage, or destruction of all equipment, hardware and software supplied by Contractor only if the loss, damage, or destruction occurs through willful and/or malicious destruction of such equipment, hardware and software by City employee(s).

7.0 WARRANTY AND MAINTENANCE

The expressed remedies and warranties contained in this Section of the Agreement are given in lieu of all other remedies and warranties expressed or implied.

7.1 LSVRS Equipment and Software, Warranties and Services

Contractor warrants that all LSVRS equipment and related hardware, software, and services provided by Contractor, pursuant to this Agreement, will conform to the requirements set forth herein. Contractor further warrants that all said equipment and related hardware and software will be free from defects in material and workmanship as well as defects affecting the functional capabilities of the LSVRS.

Contractor shall also be responsible for enforcing any third party warranty provisions for LSVRS equipment and related hardware and software provided to and for Contractor pursuant to the Agreement. Said warranty provisions will be standard warranties provided by third party vendors. If, at any time during said period, the City or Contractor discover any malfunction, failure, defect of design or error affecting the functional requirements of the LSVRS, Contractor shall, ENTIRELY AT ITS OWN EXPENSE, immediately upon notification correct such malfunctions, failure, defect of design or error so that the LSVRS functions in accordance with the provisions of this Agreement.

7.2 Warranty Period

The period of the warranty set forth in this Section shall commence on the Effective Date of this Agreement and will continue throughout its term.

7.3 Warranty – Ownership and Authority

Contractor warrants that it has full power and authority to grant the rights set forth in this Agreement to the City with respect to the LSVRS hardware, software, and related documentation without the consent of any other person and that neither the performance of the services by Contractor nor the City's use of the LSVRS hardware, software, and documentation, including the copying thereof as provided herein, will in any manner constitute an infringement or other violation of any copyright, trade secret, trademark, patent, invention, proprietary information, nondisclosure or other rights of any third party.

7.4 LSVRS Software Defects

If, at any time during the warranty period, Contractor or the City discover any defect or non-conformity in the LSVRS software, or any other defect or error in which the LSVRS software fails to conform to the provisions of any warranty contained in this Agreement, Contractor shall, ENTIRELY AT ITS OWN EXPENSE, immediately upon notification correct such defect, error, or non-conformity by, among other things, providing the City with such corrective codes and making such additions, modifications, or adjustments to the software packages necessary to keep the LSVRS operating in conformity with the warranties herein.

8.0 CONFIDENTIALITY, RESTRICTIONS ON DISCLOSURE

8.1 Confidentiality and Restrictions on Disclosure

- a. All documents, records, information, provided by the City to Contractor, or accessed or reviewed by Contractor, during performance of this Agreement, including but not limited to Criminal Offender Records Information (CORI) will remain the property of the City. All documents, records and information provided by the City to Contractor, or accessed or reviewed by Contractor during the performance of this Agreement, are confidential (hereinafter collectively referred to as "City Confidential Information"). Contractor agrees not to provide City Confidential Information, nor disclose their content or any information contained in them, either orally or in writing, to any other person or entity. Contractor agrees that all City Confidential Information used or reviewed in connection with Contractor's work for the City shall be used only for the purpose of carrying out City business and cannot be used for any other purpose. Contractor shall be responsible for protecting the confidentiality and maintaining the security of City documents and records in its possession.
- b. Contractor shall make the City Confidential Information available to its employees, agents and subcontractors, only on a need to know basis. Further, Contractor shall provide written instructions to all of its employees, agents and subcontractors, with access to the City Confidential Information about the penalties for its unauthorized use or disclosure.
- c. Contractor shall store and process City Confidential Information in an electronic format in such a way that unauthorized persons cannot retrieve the information by computer, remote terminal or other means.
- d. Contractor must not remove City Confidential Information or any other documents or information used or reviewed in connection with Contractor's work for the City from City facilities without prior approval from the City. Contractor shall not use, other than in direct performance of work required pursuant to the Agreement, or make notes of any home address or home telephone numbers contained in City Confidential Information provided by the City that are reviewed during work on this Agreement. Contractor shall, at the conclusion of this Agreement, or at the request of the City, promptly return any and all City Confidential Information and all other written materials, notes, documents, or other information obtained by Contractor during the course of work under this Agreement to the City. Contractor shall not make or retain copies of any such information, materials, or documents.

- e. Any reports, findings, Deliverables, analyses, studies, notes, information, or data generated as a result of this Agreement are to be considered City Confidential Information. Contractor shall not make such information available to any individual, agency, or organization except as provided for in this Agreement or as required by law.
- f. Contractor and its employees, agents, and subcontractors may have access to confidential criminal record and Department of Motor Vehicle record information, whose access is controlled by statute. Misuse of such information may adversely affect the subject individual's civil rights and violates the law. Contractor shall implement reasonable and prudent measures to keep secure and private criminal history information accessed by its employees, agents, and subcontractors during the performance of this Agreement. Contractor shall advise its employees, agents, and subcontractors of the confidentiality requirements of Title 42, United States code, Section 3789(g) [42 U.S.C. 3789(g)], California Penal Code Sections 11075 through 11144, California Penal code Sections 13301 through 13305, and California Vehicle Code Section 1808.45.
- g. Contractor shall require that all its employees, agents, and subcontractors who will review, be provided, or have access to City Confidential Information, during the performance of this Agreement, execute a confidentiality agreement that incorporates the provisions of this Section, prior to being able to access City Confidential Information.

8.2 Confidentiality of Contractor Information

The LSVRS software, file structures, documentation, algorithms and related software concepts, except as otherwise provided herein, shall not be disclosed in any manner without the written permission of Contractor. Such proprietary information is hereinafter designated the "Contractor Confidential Information". The City shall not be bound by the terms and conditions of this Section, when:

- a) The Contractor Confidential Information is or becomes publicly available, other than through a breach by the City of any agreement restricting its disclosure; or
- b) The Contractor Confidential Information is lawfully obtained by the City from a third party or parties; or
- c) The Contractor Confidential Information was known by the City prior to its disclosure to the City by Contractor; or

- d) The Contractor Confidential Information is independently developed by persons having no contact with the information; or
- e) The Contractor Confidential Information is disclosed by the City as compelled by legal process; or
- f) The Contractor Confidential Information is disclosed inadvertently by the City despite the exercise of the same degree of care that the City takes to safeguard its own proprietary information.

8.3 Copyright or Proprietary Data Notices

Contractor shall notify the LAPD, in writing, of any data or circumstance that may be, or potentially may be, an infringement upon Contractor's proprietary information. The City shall affix copyright or proprietary data notices, provided by Contractor, where necessary or proper. The City further agrees to include said copyright or proprietary data notices on any copies, in whole or in part, for the LSVRS as such notices may be requested in the future by Contractor.

8.4 Survival of Provisions

The provision of this Section will survive termination of this Agreement.

9.0 LIABILITY AND INDEMNIFICATION

9.1 Indemnification

Notwithstanding any other provisions of this Agreement, Contractor shall be responsible for and shall indemnify and hold the City harmless from any and all liability, loss, claim, or damage to persons or property caused by Contractor's negligence or fault as related to this Agreement. **IN NO EVENT SHALL CONTRACTOR BE RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.**

9.2 Indemnification Regarding Patent Rights, Copyrights, Proprietary Data and Trade Secrets

Notwithstanding any other provision of this Agreement, Contractor does hereby indemnify and shall hold the City harmless against all claims and liabilities including the City's costs and reasonable attorney's fees arising from or relating to a violation or alleged violation or infringement or alleged infringement of any trade secret, proprietary information, trademark, copyright, or patent right in connection with the City's use of the LSVRS. Contractor may, at its option, conduct the defense in any such third party action arising as described herein and the City promises to fully cooperate

with such defense and the City shall promptly notify Contractor of any such claims. The City may participate in said defense. This indemnification is limited to the LSVRS delivered to the City, or as modified by Contractor or with Contractor's consent, and does not cover third party claims arising from any modifications not authorized by Contractor.

9.3 Survival of Provisions

The provisions of this Section will survive termination of this Agreement.

10.0 PUBLICATIONS AND DISCLOSURES REGARDING THE LSVRS

Contractor shall not represent, publish, or cause to be published, disseminate, or cause to be disseminated in any manner or for any purpose that the LSVRS is sponsored, endorsed, or approved by the City or LAPD.

Contractor agrees that any sales agreements or advertising used in connection with any sale of Contractor's devices to the public will contain the following statement in bold print:

"The City of Los Angeles and the Los Angeles Police Department are not parties to the sales agreements and they do not warrant, guarantee, assure, or otherwise make any representations regarding the use, accuracy, reliability or operation of the LoJack Stolen Vehicle Recovery System or any of its components parts."

Commencing on the Effective Date of this Agreement, Contractor may inform all purchasers of the LoJack device that the City has contracted with Contractor to operate the LSVRS for a five (5) year period within the City of Los Angeles.

11.0 TERMINATION

The City may terminate this Agreement, or any part thereof, upon giving Contractor at least thirty (30) days written notice prior to the effective date of such termination. Notice of Termination must specify the extent to which work under this Agreement is terminated and the date upon which termination becomes effective.

12.0 STANDARD PROVISIONS

Contractor acknowledges and shall comply with the requirements of the *Standard Provisions for City Contracts (Rev.03/2009)*, attached hereto as Attachment D and incorporated herein by reference.

13.0 INCORPORATION OF ATTACHMENTS

The following attachments are hereby incorporated into and made part of this Agreement wherever referred to and set forth.

Attachment A – System Overview and Specifications – LSVRS

Attachment B – Installation/ Redistribution, Maintenance, Repair, and Training for the LSVRS

Attachment C – Contractor’s Software License Agreement

Attachment D – Standard Provisions for City Contracts (Rev. 03/2009)

Any reference to the Agreement in these documents includes this document and Attachments A through D. The effect, significance, and applicability of the various Attachments or Sections thereof, are specified in those portions of the Agreement which make specific reference to them.

14.0 ORDER OF PRECEDENCE BETWEEN AGREEMENT AND ATTACHMENTS

In the event of an inconsistency between any of the provisions of this Agreement and/ or the Attachments hereto, the inconsistency will be resolved by giving precedence in the following order:

1. This Agreement
2. Attachment D
3. Attachment A
4. Attachment B
5. Attachment C

15.0 ENTIRE AGREEMENT

This Agreement contains the full and complete Agreement between the two parties. No verbal agreement or conversation with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement.

This Agreement is executed in three (3) originals, each of which is deemed to be an original.

[Signature page follows.]

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

LOJACK CORPORATION

By _____
CHARLIE BECK
Chief of Police

By 
RANDY L. ORTIZ
Chairman and Chief
Executive Officer

Date _____

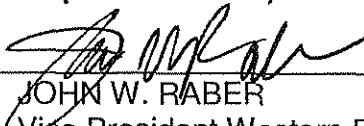
Date 7-16-13

APPROVED AS TO FORM:

MIKE FEUER, City Attorney

LOJACK CORPORATION
(2nd Corporate Officer)

By _____
DANIEL KREINBRING
Deputy City Attorney

By 
JOHN W. RABER
Vice President Western Region

Date _____

Date 7-17-13

ATTEST:

JUNE LAGMAY, City Clerk

By _____
Deputy City Clerk

Date _____

City Business License Number 069248825

Internal Revenue Service Taxpayer Identification Number 042664794

Agreement Number _____

ATTACHMENT A
SYSTEM OVERVIEW AND SPECIFICATIONS –
LOJACK STOLEN VEHICLE RECOVERY SYSTEM (LSVRS)

LoJack is a radio-based system operating on a specific radio frequency explicitly allocated by the United States Federal Communications Commission and limited to use by law enforcement agencies solely and exclusively for stolen vehicle recovery.

The purpose of the LoJack System is twofold:

1. Police and Public Safety – The presence of the LoJack System allows police officers to carefully control the recovery of LoJack equipped stolen vehicles. Also, officers can reduce the risk of injury associated with high speed pursuits by utilizing the LoJack technology which allows officers to track stolen vehicles at a safe distance until they can apprehend the suspect. The LoJack System has proven to be an effective tool in combating auto thefts as well as playing an important role in the investigation of related criminal activity. Stolen vehicles are often used in the commission of other crimes such as home invasion robberies, car jacking, and insurance fraud.
2. Personal Property Protection – LoJack provides law enforcement with a tool that permits the speedy recovery of stolen vehicles. Prompt recovery of LoJack equipped vehicles means significant damage reduction and lower insurance rates. LoJack has given law enforcement an investigative tool that has located over 489 “chop shops” since 1990 and the recovery of over 17200 vehicles in the City of Los Angeles.

The LoJack System has three major components; the LoJack Unit (LJU), the Police Tracking Computer (PTC), and the Sector Activation System (SAS). A supporting component is the Registration system.

LJU – The LJU is purchased by the consumer and is installed in the customer’s vehicle by trained LoJack technicians. The unit is installed in a hidden location anywhere within the wiring system of the customer’s vehicle. The unit contains a low-power (2 watt) VHF transceiver, a microprocessor-based computer, a set of unique identifying numbers which distinguishes the unit from other LoJack units, a back-up power supply, and antenna which is hidden with LJU. When a LoJack equipped vehicle stolen vehicle receives a broadcast containing its unique activation code, the stolen vehicle begins broadcasting its discrete reply code every fifteen seconds. When police detect the LJU broadcast, an additional code message is then transmitted, speeding up the LJU transmission frequency to once per second. The LJU will continue to broadcast its reply code until it receives a properly coded message to stop. This message is normally sent after the vehicle has been recovered. Should the LJU be disconnected from its primary power source, the back-up power supply will immediately act to supply uninterrupted power for a period of 48 to 72 hours. If the vehicle is not found

within this time period or the back-up power supply is interrupted, the LJU will automatically store its status in its internal non-volatile memory and resume transmitting the reply code when power is restored.

PTC – The PTC is installed in the vehicles of law enforcement agencies which have jurisdiction in the area covered by this system. The PTC consists of a radio receiver with directional antenna array, Doppler signal processor, microprocessor-based computer, and a directional display. When the PTC detects an LJU reply code transmission from a stolen vehicle, it displays the reply code along with graphic indications of the direction and approximate distance of the stolen vehicle. The detecting officer transmits via a mobile data terminal or radios the reply code to a dispatcher, thereby identifying the make, model, year and color of the stolen vehicle – including if the vehicle was involved in any other criminal activity.

SAS – The SAS consists of a stand-alone computer and a network of high-powered radio transmitters positioned at strategic sites throughout the coverage area. The SAS computer receives messages from local and remote terminals that handles requests for transmissions to activate, speed up, or deactivate specific LJU codes. The SAS keeps track of requested transmissions, generates a schedule for the periodic retransmission of activation codes, and keeps a transaction log of all requests. The SAS also controls commands and transmissions for the system. This system is designed to function with pre-existing law enforcement computers, communication systems and procedures, and is transparent to the process for reporting a vehicle stolen. Routine processing of a stolen vehicle report activates the system even if the victim reporting the theft and responding officers are unfamiliar with LoJack.

The stand-alone computer (SAS) contains a file with up-to-date information on vehicles equipped with an LJU. This information contains the Vehicle Identification Number (VIN), the corresponding activation code, and the corresponding reply code. When the stolen VIN is entered into the California Stolen Vehicle System it is compared to the VINs contained in the LoJack file. When a match occurs the SAS transmits the appropriate activation and reply codes that turns on and speeds up the LoJack transmission from the LJU. After the vehicle is recovered the VIN is re-entered, generating the appropriate cancellation/ deactivation code that resets the hidden LJU for future use.

Registration System – A supporting component is the LoJack Registration System. This system serves two related functions; first, the generation of a unique set of identifying number of triplets, which go into each LJU; and second, the creation, and periodic update of the LoJack file. After an LJU is installed, the LJU serial number and VIN are entered into the Registration System. The Registration System computer searches the appropriate file for the activation and reply codes that correspond to the entered stolen vehicle VIN. This data is recorded on magnetic tape or disc as new subscriber information and is forwarded for inclusion into the SAS Master File of LoJack equipped vehicles.

**ATTACHMENT B
INSTALLATION/ REDISTRIBUTION, MAINTENANCE, REPAIR, AND
TRAINING FOR THE LOJACK STOLEN VEHICLE RECOVERY SYSTEM
(LSVRS)**

Maintenance and Repair

LoJack shall provide qualified service representative(s) to perform the necessary maintenance and repair to all LSVRS hardware, software and other LoJack provided equipment during the term of this Contract. LoJack shall be responsible for the removal and replacement of Police Tracking Computers (PTC) in LAPD vehicles both during and after the term of this Contract Agreement. LoJack also agrees to provide service representatives to assist LAPD technicians with the installation, maintenance and/ or repair of PTCs installed in LAPD helicopters.

LoJack shall assume all costs associated with the operation of the LoJack system, including the resolution of any radio interference created by or experienced by the LoJack system.

LoJack shall be responsible for any malfunctions to City facilities or equipment including engineering, material, equipment, coordination, Federal Communications Commission licenses, building permits, and Federal Aviation Administration permits. Any modifications to City facilities shall be approved in writing, prior to any work being done to the City.

All new equipment installations or significant modifications to existing equipment at any City facility shall be reviewed and approved by the City.

LoJack shall agree to cease operations upon notification by the City of any interference, physical or electronic, to City equipment or operations until such interference is resolved. Further, the City reserves the right to disconnect any LoJack equipment without prior notification in the event of any interference to any City equipment.

Training

LoJack shall provide personnel to advise, train, and assist the LAPD regarding the use of the PTCs and related LSVRS equipment throughout the term of this Contract Agreement. LoJack training may be in the form of roll call briefings, divisional training days, in-service training, and recruit training.

ATTACHMENT C
LoJack Software License Agreement

LoJack Corporation hereby grants to the City of Los Angeles (City) a non-exclusive, non-transferable license to use the LoJack Stolen Vehicle Recovery System (LSVRS) Software as herein defined and described in this Contract Agreement and related documentation. The LoJack Software License shall include in its meaning, in addition to the description contained herein, any subsequent improvements, additions or modifications thereto made by LoJack.

This License is granted to the City for the term of this Agreement and any subsequent extensions.

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

PSC-4. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or the the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.

2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.

3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the **CITY'S** lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and

CONTRACTOR shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.

5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.

7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of the Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTORS** shall remain responsible for performing all aspects of

this Contract. The **CITY** has the right to approve **CONTRACTOR'S** subcontractors, and the **CITY** reserves the right to request replacement of subcontractors. The **CITY** does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the **CITY** and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the **CITY**:

A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the **CITY**, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the **CITY**. These records shall be retained for a period of no less than three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized **CITY** personnel or by the **CITY'S** representative at any time during the term of this Contract or within the three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. **CONTRACTOR** shall provide any reports requested by the **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the **CITY** under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to **CITY** requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the **CITY**, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, **CONTRACTOR** undertakes and agrees to defend, indemnify and hold harmless the **CITY** and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by **CONTRACTOR** or its subcontractors of any tier. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the **CITY**, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the **CITY'S** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the **CITY** under this provision are cumulative of those

provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-21 shall survive expiration of termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the **CITY** for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

For all Work Products delivered to the **CITY** that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of CITY contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of CITY contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities;
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR** to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provision of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for Approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontract awarded for work to be performed under the contract with the CITY and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable report requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and it providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 et seq. of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.5(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC-32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to the Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

PSC-36. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interest May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of the Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 1 (Continued) Required Insurance and Minimum Limits

Name: LoJack Date: 7/26/13

Agreement/Reference: Auto theft equipment to aid LAPD
 Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	<u>Limits</u>
<input checked="" type="checkbox"/> Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u> EL <u>1,000,000</u>
<input type="checkbox"/> Waiver of Subrogation in favor of City	
<input type="checkbox"/> Longshore & Harbor Workers	
<input type="checkbox"/> Jones Act	

<input checked="" type="checkbox"/> General Liability	<u>1,000,000</u>
<input checked="" type="checkbox"/> Premises and Operations	
<input checked="" type="checkbox"/> Contractual Liability	
<input checked="" type="checkbox"/> Independent Contractors	
<input type="checkbox"/> _____	
<input checked="" type="checkbox"/> Products/Completed Operations	
<input type="checkbox"/> Sexual Misconduct _____	
<input type="checkbox"/> Fire Legal Liability _____	

<input checked="" type="checkbox"/> Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)	<u>1,000,000</u>
<input type="checkbox"/> State requirements	

Professional Liability (Errors and Omissions) _____

Discovery Period: _____

Property Insurance (to cover replacement cost of building – as determined by insurance company) _____

<input type="checkbox"/> All Risk Coverage	<input type="checkbox"/> Boiler and Machinery
<input type="checkbox"/> Flood _____	<input type="checkbox"/> Builder's Risk
<input type="checkbox"/> Earthquake _____	<input type="checkbox"/> _____

Pollution Liability _____

Surety Bond – Performance and Payment (Labor and Materials) Bonds 100 % of Contract Price
Crime Insurance _____

Other: _____

CITY OF LOS ANGELES

INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker.)

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the preferred method of submitting your documents. **Track4LA™** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. Track4LA™ advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 may be accepted. **All** Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

Acceptable Alternatives to **Acord Certificates and other Insurance Certificates:**

- A **copy of the full insurance policy** which contains a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) and additional insured and/or loss-payee status, when appropriate, for the CITY.
- **Binders and Cover Notes** are also acceptable as interim evidence for up to 90 days from date of approval.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Completed **Insurance Industry Certificates other than ACORD 25 Certificates** can be sent electronically (CAO.insurance.bonds@lacity.org) or faxed to the Office of the City Administrative Officer, Risk Management (213) 978-7616. **Please note that submissions other than through**

Track4LA™ will delay the insurance approval process as documents will have to be manually processed.

Verification of approved insurance and bonds may be obtained by checking **Track4LA™**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate through **Track4LA™** at <http://track4la.lacity.org> or submit an Insurance Industry Certificate or a renewal endorsement as outlined in Section 3 above. If your policy number changes you must also submit a new Additional Insured Endorsement with an Insurance Industry Certificate.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.)

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

FACT SHEET

LOJACK VEHICLE RECOVERY SYSTEM

July 27, 2013

Purpose. Pursuant to a request from Management Analyst II Amelia Sayo, Serial No. N4187, Information Technology Bureau, this Fact Sheet was completed to support the renewal of the recently expired contract between the City of Los Angeles and LoJack Corporation for the Stolen Vehicle Recovery Network (SVRN) System Services.

Background. The Department's current five year Lease Agreement with LoJack Corporation has expired and is now in the process of being renewed. The Department has partnered with LoJack since 1989 and has maintained the SVRN for the state of California. LoJack provides all the receivers, software, and computers to operate the system. The contract for renewal of the Lease Agreement has been reviewed and approved by the City Attorney's Office. Because the LoJack system is a sole source, unique and proprietary system, no Request for Proposal (RFP) was required. Also, vehicle owners purchase the LoJack system on their own without the Department's influence or recommendation.

Findings. The following details reflect the benefits of the continued partnership between the Department and LoJack:

- Since 1990, LoJack has been providing outstanding service at no cost to the Department. LoJack has been in business for 26 years and is the undisputed leader in global stolen vehicle recovery.
- Currently, no other contractor exists that provides the type of service available from LoJack as they have unique software and databases that communicate with the Department's crime computers.
- LoJack has a unique product, a sole proprietary equipment with the only system that is controlled by law enforcement agencies to identify the location of stolen vehicles equipped with the LoJack transmitting devices.
- LoJack will continue to provide necessary equipment, hardware and software, to maintain the stolen vehicle recovery system in the Department's vehicles and facilities and train officers in its use at no cost to the City of Los Angeles.
- LoJack equipment has the ability to monitor all vehicle Identification Numbers, entered into NCIC as stolen, by the Department and activate the LoJack transponders when reported stolen. Since inception, these activations have led to the discovery of approximately 489 "Chop Shops", which has then resulted in numerous arrests and the recovery of many stolen vehicles.
- Additionally, LoJack has had a multiplier effect in the recovery of vehicles involved in insurance fraud and the recovery of additional stolen vehicles at chop shops. These stolen vehicles would not have been recovered if not for the tracked LoJack vehicle at the location.
- LoJack-equipped vehicles that are reported stolen have a 90 percent recovery rate nationwide.
- In the City of Los Angeles LoJack-equipped vehicles have a 94 percent recovery rate, which assists the Department to meet its Part-1 crime reduction goals.

- Approximately 100 percent of Southern California Police/Sheriff agencies have LoJack receivers in marked police vehicles, helicopters and portable receiving units. LoJack is operational in 28 of the 50 states and the District of Columbia.
- Additionally, LoJack is operational in 30 foreign countries, including Canada and Mexico which extends the Department's investigative reach.
- LoJack technicians can perform the installation, maintenance, and replacement work, as all equipment, hardware, and software are proprietary in nature. City employees do not have the expertise to perform this work and due to budget restraints the number of Motor Transport personnel has dropped.

Recommendation/Conclusion. The Department should continue its relationship with the LoJack Corporation as it benefits the community we serve and helps to reduce auto theft crimes. This partnership has benefited both entities. LoJack Corporation has proven over time, to provide an efficient, effective monitoring system to assist in the recovery of stolen vehicles. At Chop Shops, the LoJack system has often led to the recovery of additional vehicles when a LoJack equipped vehicle has been tracked to the location. The Department should support and approve the renewal of the formal contract with the LoJack Corporation.

Prepared by:
Commercial Crimes Division



July 19, 2013

From the desk of . . .

Detective II Luke W. Magee

Commercial Crimes Division

Commercial Auto Theft Section

Management Analyst II Amelia Sayo, Serial No. N4187, Information Technology Bureau.

Subject: The renewal of the Sole Source Contract with the LoJack Corporation for Stolen Vehicle Recovery Network System Services and the Justification for Non-Competitive Procurement.

LoJack has provided a stolen vehicle recovery system to the Department since 1990. However, LoJack's agreement Contract with the City of Los Angeles expired in June 2013.

A sole source contract with LoJack is justified due to the following:

- Since 1990, LoJack has been providing outstanding service at no cost to the Department. LoJack has been in business for 26 years and is the undisputed leader in global stolen vehicle recovery.
- Currently, no other contractor existed that provides the type of service available from LoJack as they have unique software and databases that communicate with the Department's crime computers.
- LoJack has a unique product, sole proprietary equipment with the only systems that is controlled by law enforcement agencies to identify the location of stolen vehicles equipped with the Lojack transmitting devices.
- LoJack will continue to provide necessary equipment, maintain the stolen vehicle recovery system in the Department's vehicles and facilities, hardware and software, and train officers in its use at no cost to the City of Los Angeles.
- Lojack equipment has the ability to monitor all vehicle Identification Numbers entered into NCIC as stolen by the Department and activate the LoJack transponders when reported stolen. These activations have led to the discovery of approximately 489 "Chop Shops" since inception, which has resulted in numerous arrests and the recovery of many stolen vehicles.

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(213) 486-8430, FAX (213) 486-8754

- Additionally, LoJack has had multiplier effect in the recovery of vehicle involve in Insurance fraud and the recovery of additional stolen vehicles at chop shops which would not have recovered if it was not for the tracked LoJack vehicle at the location.
- Lojack-equipped vehicles that are reported stolen have a 90 percent recovery rate nation-wide.
- In the City of Los Angeles LoJack-equipped vehicles have a 94 percent recovery rate, which assists the Department to meet its Part-1 crime reduction goals.
- Approximately 100 percent of Southern California Police/Sheriff agencies have LoJack receivers in marked police vehicles, helicopters and portable receiving units. Lojack is operational in 28 of the 50 stated and the District of Columbia.
- Additionally LoJack is operational in 30 foreign countries, including Canada and Mexico; which extends the Department's investigative reach.
- 2004, the Personnel Department found that only a Lojack technician can perform the installation, maintenance, and replacement work, as all equipment, hardware, and software are proprietary in nature. City employees do not have the expertise to perform this work and due to budget restraints the number of Motor Transport personnel has drop.

For additional information contact Detective II Luke Magee, Serial No. 27412, CCDCATS (818) 832-7507.

GET IT BACK WITH



FACT SHEET

COMPANY OVERVIEW

LoJack Corporation (NASDAQ: LOJN) is the premier worldwide provider of tracking and recovery systems. More than 25 years ago, LoJack Corporation created the stolen vehicle recovery category and has since earned a reputation as the proven global leader in that market segment. The company has recovered more than 90 percent of stolen cars, SUVs and light trucks in the U.S. that have been reported stolen and equipped with the LoJack® Stolen Vehicle Recovery System, and has helped recover nearly \$4 billion (USD) in stolen global assets equipped with the LoJack System. Today, LoJack Corporation's core business comprises the tracking and recovery of a variety of valuable mobile assets that include not only cars and trucks, but also construction equipment, commercial vehicles and motorcycles – all of which leverage the company's unrivaled recovery solutions and direct integration with law enforcement. Additionally, LoJack Corporation is expanding and diversifying its business into newer, emerging markets through licensing agreements and investments that deliver innovative offerings in areas such as fleet management, cargo security and people at risk. The company offers systems in 28 states and the District of Columbia, as well as 30 countries throughout North America, South America, Europe and Africa.

PRODUCTS

I. LoJack® System For Cars, Light Trucks and SUVs:

The Flagship LoJack Stolen Vehicle Recovery System

- The United States first and only stolen vehicle tracking and recovery system used by federal, state and local law enforcement agencies.
- Based on proven radio frequency technology (wireless transceiver that can be hidden in vehicle emits silent radio signals when activated, enabling police to track and recover vehicle).
- Recovered assets equipped with the LoJack System are worth nearly \$4 billion worldwide.
- Provides 100 percent money-back* if the vehicle is not recovered within 24 hours.
- Suggested retail price is \$695 with no recurring monthly fees.

LoJack® System with Early Warning:

- This system builds on the technology of the flagship stolen vehicle recovery system to provide an added layer of security.
- Contacts users in up to five ways—by home phone, work phone, cell phone, e-mail and text messaging—if their vehicle is moved without the presence of the Early Warning Key Pass and empowers consumers to contact authorities, so police can locate and recover vehicle even more quickly.
- Reduces time between theft discovery and vehicle recovery, ultimately minimizing vehicle damages and repair costs.
- Suggested retail price is \$995 with no recurring monthly fees.

LoJack® System for Classics

- The system is specially designed to meet the unique requirements of classic and specialty cars.
- Based on the company's self-powered stolen vehicle recovery technology, which does not draw energy from a vehicle's battery and does not need to be connected to the vehicle's electrical system.
- Early Warning notification feature is available.
- Personalized installation process available.
- Suggested retail price is \$695 with no recurring monthly fees.

Product Facts

Over the Course of LoJack Corporation's 25+ Years:

- Number of LoJack units installed in cars and light trucks: 9 Million+
- Number of LoJack vehicles recovered to date in U.S.: 150,000+**
- LoJack assets recovered to date in U.S.: Nearly \$2 billion+***
- LoJack assets recovered to date worldwide: Nearly \$4 billion+***
- Number of LoJack vehicles recovered to date worldwide: 300,000+ **
- Recovery time: Most recovered in less than 24 hours; often in only a few hours

**Per the terms of the LoJack Limited Warranty*

***This number does not reflect the thousands of vehicles not equipped with the LoJack system that police found in chop shops/theft rings by tracking down assets equipped with the LoJack system.*

****This number does not reflect the value of additional vehicles not equipped with the LoJack System that police recovered through their use of the LoJack system; NADA averages used globally*

II. LoJack® System For Construction Equipment and Commercial Vehicles:

Ruggedized LoJack® System

- Designed specifically for construction industry, featuring sealed housing that is water, dust and chemical resistant and can withstand vibration and shock encountered in an active worksite.
- Features a transmitter/receiver with a self-powered battery housed in a self-contained, one-piece unit that increases its mounting location options and provides easier concealment.
- Tested to meet Society of Automotive Engineers (SAE) design standards for heavy duty vehicles.
- Like the LoJack Stolen Vehicle Recovery System, the product is directly integrated with law enforcement agencies in LoJack markets.
- Suggested retail price is \$795 with no recurring monthly fees; volume discounts available.

Product Facts

Over the Course of the Past Ten Years

- Number of LoJack units recovered: 3,500+**
- LoJack assets recovered to date in U.S.: \$120 million+***

***This number does not reflect the thousands of construction equipment not equipped with the LoJack system that police found in chop shops/theft rings by tracking down assets equipped with the LoJack system.*

****This number does not reflect the value of additional assets not equipped with the LoJack System that police recovered through their use of the LoJack system; Equipment Watch and other industry averages used*

III. LoJack® System for Motorcycles with Early Warning

- Designed specifically for the motorcycle market, the ruggedized system is seamlessly integrated into motorcycles so that thieves won't recognize or disengage it.
- Leverages LoJack Corporation's expertise in recovering cars, trucks and construction equipment and is a highly effective solution to the growing problem of motorcycle theft (46,667 motorcycles were reported stolen in 2011*).
- Features flagship system's core strengths such as Radio Frequency technology and direct integration with law enforcement; includes LoJack Corporation's flagship tracking and recovery system for motorcycles, plus an Early Warning Key Pass and an Early Warning Motion Sensor.
- If the motorcycle is moved without the presence of the Early Warning Key Pass, the owner is notified by phone, text message or e-mail.
- Suggested retail price is \$695 with no recurring monthly fees.

Product Facts

- Number of recovered stolen motorcycles equipped with the LoJack System for Motorcycles (since 2005): 2,500+**

**National Insurance Crime Bureau data*

***This number does not reflect the thousands of motorcycles not equipped with the LoJack System that police found in chop shops/theft rings by tracking down assets equipped with the LoJack System.*

IV. LoJack Fleet Management Powered by TomTom

- In 2013, LoJack and TomTom Business Solutions formed a strategic alliance to go-to-market with an end-to-end fleet management solution that is designed to help fleet owners address increasingly strict demands around operational efficiencies, excessive fuel consumption and emission regulations
- LoJack Fleet Management includes online access to reliable data captured for every vehicle and more than 40 pre-defined reports that can be customized such as trip reports, fuel consumption reports, order reports, maintenance reports and working-time reports.

V. SC-integrity, Inc.

- In 2008, LoJack Corporation became a majority stakeholder in SC-integrity, Inc.

- Provides a truly integrated solution for supply chain protection—from covert tracking, monitoring and recovery to investigative intelligence to information sharing and analysis.
- Solution is used by the leading manufacturing, logistics and retail corporations in the world.

Industry Facts

- In the cargo security market alone, estimated value of merchandise stolen from cargo ships, trucks, ports, railroads and highways annually in the U.S. \$10-30 billion****

****FBI data

VI. SafetyNet by LoJack Service

- A comprehensive service that answers the growing market need for solutions that track and rescue people with cognitive conditions – those with Alzheimer’s, autism, Down syndrome and dementia – who are at risk of wandering.
- The solution is comprised of a SafetyNet Bracelet worn by the client, 24x7 emergency caregiver support, a Search and Rescue (SAR) Receiver for law enforcement, a database of key information about the clients, and training and certification for public safety agencies.
- The initial enrollment fee is \$99 with a recurring \$30 monthly service charge for clients in the program.

VII. LoJack For Laptops

- Absolute Software entered into a licensing agreement with LoJack Corporation in 2005, which enables the software company to market a product that provides security for portable computers called LoJack For Laptops.
- Tracks, locates and recovers stolen laptop and desktop computers.
- Software installed on your computer works silently and securely to contact a monitoring center, and if stolen, reports its location using any Internet connection.
- Suggested retail price is \$49.99 for one year of service.

Product Facts

- The Absolute Investigations and Recovery Services team has recovered 26,000+ devices in over 90 countries.*

*Absolute.com Data (Nov. 2012)

CHANNELS AND AVAILABILITY

Primary Channels: Automotive, Commercial (construction/heavy trucking), Fleet, Motorcycle, Cargo and People at Risk

U.S. Availability: Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Louisiana, Maryland, Massachusetts, Michigan, North Carolina, New Hampshire, New Jersey, New York, Nevada, Oklahoma, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington and the District of Columbia

International: Argentina, Bahamas, Belgium, Belize, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Honduras, Ireland (LoJack International HQ), Italy, Luxembourg, Mexico, Netherlands, Panama, Paraguay, Peru, Poland, Portugal, Puerto Rico, South Africa, Spain, Trinidad and Tobago, United Kingdom and Uruguay

LOJACK CORPORATION'S CONSUMER EDUCATION PROGRAM

To educate consumers about the growing problem of theft, LoJack Corporation offers various online resources, including www.autotheftblog.com, www.twitter.com/LoJackCorp and www.facebook.com/LoJackCorp. The company also provides a Knowledge Center, a separate part of its website that can be accessed by going to www.lojack.com/knowledge. The Knowledge Center houses valuable information for consumers including Fast Facts on Vehicle Theft, Recent Studies, Surveys and Stats, as well as Tips and Tools on Protecting Your Vehicle.

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Last Updated: 5/7/13

LoJack and the LoJack logo are trademarks or registered trademarks of LoJack Corporation in the United States and other countries.