

Service Order Contract

Price Agreement # PO-107-00006822

Service Order Contract # PO-10700-00040581- **Amendment 2**

Department of Administrative Services, State Procurement Services on behalf of the Chief Operation Office ("Authorized Purchaser"), and Baker Tilly Advisory Group, LP ("Contractor"), hereby enter into a contract for services ("Service Order Contract" or "SOC") that consists of this document and all terms and conditions set forth in Price Agreement PO-10700-00006822 entered into by and between and State of Oregon acting by and through between the Department of Administrative Services, State Procurement Services ("DAS SPS") and Contractor (the "Agreement"). This Service Order Contract is effective as of the last date of signature in the signature of this SOC.

SECTION 1: RECITAL

Authorized Purchaser requires Audit Services described below in Section 2, Agreement. Contractor desires to perform the services described in this SOC ("Services") with respect to the service requirements.

This Service Order Contract is amended to read (new language is indicated by underlining and bold and deleted language is indicated by strikethrough).

SECTION 2: AGREEMENT

The parties agree as follows:

- **Defined Terms.** Capitalized terms not otherwise defined in this SOC have the meanings assigned to them in the Agreement.
- **Agreement Incorporated by Reference.** The Agreement is incorporated by reference as though fully set forth in this SOC.

SECTION 3: SOC Term.

Unless extended or terminated earlier in accordance with its terms, this SOC shall terminate on May 30, 2025, or when Authorized Purchaser has accepted and paid Contractor in full for all completed Services that are required under this SOC, whichever occurs last ("SOC Term"). SOC termination shall not extinguish or prejudice Authorized Purchaser's right to enforce this SOC with respect to any default by Contractor that has not been cured.

SECTION 4: STATEMENT OF SERVICES

The Services to be performed under this SOC fall into the Category indicated in this Section below.

Information Technology:

The process of collecting and evaluating evidence to determine whether a computer system design would maintain data integrity, safeguard assets, allow the organization to achieve its goals effectively and use its resources efficiently.

Performance:

An independent examination of a program, function or operation to the management system procedures of a governmental or non-profit entity to assess whether the entity is achieving economy, efficiency and effectiveness in the employment of available resources.

Risk Assessment:

A process of identifying, analyzing and prioritizing risks to the achievement of an agency's mission, goals, or objectives. ORS 184.360 requires each agency that is required to have an internal audit function to produce a risk assessment of the entire agency that conforms to audit standards established by nationally recognized entities such as the United States Government Accountability Office or the Institute of Internal Auditors. The Authorized Purchaser must use the risk assessment as the basis for the selection and performance of at least one internal audit per calendar year.

4.1 Project Background and General Requirements

Pursuant to the Oregon Motor Voter (OMV) Law, the Oregon Division of Drivers and Motor Vehicles (DMV), a division of the Oregon Department of Transportation (ODOT), is responsible for validating customer-provided proof of citizenship, confirming eligibility for the purposes of voter registration, and securely transmitting data to the Secretary of State's (SOS) Elections Division. The Elections Division is responsible for setting rules, providing information on the OMV process to DMV, processing individuals listed in DMV files, and issuing Oregon Motor Voter Cards, among other tasks.

The State requires an independent, external third-party contractor to conduct an independent, external audit of the OMV program in accordance with applicable audit standards.

Audit standards include Generally Accepted Government Auditing Standards (GAGAS) and the Information Technology Audit Framework (ITAF).

In addition to other statutes and rules, this SOC is subject to the provisions of ORS 247.017 and ORS 807.465, relevant Oregon Administrative Rules include OAR chapters 165 and 735, and applicable federal laws and regulations, statewide or agency policies and procedures, and identified best practices in the field.

4.2 Tasks and Deliverables

Task #1: Contractor shall initiate an audit of the OMV program with ODOT/DMV and the SOS Elections Division, with as-needed communication with the Office of the Governor, the Secretary of State, the Chief Operating Officer, and the DAS Chief Audit Executive, completing all tasks required by audit standards related to scoping and planning the engagement. Contractor will also research applicable risks, criteria, and control frameworks specific to the field of elections and automatic voter registration, potentially subcontracting or consulting with organizations working in these fields, such as the Center for Secure and Modern Elections.

Deliverable #1.1:

- Contractor will set up bi-weekly update meetings with Authorized Purchaser. These meetings can be done via TEAMS or via email.
- Detailed narratives and flow charts of key processes in the Motor Voter Program.
- A risk assessment for the Motor Voter Program which identifies risks relevant to the achievement of Motor Voter Program objectives and scores the significance of risks based on impact and likelihood.
- A preliminary controls assessment for the Motor Voter Program which identifies and provides a preliminary evaluation of the five components of internal control as defined by internal control frameworks such as the COSO Internal Control – Integrated Framework or the Standards for Control in the Federal Government (Green Book).
- A list of key contacts that will be engaged throughout the audit, including names, titles, and purpose and level of engagement.
- Proposed audit objectives, scope, criteria, and audit program listing specific procedures to be performed, as well as expected hours and timeline for completion of each procedure, to be approved by the DAS Director.

Authorized Purchaser will review draft Deliverable of Task 1 and give feedback to Contractor. Contractor shall make changes, as necessary prior to Authorized Purchaser's acceptance of Deliverable #1.1. Contractor shall not begin work on Task 2 until Authorized Purchaser has accepted Deliverable #1.1.

Deliverable #1.1 Due Date: January 31, 2025

Task #2: Completion of Audit Fieldwork

Following approval of audit objectives, scope, criteria, and audit program, Contractor will complete the planned audit approach using evidence performed and documented in conformance with auditing standards. Contractor shall communicate emerging issues and preliminary findings to auditees in real time if it will assist the auditees in developing and implementing corrective actions and promotes resumption of automatic voter registration processes.

Deliverable #2.1: Document outlining preliminary findings based on procedures completed during audit fieldwork

Authorized Purchaser will review draft Deliverable of Task #2.1 and give feedback to Contractor prior to acceptance of Deliverable #2.1 prior to moving to Task 3.

Deliverable #2.1 Due Date: ~~March 28, 2025~~ **See delivery table below**

Task #3: Audit Report

Contractor shall develop an audit report in conformance with auditing standards and present findings to Authorized Purchaser leadership. A draft of the audit report must be provided with a review period for specific key individuals as identified in Task 1 to provide comments back to Contractor. After receiving comments, Contractor will prepare and provide a final report. Upon request, the Contractor's Project Manager shall testify before the Oregon Legislature to discuss the report and its findings.

Deliverables #3.1:

- Audit Report including executive summary, as well as detailed results, including audit objectives, scope, methodology, and criteria and/or requirements, conclusions, findings, and recommendations. The report must include clear information on potential impacts and likelihood of occurrence of findings, as well as management action plans for implementing the recommendations with assigned action plan owners and expected implementation dates.
- Documentation or attestation demonstrating conformance with auditing standards.
- The Audit Report shall be addressed to the Oregon Governor.

Deliverable #3.1 Initial Due Date: ~~April 14, 2025~~ **See delivery table below**

Deliverable #3.1 Final Due Date: ~~April 30, 2025~~ **See delivery table below**

Task #4: Contingency Funds

From time to time, Authorized Purchaser may request Contractor to perform additional Services related to and within the scope of Tasks #1, #2 and #3 above. In the event Authorized Purchaser needs additional Services, Authorized Purchaser shall send a written request to Contractor describing the needed Services. Contractor shall provide Authorized Purchaser with a detailed description of the additional Services to be provided along with an estimate of the costs, delivery dates, and proposed acceptance criteria. Authorized Purchaser will review the estimate and if acceptable, Authorized Purchaser shall authorize Contractor to provide the additional Service through a written Change Order or amendment to the SOC describing the Services, agreed upon costs, delivery dates, and acceptance criteria.

Deliverables #4.1: TBD

Deliverable #4.1 Due Date: ~~TBD~~ **See delivery table below**

4.3 Key Persons

Contractor shall assign the following Key Persons from Exhibit I for Contract Administration, Service Delivery Fulfillment and issue resolution.

Contractor's Key Person(s) & Contact Information	
Key Person # 1 Name: Chris Kalafatis Title: Managing Director Role: Engagement Executive Phone: (703) 923 8007 Email: chris.kalafatis@bakertilly.com	Key Person # 2 Name: Stacey Gill Title: Senior Manager Role: Engagement Senior Manager Phone: (512) 975 7284 Email: stacey.gill@bakertilly.com
Contractor's Key Person(s) & Contact Information	

Key Person # 3 Name: Madhu Maganti Title: Principal Role: IT Principal/SME Phone: (346) 201 6024 Email: madhu.maganti@bakertilly.com	Key Person # 4 Name: Seth Cooper Title: Director Role: Voter Registration SME Phone: (312) 729 8107 Email: seth.cooper@bakertilly.com
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SECTION 5: CONSIDERATION

- 5.1 **Maximum NTE Payable.** The maximum, not-to-exceed ("Maximum NTE") amount payable to Contractor by Authorized Purchaser under this SOC is ~~\$170,000.00~~ **\$175,000.00**. Authorized Purchaser will not pay Contractor any amount in excess of this amount for completing the Services, and will not pay for Services performed after the termination of this SOC. Authorized Purchaser will pay Contractor only for completed Services that are accepted by Authorized Purchaser in Sections 5.2 and 5.3.
- 5.2 **Submission and Acceptance of Deliverables.** Contractor shall perform the Services and deliver Deliverables in compliance with the requirements and acceptance criteria set forth in the Statement of Work. Contractor shall advise Authorized Purchaser upon completion and delivery of a Deliverable. By no later than (i) the date or period for review set forth in the Statement of Work, or (ii) 15 Business Days after receipt of such notice if no date is set, Authorized Purchaser will determine whether the Deliverable meets the acceptance criteria set forth in the Statement of Work. If Authorized Purchaser determines that the Deliverable meets acceptance criteria set forth in the Statement of Work in all material respects, Authorized Purchaser will notify Contractor in writing of Authorized Purchaser's acceptance of the Deliverable.
- 5.3 **Rejection of Deliverables; Corrections.** If Authorized Purchaser determines that a Deliverable does not meet the acceptance criteria set forth in the Statement of Work, Authorized Purchaser will notify Contractor in writing of Authorized Purchaser's rejection of the Deliverable. Authorized Purchaser will describe in reasonable detail the basis for rejection of the Deliverable. Upon receipt of notice of rejection, Contractor shall, within a 10 Business Day period, modify or improve the Deliverable at Contractor's sole expense, so that the Deliverable meets the acceptance criteria. Contractor shall notify Authorized Purchaser in writing that it has completed such modifications or improvements and re-tender the Deliverable to Authorized Purchaser. Authorized Purchaser will review the modified or improved Deliverable within 15 Business Days of receipt of the Contractor's delivery of the Deliverable. Failure of the Deliverable to meet the acceptance criteria set forth in the Statement of Work after the second submission will constitute a default by Contractor. In the event of such default, Authorized Purchaser may either, (i) notify Contractor of such default and instruct Contractor to modify or improve the Deliverable as set forth in this Section, or (ii) notify Contractor of such default and pursue its remedies for default provided for by law or the terms of this Contract.

5.4 Rate Schedule

Contractor shall be compensated for Internal Audit Services provided per the terms set forth in Section 4 of this SOC at the agreed upon rates in Agreement Exhibit H Rate Schedule unless otherwise agreed upon.

5.4.1 Delivery Schedule and Not to Exceed Compensation

Task	Description	Due Date	NTE
1	Audit Scoping, Planning, and Risk Assessment	January 31, 2025	\$50,000 \$65,000.00

2	Audit Fieldwork	March 28, 2025 <u>May 19, 2025</u>	\$50,000 <u>\$80,000</u>
3.1	Audit Draft Report	April 14, 2025 <u>June 2, 2025</u>	\$15,000
3.2	Final Audit Report	April 30, 2025 <u>June 26, 2025</u>	\$5,000 <u>\$15,000</u>
4	Contingency Funds		\$50,000 <u>\$0.00</u>
TOTAL MAXIMUM NOT-TO-EXCEED COST			\$170,000 <u>\$175,000</u>

- 5.5 Invoices. Contractor shall submit invoices in accordance with Section 6 of the Agreement, which is incorporated by reference as though fully set forth in this Section. Invoiced amounts shall not exceed the rates set forth above or in Exhibit H Rate Schedule, however negotiated rates set forth in Section 4.2 are acceptable. All invoices shall be submitted to Authorized Purchaser's contract administrator via email at the following address:

Contract Administrator Eli Ritchie, DAS Chief Audit Executive
Email or Address: eli.ritchie@das.oregon.gov
P: 971-719-3114

- 5.6 Payment Terms. All payments are subject to the provisions of ORS 293.462 and shall not exceed the any total maximum not-to-exceed compensation set forth in this SOC. All Billing Rates and allowable expenses invoiced by Contractor shall be charged at the rates agreed to in Section 5 of the Agreement unless otherwise agreed upon per Section 4.2. Authorized Purchaser shall have no liability for any Billing Rates or expenses that are charged in amounts that exceed those agreed to in above nor shall Authorized Purchaser have any liability for any Billing Rates, expenses, or any other fees that exceed the maximum not-to-exceed compensation agreed to in this SOC.

SECTION 6: TERMINATION; Remedies

- 6.1 Termination by Authorized Purchaser. Authorized Purchaser and Contractor may mutually agree to terminate the SOC at any time. Authorized Purchaser may terminate the SOC for any reason or no reason immediately upon written notice to Contractor or at such other date as Authorized Purchaser may specify in such notice.
- 6.2 Termination by Contractor. Contractor may terminate the SOC for any reason or no reason effective upon delivery of thirty (30) calendar days written notice to Authorized Purchaser.
- 6.3 Authorized Purchaser Remedies. In addition to any other rights and remedies Authorized Purchaser may have under the SOC, Authorized Purchaser may terminate or modify the SOC immediately upon delivery of written notice from Authorized Purchaser to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events:
- 6.3.1 Funding from federal, state, or other sources is not obtained and continued at levels sufficient to pay for the Services;
- 6.3.2 Federal or state laws, regulations, or guidelines are modified or interpreted in such a way that either the Services are prohibited or Authorized Purchaser is prohibited from

paying for the Services from the planned funding source;

- 6.3.3 Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under the SOC, fails to perform the Services within the time specified herein, or so fails to pursue the Services as to endanger Contractor's performance under the SOC in accordance with its terms, and fails to cure such breach, default or failure within five (5) Business Days after delivery of written notice from Authorized Purchaser, or such other period as Authorized Purchaser may authorize or require.
- 6.4 No Prejudice of Rights. Termination of the SOC does not extinguish or prejudice Authorized Purchaser's right to enforce the SOC with respect to any default by Contractor that has not been cured. Termination pursuant to this Section shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.
- 6.5 Stop Work Notice. Authorized Purchaser may issue a stop work notice to pause work temporarily. Authorized Purchaser shall indicate in the stop work notice the reason for the notice and term of the notice and any other important information regarding the temporary pause of work.
- 6.6 Contractor Remedies; Authorized Purchaser Liability for Expenses. If Authorized Purchaser terminates the SOC or if Authorized Purchaser is in default and whether or not Contractor elects to exercise its right to terminate the SOC, Contractor's sole monetary remedy is a claim for: (a) unpaid and accepted invoices; and (b) hours worked and authorized expenses incurred within any limits set forth in the SOC, but not yet billed. In no event shall Authorized Purchaser be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Subsection, Contractor shall pay immediately any excess to Authorized Purchaser upon written demand provided in accordance with the notice provisions of the SOC.
- 6.7 Return of Property. Upon termination of the SOC for any reason, Contractor shall immediately deliver to Authorized Purchaser all of Authorized Purchaser's property (including without limitation any deliverable for which Authorized Purchaser has made payment in whole or in part) that is in the possession or under the control of Contractor in whatever stage of development such Authorized Purchaser property is embodied at that time. Upon receiving a notice of termination of the SOC, Contractor shall immediately cease all activities under the SOC, unless Authorized Purchaser expressly directs otherwise in such notice of termination. Upon Authorized Purchaser's request and consistent with applicable confidentiality laws, Contractor shall surrender to anyone Authorized Purchaser designates, all documents, research or objects or other tangible things needed to complete the Services and any deliverable.
- 6.8 Rights and Obligations. Except as expressly identified in this SOC, and except for the rights and obligations for any communications between Contractor and Authorized Purchaser or Notices to be given under this SOC, which shall be made in accordance with Section 25 of the Agreement and sent, as applicable, to either: (a) Contractor or (b) Authorized Purchaser, with a copy to DASPS, at the following addresses:

6.8.1 Authorized Purchaser Notice

Authorized Purchaser Eli Ritchie, DAS Chief Audit Executive

Address 1225 Ferry St SE, Salem, Oregon 97301

Email eli.ritchie@das.oregon.gov

Phone 971-719-3114

Authorized Purchaser Procurement Contact Notice, if different than above.

Name Kaliska King

Title Procurement Analyst

Address 1225 Ferry St SE, Salem, Oregon 97301

Email Kaliska.King@das.oregon.gov

Phone number 503-798-1907

Contractor Notice: Baker Tilly Advisory Group, LP

Name of Contractor Contact Chris Kalafatis

Contractor Title Managing Director

physical address for Contractor 8219 Leesburg Pike, Suite 800, Tysons, VA 22182

Email chris.kalafatis@bakertilly.com

Phone (703) 923 8007

Remedies Not Exclusive. The rights and remedies provided in this Section are not exclusive, and are in addition to any other rights and remedies provided by law or under the SOC.

SECTION 7: Insurance

Throughout the SOC Term Contractor shall carry, at its own cost and expense, the types of insurance at the limits agreed to in Exhibit A to the Agreement which is incorporated by reference as though fully set forth in this Section. If requested by Authorized Purchaser, Contractor shall provide Authorized Purchaser's contract administrator with a certificate of insurance prior to commencing any Services or performing any work under this SOC.

Additional insurance may be requested by Authorized Purchaser, as set forth on Exhibit No. 1 to this SOC.

If Authorized Purchaser requests additional insurance, Contractor shall provide Authorized Purchaser with a certificate of insurance as evidence of the additional insurance coverage.

SECTION 8: Order of Precedence

This SOC is executed pursuant to the Agreement. This SOC consists of the following documents, which are listed in descending order of precedence:

1. Price Agreement
2. SOC Section 3 Statement of Services
3. This SOC, less its Exhibits
4. Agreement Exhibit H Rate Schedule
5. SOC Exhibit No. 1, Additional Insurance Requirements

SECTION 9: Certifications. The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that: Authority to Act. The individual signing on behalf of Contractor is authorized to act on Contractor's behalf, has authority and knowledge regarding the matters certifying in this Section 9;

9.1 Representations and Warranties. The Representations and Warranties set forth in the Agreement, including, without limitation, Sections 14 and 31, are reaffirmed by the Contractors below;


9.2 Compliance with All Laws, Terms and Conditions. Contractor affirms that Contractor will comply with all applicable laws as agreed to in Section 10 of the Agreement and that no conflicts of


interest, as defined in ORS 244, preclude Contractor from performing any of the Services agreed to in this SOC. Contractors further affirms that Contractor understands and agrees that Contractor is bound by all of the other the terms, conditions, and obligations agreed to in the Agreement, which are incorporated by reference in Section 2 of this SOC;

- 9.3 Not Subject to Backup Withholding. Contractor is not subject to backup withholding because (a) Contractor is exempt from backup withholding, (b) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified Contractor that Contractor is no longer subject to backup withholding;
- 9.4 Certification of Tax Laws. To the best of the Contractors knowledge, Contractor is not in violation of any Oregon tax laws or any applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this state, including but not limited to taxes referenced in ORS 305.380(4), ORS 305.620 and ORS chapters 316, 317, and 318; Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

- 9.5 Independent Contractor. Contractor is an independent contractor as defined in ORS 670.600; and


CONTRACTOR, BY EXECUTING THIS SERVICE ORDER CONTRACT, ACKNOWLEDGES THAT CONTRACTOR HAS READ THIS SERVICE ORDER CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTOR: 
Title: Chris Kalafatis, Managing Director
Madhu Maghanti, Principal
Date: 4/15/25

Department of Administrative Services, State Procurement Services
By:  John Anglemier
Title: State Procurement Manager
Date: 04/15/2025

AUTHORIZED PURCHASER:

Department of Administrative Services, Chief Operation Office

By: 
[Print Name Here] Debbie Dennis
Title: CAO/Deputy Director
Date: 4/15/25

Approved for Legal Sufficiency:

Not needed for this amendment
Authorized Signature
Printed Name
Title:

SOC EXHIBIT NO.1 ADDITIONAL INSURANCE REQUIREMENTS

Contractor shall obtain at Contractor's expense the insurance specified in this Service Order Contract (SOC) Exhibit No. 1, prior to performing under this SOC. Contractor shall maintain such insurance in full force and at its own expense throughout the duration of this SOC, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Contractor 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 Authorized Purchaser. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Contractor shall pay for all deductibles, self-insured retention, and self-insurance, if any.

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

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Contractor, 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). Contractor shall require and ensure that each of its subcontractors complies with these requirements. If Contractor is a subject employer, as defined in ORS 656.023, Contractor shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident.

If Contractor is an employer subject to any other state's workers' compensation law, Contractor 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, Contractor 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:

Contractor shall provide Commercial General Liability Insurance covering bodily injury and property damage 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 \$2, 000, 000 annual aggregate limit. (Amount in Price Agreement)

AUTOMOBILE LIABILITY INSURANCE:

Contractor shall provide Automobile Liability Insurance covering Contractor's 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:

Contractor shall provide Professional Liability covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this SOC by the Contractor and Contractor's subcontractors, agents, officers or employees in an amount not less than \$1,000, 000 per claim and not less than \$2,000,000 annual aggregate limit. (Amount in Price Agreement)

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 Contractor shall provide Continuous Claims Made coverage as stated below.

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 SOC must include an additional insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Contractor's activities to be performed under this contract. Coverage shall be primary and non-contributory with any other activities to be performed under this SOC.

Regarding Additional Insured status under the General Liability policy, Authorized Purchaser requires additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Contractor's activities to be performed under this SOC. 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:

Contractor shall waive rights of subrogation which Contractor or any insurer of Contractor may acquire against the Authorized Purchaser or State of Oregon by virtue of the payment of any loss. Contractor will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Authorized Purchaser has received a waiver of subrogation endorsement from the Contractor or the Contractor'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 Contractor 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 SOC, for a minimum of 24 months following the later of:

- (i) Contractor's completion and Authorized Purchaser's acceptance of all Services required under the SOC, or
- (ii) Authorized Purchaser or Contractor termination of this SOC, or
- (iii) The expiration of all warranty periods provided under this SOC.

CERTIFICATE(S) AND PROOF OF INSURANCE:

Contractor shall provide to Authorized Purchaser Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this SOC. 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 effecting coverage required by this SOC. 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 Authorized Purchaser has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this SOC.

NOTICE OF CHANGE OR CANCELLATION:

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

INSURANCE REQUIREMENT REVIEW:

Contractor agrees to periodic review of insurance requirements by Authorized Purchaser under this SOC and to provide updated requirements as mutually agreed upon by Contractor and Authorized Purchaser.

STATE ACCEPTANCE:

All insurance providers are subject to Authorized Purchaser acceptance. If requested by Authorized Purchaser, SOC or shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Authorized Purchaser's representatives responsible for verification of the insurance coverages required under this SOC Exhibit No. 1.