

**STATE OF OREGON
GRANT
AGREEMENT**

Grant No. R4-0000000XXX

This Grant Agreement (this “Agreement”) is entered into by and between the State of Oregon, acting by and through its Apprenticeship and Training Division (“ATD”) of the Bureau of Labor and Industries (“Agency”) and XXXXXXXXXXXXXXX (“Grantee”), each a Party and collectively the Parties.

Grantee agrees to accept these funds (the “Grant Funds”) and use them for pre-apprenticeship and apprenticeship development, expansion, and implementation (“Grant Activities”) as described in Exhibit A.

AGREEMENT

1. EFFECTIVE DATE AND DURATION. This Agreement shall become effective (“Effective Date”) when this Agreement has been fully executed by every Party and, when required, approved by the Department of Justice. Notwithstanding the Effective Date, Grantee’s performance of the Grant Activities may start on January 1, 2024, and unless extended or terminated earlier in accordance with its terms, the Agreement will expire on December 31, 2024 (“Expiration Date”).

2. GRANT MANAGERS.

Grantee’s Grant Administrator for this Agreement is:

Agency's Grant Administrator for this Agreement is:

XXXX

XXXX

XXXX

Agency - Apprenticeship and Training Division

XXXX

800 NE Oregon Street, #1045

XXXX

Portland, OR 97232

Phone: XXX

Phone: 971.245.3844

Email: XXX

Email: XXXX

3. DISBURSEMENT. The maximum not-to-exceed amount of Grant Funds payable to Grantee under this Agreement, which includes any Allowable Expenses (as defined below), is **\$XXXXX**. Agency will not disburse Grant Funds to Grantee in excess of the not-to-exceed amount and will not disburse Grant Funds until this Agreement has been signed by all Parties and approved by the Oregon Department of Justice, if required. The State of Oregon’s payment obligations under this Agreement are conditioned upon Agency’s receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Agreement. Grantee is not entitled to receive payment under this Agreement from any part of Oregon state government other than Agency. Nothing in this Agreement authorizes a violation of Article XI, section 7 of the Oregon Constitution or any other state or federal law limiting the activities, liabilities, or monetary obligations of the Agency.

Grant Funds will be disbursed in two equal payments in months one and five of the grant period.

4. GRANT ACTIVITIES. Grantee must use the Grant Funds for Allowable Expenses, as set forth in Exhibit A. (the “Program”).

5. RECORDS MAINTENANCE AND ACCESS. Grantee must maintain all records relating to this Agreement in accordance with applicable generally accepted accounting principles and in such a manner as

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to clearly document Grantee's performance for a minimum of six (6) years, or such longer period as may be required by applicable law, or until the conclusion of any audit, controversy, or litigation arising out of or related to this Agreement, whichever date is later. Grantee shall permit Agency at any time to inspect the records and premises of Grantee for the purpose of verifying Grantee's compliance with the terms of this Agreement, including the use of Grant Funds. If Grantee is a non-federal entity that expends \$750,000 or more during the non-federal entity's fiscal year in federal awards, Grantee must conduct a single or program-specific audit for that year in accordance with the requirements of 45 CFR Part 75 Subpart F. Copies of all audits must be submitted to Agency within 30 days of completion.

- 6. GOVERNING LAW, CONSENT TO JURISDICTION.** This Agreement is governed by, construed, and enforced in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit, or proceeding (collectively "Claim") between Grantee and Agency or any other agency or department of the state of Oregon, or both, that arises from or relates to this Agreement must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon. If, however, a Claim must be brought in a federal forum, then it must be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of the jurisdiction of any court or of any form of defense to or immunity from any Claim, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise. Each Party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. This Section shall survive expiration or termination of this Agreement.
- 7. DEFAULT.**

 - A. Grantee.** Grantee shall be in default under this Agreement if: (1) Grantee institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or (2) Grantee no longer holds a license or certificate that is required for Grantee to perform its obligations under the Agreement and Grantee has not obtained such license or certificate within 14 calendar days after Agency's notice or such longer period as Agency may specify in such notice; or (3) Grantee commits any material breach or default of any covenant, warranty, obligation or agreement under this Agreement, fails to perform any obligation under this Agreement within the time specified herein or any extension thereof, or so fails to pursue performance of any obligation as to endanger Grantee's performance under this Agreement in accordance with its terms, and such breach, default or failure is not cured within 14 calendar days after Agency's notice, or such longer period as Agency may specify in such notice.
 - B. Agency.** Agency will be in default under this Agreement if Agency fails to perform its obligations under this Agreement. However, Agency will not be in default if Agency fails to disburse Grant Funds because, in Agency's sole discretion, there is insufficient expenditure authority for, or moneys available from the funding source for this Agreement.
 - C. Notice of Default.** Grantee shall give Agency prompt written notice of any default, or any circumstance that with notice or the lapse of time, or both, may become an event of default, as soon as Grantee becomes aware of its existence or reasonably believes an event of default is likely.
- 8. REMEDIES**

 - A. Agency Remedies.** If Grantee is in default, Agency may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including without limitation, return of all disbursed Grant Funds, specific performance, setoff, or declaring Grantee ineligible for the receipt of future awards from Agency.
 - B. Grantee Remedies.** If Agency is in default, Grantee's sole remedy will be, within the limits set forth in this Agreement, disbursement for Allowable Expenses incurred during the term of the Agreement, less any claims Agency has against Grantee.

9. WITHHOLDING FUNDS, RECOVERY. Agency may withhold all undisbursed Grant Funds from Grantee, if Agency, in its sole discretion, determines that Grantee has failed to timely satisfy any material obligation arising under this Agreement or otherwise. Grantee obligations include, but are not limited to providing complete, accurate and timely reports satisfactory to Agency about its performance under this Agreement as well as timely satisfying all Agreement obligations relating to any awarded Grant Funds. Grantee must return to Agency within 30 days of Agency's written demand, any Grant Funds paid to Grantee that exceed the amount to which Grantee is entitled or any Grant Funds determined by Agency to be spent for purposes other than Allowable Expenses.

10. TERMINATION.

- a. **By Agency.** Agency may terminate this Agreement: (i) at Agency's discretion upon 30 days written notice, (ii) immediately upon written notice to Grantee, if Agency fails to receive funding, appropriations, limitations, or other expenditure authority at levels sufficient in Agency's sole discretion, to perform its obligations under this Agreement, (iii) if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that Agency's performance under this Agreement is prohibited, (iv) if Grantee is in default, or (v) if Agency determines that, in its reasonable stewardship of public funds, immediate termination is appropriate because of conduct engaged in by Grantee, its officers, principals, or employees.
- b. **By Grantee.** Grantee may terminate this Agreement if Agency is in default.
- c. **Mutual Termination.** The Agreement may be terminated immediately upon mutual written consent of the Parties or at such other time as the Parties may agree in the written consent.

11. MISCELLANEOUS.

- a. **Amendments.** The terms of this Agreement may not be altered, modified, supplemented, or otherwise amended, except by written agreement of the Parties.
- b. **Notice.** Any notice to be given under this Agreement must be given in writing by email, personal delivery, or by mail, to a Party's Grant Manager at the physical address or email address set forth in this Agreement, and is effective, as applicable: five (5) days after mailing, when actually personally delivered, or upon the sender's receipt of confirmation generated by the Grantee's email system of receipt by the Grantee's email system.
- c. **Survival.** Except for the rights and obligations in sections 3, 5, 6, 8, 11. A, 11. B, 11. D, 11. F, 11. J, 11. L, 11. M, 11. N, 11.P, and all other rights and obligations that by their nature or express terms survive termination of this Agreement of this agreement, all rights and obligations of the Parties under this Agreement will cease upon termination of this Agreement,
- d. **Severability.** The Parties agree if any provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining provisions will not be affected.
- e. **Counterparts.** This Agreement may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Agreement so executed constitutes an original.
- f. **Intended Beneficiaries.** Agency and Grantee are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

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- g. **Assignment.** Grantee may not assign or transfer its interest in this Agreement without the prior written consent of Agency.
- h. **Merger.** This Agreement and any exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.
- i. **Debarred or Suspended.** Grantee may not participate in this Agreement in any capacity, or be a recipient of Grant Funds, if Grantee has debt subject to collection by Oregon Department of Revenue, is ineligible to receive public works contract (ORS 279C.860), has been debarred or suspended or otherwise found to be ineligible for participation in federal assistance programs or activities.
- j. **Compliance with Law.** Grantee shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Grantee and this Agreement. This Section shall survive expiration or termination of this Agreement.
- k. **Grant Funds.** Grantee is not entitled to compensation under this Agreement by any other agency or department of the State of Oregon. Grantee understands and agrees that Agency's participation in this Agreement is contingent on Agency receiving appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to participate in this Agreement.
- l. **Contribution.** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified Party") with respect to which the other Party (the "Other Party") may have liability, the Notified Party shall promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third-Party Claim, and to defend a Third-Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this Section and a meaningful opportunity for the Other Party to participate in the investigation, defense, and settlement of the Third-Party Claim with counsel of its own choosing are conditions precedent to the Other Party's contribution obligation under this Exhibit B with respect to the Third-Party Claim.

If the Parties are jointly liable (or would be if joined in the Third-Party Claim), the Parties shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable in such proportion as is appropriate to reflect their respective relative fault. The relative fault of the Parties shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each party's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if that party had sole liability in the proceeding. This Section shall survive termination of this Contract.

- m. **Alternative Dispute Resolution.** The Parties should attempt in good faith to resolve any dispute arising out of this agreement. This may be done at any management level, including at a level higher than persons directly responsible for administration of the agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- n. **Indemnification by Subcontractors.** Grantee shall take all reasonable steps to cause its contractor(s) that are not units of Local Government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in

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whole or in part, by the negligent or willful acts or omissions of Grantee's contractor or any of the officers, agents, employees or subcontractors of the contractor("Claims"). It is the specific intention of the Parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the contractor from and against any and all Claims.

- o. **Recovery of Misexpended and Unexpended Funds.** Any funds disbursed to Grantee under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement (“Misexpended Funds”) or that remain unexpended (“Unexpended Funds”) on the earlier of termination or expiration of this Agreement must be returned to Agency. Grantee shall return all Misexpended Funds to Agency promptly after Agency’s written demand and no later than 15 days after Agency’s written demand. Grantee shall return all Unexpended Funds to Agency within 14 days after the earlier of termination or expiration of this Agreement. Agency, in its sole discretion, may recover Misexpended or Unexpended Funds by withholding from payments due to Grantee such amounts, over such periods of time, as are necessary to recover the amount of the overpayment. Prior to withholding, if Grantee objects to the withholding or the amount proposed to be withheld, Grantee shall notify Agency that it wishes to engage in dispute resolution in accordance with Section 11. M of this Agreement.
- p. **Suspension.** If, at any time, Agency concludes that it has, or projects that it will have, insufficient funds to disburse the full amount of Grant Funds or in the exercise of Agency’s reasonable administrative discretion it will be unable to continue funding the Agreement, then Agency may by written notice to Grantee (a “Suspension Notice”) temporarily cease funding for a period of up to 180 days from the date of the Suspension Notice (the “Suspension Period”). Upon receipt of the Suspension Notice, Grantee shall immediately cease all Project activities dependent upon Grant Funds or, if that is impossible, take all necessary steps to minimize the Project activities dependent upon Grant Funds. Within the Suspension Period, or within any extension of the Suspension Period to which the Parties agree:

 - (1) If Agency concludes that it will fund the full amount of the Grant Funds, Agency shall cancel the Suspension Notice by written notice to Grantee and Grantee shall resume Project activities pursuant to the Agreement; or
 - (2) If, in the reasonable exercise of its administrative discretion, Agency concludes that it will not fund the full amount of the Grant Funds, Agency shall either:

 - (i) Amend the Agreement, in consultation with Grantee, to revise the amount of Grant Funds or scope of Project activities to reflect the reduced Grant Funds available; or
 - (ii) Terminate the Agreement by written notice to Grantee.
- q. **Independent Contractor.** Grantee shall act at all times as an independent contractor and not as an agent or employee of Agency.
- r. **Disclosure of Complaints.** After a reasonable investigation, Grantee shall disclose and provide an explanation of all BOLI and Oregon Occupational Safety and Health Division complaints filed against Grantee and any entities it intends to partner with to provide training under this Agreement within the last 5 years and throughout the term of this Agreement.

12. GRANT DOCUMENTS. This Agreement consists of the following documents, which are incorporated by this reference and listed in descending order of precedence:

- This Agreement (less all exhibits)
- Exhibit A (the “Program”)
- Exhibit B (Insurance)

13. REPRESENTATIONS AND WARRANTIES. Grantee certifies, represents, and warrants to Agency, and will ensure that all of its Joint Apprenticeship Training Committee (“JATC”) related training agents, partners, and board members who will be responsible for work related to this Agreement, certify, represent, and warrant as follows:

A. Organization and Authority.

- (1) Grantee is a XXXX validly organized and existing under the laws of the State of Oregon.
- (2) Grantee has all necessary right, power and authority under its organizational documents and applicable Oregon law to execute and deliver this Agreement and incur and perform its obligations under this Agreement.
- (3) This Agreement has been authorized by an ordinance, order or resolution of Grantee’s governing body if required by its organizational documents or applicable law.
- (4) This Agreement has been duly executed by Grantee, and when executed by Agency, is legal, valid and binding, and enforceable in accordance with their terms.

B. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Agreement will not: (i) cause a breach of any agreement or instrument to which Grantee is a party or by which the Program or any of its property or assets may be bound; (ii) violate any provision of the charter or other document pursuant to which Grantee was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Grantee, the Program or its properties or operations.

C. Full Disclosure. Grantee has disclosed in writing to Agency all facts that materially adversely affect the Agreement, or the ability of Grantee to perform all obligations required by this Agreement. Grantee has made no false statements of fact, nor omitted information necessary to prevent any statements from being misleading. The information contained in this Agreement, including any exhibit, is true and accurate in all respects.

D. Pending Litigation. Grantee has disclosed in writing to Agency all proceedings pending (or to the knowledge of Grantee, threatened) against or affecting Grantee, in any court or before any governmental authority or arbitration board or tribunal, including BOLI, that, if adversely determined, would materially adversely affect the Agreement or the ability of Grantee to perform all obligations required by this Agreement.

E. Governmental Consent. Grantee has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Agreement and the undertaking and completion of the Program.

F. Compliance with Tax Laws. Grantee (to the best of Grantee’s knowledge, after due inquiry), for a period of no fewer than six (6) calendar years preceding the Effective Date and during the duration of this Agreement, faithfully has complied with:

- (1) All tax laws of the State of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
- (2) Any tax provisions imposed by a political subdivision of the State of Oregon that applied to Grantee, to Grantee’s property, operations, receipts, or income, or to Grantee’s performance of or compensation for any work performed by Grantee;
- (3) Any tax provisions imposed by a political subdivision of the State of Oregon that applied to Grantee, or to goods, services, or property, whether tangible or intangible, provided by Grantee; and;
- (4) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Grantee has no undisclosed liquidated and delinquent debt owed to the State of Oregon or any department or agency of the State of Oregon.

G. Applicable License & Registration Requirements. Grantee and its training agents have all applicable licenses and registrations and remain in good standing with the State of Oregon and its agencies.

Grantee covenants as follows:

A. Notice of Adverse Change. Grantee shall promptly notify Agency of any adverse change in the activities, prospects, or condition (financial or otherwise) of Grantee related to the ability of Grantee to

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perform all obligations required by this Agreement.

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, ACKNOWLEDGES IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. The Parties agree that by the exchange of this Agreement electronically, each has agreed to the use of electronic means. By inserting an electronic signature below, each authorized representative acknowledges that it is their signature, that each intends to execute this Agreement, and that their electronic signature should be given full force and effect to create a valid and legally binding Agreement.

Signature Page Follows

STATE OF OREGON acting by and through its Bureau of Labor and Industries

SIGNATURE OF STATE’S AUTHORIZED REPRESENTATIVE.

Authorized Signature: _____

By (print name): _____

Title: _____

Date: _____

SIGNATURE OF GRANTEE.

Authorized Signature: _____

By (print name): _____

Title: _____

Date: _____

APPROVED FOR LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047 AND OAR 137-045-0015.

by AAG David Berryman, via email dated XXXXX.

EXHIBIT A: THE PROGRAM

BACKGROUND

Grantee currently XXXXXX. With Grant Funds provided by this Agreement, Grantee will XXXX

GENERAL REQUIREMENTS

Grantee must:

1. Immediately notify the Agency in writing of any change to address, ownership, or capacity, or of changes to any other information submitted in the Grant Application. The Agency reserves the right to revoke or amend this Agreement or take other necessary actions in response to operational changes. The Agency may make amendments to Agreement and Grantee agrees to work in good faith in said amendments, as necessary.
2. Maintain records that document compliance with the requirements of this Agreement, including accurate records in sufficient detail to permit the Agency to verify that Grant Funds were used only for Allowable Expenses. Grantee is subject to audit by the Agency and must, upon request, provide any information and supporting documentation requested by the Agency, provide access to the pre-apprenticeship, program, or registered apprenticeship facility for which these Grand Funds are awarded, and allow pre-apprenticeship, registered apprenticeship, and program staff to be interviewed in connection with this Agreement and the use of Grant Funds received.
3. Ensure Grant Funds are used to supplement and not supplant other public funds to provide pre-apprenticeship or registered apprenticeship services. Grant Funds may not be used to pay for expenses that have been or will be reimbursed by public funds from any other source.
4. Attend monthly Collective Impact meetings specific to grant award category and coordinated by ATD to promote shared goals, measure, and monitor progress toward collective goals, and to align efforts across systems.

PRE-APPRENTICESHIP IN MANUFACTURING

Under this Agreement, Grantee must:

1. XXXXX
2. XXXXX
3. XXXXX

BUDGET

Category	Cost*
Total Award	

*Grant Funds up to 10% of the total grant award may be transferred between line items with prior written approval from Agency without the need for a formal contract amendment. Budget amendments over 10% of the total grant award require a formal contract amendment.

ALLOWABLE EXPENSES

Grant Funds may only be used for costs related to the activities described in this Exhibit A, if the costs were incurred on or after January 1, 2024, and before the Agreement’s Expiration Date (“Allowable Expenses”).

PROHIBITED EXPENSES

Grant Funds may not be used for the purchase of land, construction of new facilities, or major renovations to any building or facility.

REPORTING REQUIREMENTS

Grantee must submit Monthly Expenditure and Activity Reports to the Agency. Grantee must submit the Reports using templates provided by Agency on the tenth day of every month throughout the duration of the Agreement.

If a report is not complete or not received by the required date, the report will be considered late and may result in the delay or withholding of future payments.

Expenditure Reports for Allowable Expenses are required to document how the payments Grantee received were used. Activity Reports must provide a summary of the Grant Activities to date. The Expenditure and Activity Reports must be entered into the online BOLI Grant Portal.

Each Report must be complete and satisfactory to Agency. Grantee must provide any additional information and supporting documents related to the reports upon request from the Agency.

Agency will review the required reports and any requested supporting documentation. Agency approval of those reports will be the method for verifying Grant Activities and proper expenditures under this Agreement.

Grantee must submit a final expenditure and activity report within thirty (30) days of the termination or expiration of this Agreement, whichever is earlier on an Agency provided template.

The final expenditure and activity report must include:

1. An assessment of the impact of proposal on the workforce sectors identified in Grantee’s application;
2. An assessment of the impact of the proposal in serving the populations identified in Grantee’s application; and
3. Summary of the work performed, and the accomplishments associated with this work.

The receipt of multiple late or incomplete reports may result in termination of this Agreement.

EXHIBIT B

INSURANCE REQUIREMENTS:

Grantee shall obtain at Grantee expense the insurance specified in this Exhibit B prior to performing under this Contract. Grantee shall maintain such insurance in full force and at its own expense throughout the duration of this Contract, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Grantee shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Agency. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Grantee shall pay for all deductibles, self-insured retention, and self-insurance, if any.

If Grantee maintains broader coverage and/or higher limits than the minimums shown in this insurance requirement exhibit, Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by Grantee.

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Grantee, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017, and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Grantee shall require and ensure that each of its subcontractors complies with these requirements. If Grantee is a subject employer, as defined in ORS 656.023, Grantee shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident.

If Grantee is an employer subject to any other state's workers' compensation law, Contactor shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

As applicable, Grantee shall obtain coverage to discharge all responsibilities and liabilities that arise out of or relate to the Jones Act with limits of no less than \$5,000,000 and/or the Longshoremen's and Harbor Workers' Compensation Act.

COMMERCIAL GENERAL LIABILITY:

Grantee shall provide Commercial General Liability Insurance covering bodily injury and property damage, including but not limited to the trailer and equipment to be purchased under the terms of this Agreement, in a form and with coverage that are satisfactory to the State. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this contract, and have no limitation of coverage to designated premises, project, or operation. Coverage must be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$4,000,000 annual aggregate limit.

AUTOMOBILE LIABILITY INSURANCE:

Required **Not required**

Grantee shall provide Automobile Liability Insurance covering Grantee business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

PROFESSIONAL LIABILITY:

Required **Not required**

Grantee shall provide Professional Liability insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Contract by the Grantee and Grantee subcontractors, agents, officers or employees in an amount not less than \$1,000,000 per claim and not less than \$4,000,000 annual aggregate limit.

If coverage is provided on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Grantee shall provide Continuous Claims Made coverage as stated below.

An endorsement to the Commercial General Liability or Automobile Liability policy, covering Grantee or subcontractor' liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related clean-up cost incurred by the Grantee that arise from the Goods delivered or Services (including transportation risk) performed by Grantee under this Contract is also acceptable.

EXCESS/UMBRELLA INSURANCE:

A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance. When used, all of the primary and umbrella or excess policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The umbrella or excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance.

ADDITIONAL INSURED:

All liability insurance, except for Workers' Compensation, Professional Liability, Pollution Liability and Network Security and Privacy Liability (if applicable), required under this Contract must include an additional insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Grantee activities to be performed under this contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Regarding Additional Insured status under the General Liability policy, we require additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee's activities to be performed under this Contract. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on or at least as broad as ISO Form CG 20 10 and the Additional Insured endorsement with respect to completed operations must be on or at least as broad as ISO form CG 20 37.

WAIVER OF SUBROGATION:

Grantee shall waive rights of subrogation which Grantee or any insurer of Grantee may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Grantee will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Grantee or the Grantee's insurer(s).

CONTINUOUS CLAIMS MADE COVERAGE:

If any of the required liability insurance is on a claims made basis and does not include an extended reporting

period of at least 24 months, then Grantee shall maintain continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of the Grant Agreement, for a minimum of 24 months following the later of:

- i. Grantee’s completion and Agency’s acceptance of all Services required under the Contract, or
- ii. Agency or Grantee termination of this Contract, or
- iii. The expiration of all warranty periods provided under this Contract.

CERTIFICATE(S) AND PROOF OF INSURANCE:

Grantee shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Contract. The Certificate(s) shall list the State of Oregon, its officers, employees, and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) shall also include all required endorsements or copies of the applicable policy language affecting coverage required by this Contract. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Contract.

NOTICE OF CHANGE OR CANCELLATION:

The Grantee or its insurer must provide at least 30 days’ written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW:

Grantee agrees to periodic review of insurance requirements by Agency under this Contract and to provide updated requirements as mutually agreed upon by Grantee and Agency.

STATE ACCEPTANCE:

All insurance providers are subject to Agency acceptance. If requested by Agency, Grantee shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency’s representatives responsible for verification of the insurance coverages required under this Exhibit B.

Additional Required Coverages:

CRIME PROTECTION COVERAGE: EMPLOYEE DISHONESTY or FIDELITY BOND

Required **Not required**

Grantee shall provide Employee Dishonesty or Fidelity Bond coverages for dishonest acts of an employee of the Grantee. Coverage limits not less than \$250,000.

PHYSICAL ABUSE AND MOLESTATION INSURANCE COVERAGE:

Required **Not required**

Grantee shall provide Abuse and Molestation Insurance in a form and with coverage that are satisfactory to the State covering damages arising out of actual, perceived, or threatened physical abuse, mental injury, sexual molestation, negligent: hiring, employment, supervision, training, investigation, reporting to proper authorities, and retention of any person for whom the Grantee is responsible including but not limited to Grantee and Grantee employees and volunteers. Policy endorsement’s definition of an insured shall include the Grantee, and the Grantee’s employees and volunteers. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$3,000,000 annual aggregate. Coverage can be provided by a separate policy or as an endorsement to the commercial general liability or professional liability policies. The limits shall be exclusive to this required coverage. Incidents related to or arising out of physical abuse, mental injury, or sexual molestation, whether committed by one or more individuals, and irrespective of the number of incidents or injuries or the time period or area over which the incidents or injuries occur, shall be treated as a separate occurrence for each victim. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit.