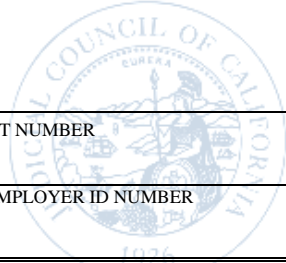


**JUDICIAL COUNCIL OF CALIFORNIA
SERVICES—SHORT FORM AGREEMENT** (rev 07-10-14)



AGREEMENT NUMBER TBD
FEDERAL EMPLOYER ID NUMBER TBD

- In this services agreement (the “Agreement”), the term “Contractor” refers to **TBD**, and the term “Judicial Council” refers to the **Judicial Council of California**.
- This Agreement becomes effective as of **TBD**, (the “Effective Date”). Unless the Judicial Council exercises its [option #] Option Term, the Agreement shall expire **TBD**.
- The maximum amount that the Judicial Council may pay Contractor under this Agreement is **TBD** (the “Maximum Amount”).
- This Agreement incorporates and the parties agree to **i**) the attached provisions labeled “Services—Short Form Agreement Terms” **ii**) the attached provisions labeled “Services—Short Form Agreement Terms, Attachment 1”; and **iii**) the attached JBCL Appendix. This Agreement represents the parties’ entire understanding regarding its subject matter. This Agreement incorporates the terms and conditions set forth in the appendix entitled “JBCL Appendix” attached to this Agreement. If there is any conflict between a provision in the appendix and any other provision of this Agreement, the provision contained in the appendix prevails.
- Contractor will perform the following services (the “Services”), and deliver the following work product (the “Work Product”):

Services:

Description of Services	Daily pickup of mail from Judicial Council and deliver to U.S. Post Office. Refer to “Services—Short Form Agreement Terms, Attachment 1” for additional specifications.
Completion Date	TBD
Acceptance Criteria	Mail is to be picked up delivered to and accepted by the U. S. Post Office on the same day. Refer to “Services—Short Form Agreement Terms, Attachment 1” for additional criteria.

Work Product:

Description of Work Product	None
Delivery Date	None
Acceptance Criteria	None

- The Judicial Council’s project manager is: **TBD**.
- The Judicial Council will pay Contractor as follows: Following the end of each month, Judicial Council will pay Contractor a firm fixed monthly fee of **\$TBD** plus **\$TBD** for each tub of mail in excess of 10 in a day. Refer to “Services—Short Form Agreement Terms, Attachment 1” for additional payment terms.

JUDICIAL COUNCIL’S SIGNATURE	CONTRACTOR’S SIGNATURE
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**SAMPLE ONLY
DO NOT SIGN**

SERVICES—SHORT FORM AGREEMENT TERMS**Attachment 1**

- A. PERFORMANCE AND DELIVERY.** Contractor will perform the Services and deliver all Work Product as specified on the coversheet of this Agreement. Time is of the essence in Contractor's performance of the Services and delivery of Work Product. The Maximum Amount listed on the coversheet of this Agreement includes all amounts allowed for expenses, including those related to shipping, handling, traveling, bonding, licensing, maintaining insurance, and obtaining permits.
- B. ACCEPTANCE.** All Services and Work Product are subject to written acceptance by the Judicial Council. The Judicial Council may reject any Service or Work Product that (i) fails to meet applicable acceptance criteria, (ii) is not as warranted, or (iii) is performed or delivered late. Payment by the Judicial Council does not signify acceptance of the Services or Work Product.
- C. INTELLECTUAL PROPERTY.** Contractor irrevocably assigns to the Judicial Council all right, title and interest worldwide in and to the Work Product created under this Agreement, and all applicable intellectual property rights related to the Work Product created under this Agreement, including copyrights, trademarks, trade secrets, moral rights, and contract and licensing rights. Contractor grants to the Judicial Council a non-exclusive, transferable, sublicenseable (through multiple tiers), worldwide, perpetual, irrevocable, fully-paid and royalty-free license to use, reproduce, make derivative works of, perform, display, and distribute any portion of the Work Product delivered by Contractor but not created under this Agreement. The Judicial Council retains all intellectual property rights in any materials it provides to Contractor (the "Judicial Council Materials"). Contractor will hold the Judicial Council Materials in trust and confidence. Contractor will use the Judicial Council Materials solely for performing the Services and creating Work Product created under this Agreement.
- D. INVOICES, PAYMENT AND SETOFF.** After the Judicial Council has accepted Services and Work Product, Contractor will send one original and two copies of a correct, itemized invoice for the accepted Services and Work Product to "Judicial Council—Accounts Payable" at the address shown on the signature block of this Agreement. Contractor will print each invoice on Contractor's standard printed bill form, and each invoice will include at least (i) the Agreement number, (ii) a unique invoice number, (iii) Contractor's name and address, (iv) the nature of the invoiced charge, (v) the total invoiced amount, and (vi) all other details the Judicial Council considers reasonably necessary to permit the Judicial Council to evaluate the Services performed and the Work Product delivered, including the number of hours worked and the applicable hourly rate. If requested, Contractor will promptly correct any inaccuracy and resubmit the invoice. If the Judicial Council rejects any Services or Work Product after payment to Contractor, the Judicial Council may exercise all contractual and other legal remedies, including (a) setting off the overpayment against future invoices payable by the Judicial Council, (b) setting off the overpayment against any other amount payable for the benefit of Contractor pursuant to this Agreement or otherwise, and (c) requiring Contractor to refund the overpayment within thirty (30) days of the Judicial Council's request. Unless Contractor is a governmental entity, the Judicial Council will take no action on invoices submitted before Contractor has provided a current form "Std 204 (Payee Data Record Form)," which Contractor may obtain from the Judicial Council. Contractor must include with any request for reimbursement from the Judicial Council a certification that Contractor is not seeking reimbursement for costs incurred to assist, promote, or deter union organizing. If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from the Judicial Council was sought for these costs, and Contractor will provide those records to the Attorney General upon request.
- E. WARRANTIES.** Contractor will perform all Services using skilled personnel only, in a good and workmanlike manner, in accordance with industry standards, and in compliance with all applicable laws, rules, and regulations. Contractor warrants that, upon delivery, all Work Product will (i) be free from defects in workmanship, material, and manufacture (including, defects that could create a hazard to life or property), (ii) not infringe any third party's rights, including intellectual property rights, (iii) be of merchantable quality and fit for the purposes intended by the Judicial Council, (iv) comply with the requirements of this Agreement, and (v) be in compliance with all applicable laws, rules, and regulations.
- F. CHANGES.** Contractor may not alter, add to, or otherwise modify this Agreement. Contractor's additional or different terms and conditions are expressly excluded from this Agreement. This Agreement may be amended, supplemented, or otherwise modified only in writing and signed by the Judicial Council's authorized representative.
- G. AUDIT RIGHTS.** Contractor agrees to maintain records relating to performance and billing by Contractor under this Agreement for a period of four years after final payment. During the time that Contractor is required to retain these records, Contractor will make them available to the Judicial Council, the State Auditor, or their representatives during normal business hours for inspection and copying.
- H. INDEMNITY.** CONTRACTOR WILL INDEMNIFY AND HOLD HARMLESS THE JUDICIAL COUNCIL AND ITS OFFICERS, AGENTS, AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, LOSSES, AND EXPENSES, INCLUDING ATTORNEYS' FEES AND COSTS, THAT ARISE OUT OF (I) A DEFECT, WHETHER LATENT OR PATENT, IN THE WORK PRODUCT, (II) AN ACT OR OMISSION OF CONTRACTOR, ITS AGENTS, EMPLOYEES, INDEPENDENT CONTRACTORS, OR SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT, AND (III) A BREACH OF A REPRESENTATION, WARRANTY, OR OTHER PROVISION OF THIS AGREEMENT. THIS INDEMNITY APPLIES REGARDLESS OF THE THEORY OF LIABILITY ON WHICH A CLAIM IS MADE OR A LOSS OCCURS. THIS INDEMNITY WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT, ACCEPTANCE OF SERVICES, AND DELIVERY AND ACCEPTANCE OF WORK PRODUCT. THIS INDEMNITY DOES NOT COVER CLAIMS, LOSSES OR EXPENSES TO THE EXTENT THEY ARISE OUT OF THE GROSS NEGLIGENCE OF THE JUDICIAL COUNCIL.
- I. TERMINATION.** The Judicial Council may terminate all or part of this Agreement for convenience at any time by giving notice to Contractor. If the Judicial Council terminates this Agreement for convenience, the Judicial Council's liability will be the reasonable price for the Services rendered prior to termination, not to exceed the Maximum Amount. If an hourly or other time-based rate for Services is specified on the coversheet of this Agreement, that rate will be used in determining the reasonable price. Upon receipt of a termination notice, Contractor will, unless otherwise directed, cease work. Contractor will follow the Judicial Council's directions as to work in progress and the delivery of completed or partially-completed Work Product.
- J. INSURANCE.** Contractor will maintain insurance that is sufficient in scope and amount to permit Contractor to pay in the ordinary course of business insurable claims, losses and expenses, including insurable claims, losses and expenses that arise out of Contractor's performance of this Agreement. Contractor will maintain employer's liability and workers' compensation coverage at statutory levels covering all employees performing work under this Agreement.
- K. REPRESENTATIONS.** Contractor represents and warrants the following: (i) Contractor complies with all federal, state, city, and local laws, rules, and regulations, including the federal Americans with Disabilities Act of 1990, California's Fair Employment and Housing Act, and Government Code 16645-49; (ii) Contractor does not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, disability (mental or physical, including HIV or AIDS), medical condition (including cancer or genetic characteristics), request for family and medical care leave, marital or domestic partner status, age (over 40), sex (including gender identity) or sexual orientation; (iii) Contractor does not engage in unlawful harassment, including sexual harassment, with respect to any persons with whom Contractor may interact in the performance of this Agreement; (iv) Contractor will take all reasonable steps to prevent unlawful harassment from occurring; (v) no more than one, final unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a federal court requiring Contractor to comply with an order of the National Labor Relations Board (this representation is made under penalty of perjury); (vi) Contractor has authority to enter into and perform its obligations under this Agreement; (vii) if Contractor is a corporation, limited liability company, or limited partnership and this Agreement will be performed in California, Contractor is qualified to do business and in good standing in California; and (viii) Contractor is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code ("PCC") section 10286.1, and is eligible to contract with the Judicial Council. Contractor will take all action necessary to ensure that the representations in this section remain true during the performance of this Agreement through final payment by the Judicial Council. Contractor must give written notice of its nondiscrimination obligations under this section to labor organizations with which it has a collective bargaining or other agreement.
- L. ANTITRUST.** Contractor shall assign to the Judicial Council all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act or under the Cartwright Act arising from purchases of goods, materials, or services by Contractor for sale to the Judicial Council. Such assignment shall be made and become effective at the time the Judicial Council tenders final payment to Contractor. If the Judicial Council receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this section, Contractor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the Judicial Council any portion of the recovery, including treble damages, attributable to overcharges that were paid by Contractor but were not paid by the Judicial Council as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Upon demand in writing by Contractor, the Judicial Council shall, within one year from such demand, reassign the cause of action assigned under this part if Contractor has been or may have been injured by the violation of law for which the cause of action arose and (a) the Judicial Council has not been injured thereby, or (b) the Judicial Council declines to file a court action for the cause of action.
- M. MISCELLANEOUS.** Contractor will maintain a system of accounting and internal controls that is sufficient to adhere to Generally Accepted Accounting Principles. Contractor is an independent contractor and Contractor will take all action available to Contractor to prevent Contractor, and its agents and employees, from being treated under the law as agents or employees of the Judicial Council. Contractor will not assign, subcontract or delegate its obligations under this Agreement without the prior written consent of the Judicial Council, and any attempted assignment, subcontract, or delegation is void. The terms and conditions of this Agreement apply to any assignee, subcontractor, trustee, successor, delegate or heir. California law, without regard to its choice-of-law provisions, governs this Agreement. In this Agreement, "including" means "including but not limited to." The parties shall attempt in good faith to resolve informally and promptly any dispute that arises under this Agreement. Contractor irrevocably consents to personal jurisdiction in the courts of the State of California, and any legal action filed by Contractor in connection with a dispute under this Agreement must be filed in San Francisco County, California, which will be the sole venue for any such action. If any part of this Agreement is held unenforceable, all other parts remain enforceable. All headings are for reference purposes only and do not affect the interpretation of this Agreement. A party's waiver of enforcement of any of this Agreement's terms or conditions will be effective only if it is in writing. A party's specific waiver will not constitute a waiver by that party of any earlier, concurrent, or later breach or default. Contractor may not make a public announcement, or issue any press release or other writing, related to this Agreement, the Services, or Work Product without first obtaining the Judicial Council's Business Service Manager's prior written approval, which may be denied for any or no reason. The Judicial Council's Business Services Manager will not approve any public announcement, press release, or other writing that could be construed as an endorsement of Contractor.

SERVICES—SHORT FORM AGREEMENT TERMS
Attachment 1

1. Agreement Term(s) and Options to Renew

- 1.1. The Agreement shall remain in effect from TBD through TBD [*one year*](“**Initial Term**”), unless otherwise set forth in writing, in accordance with the terms and conditions of the Agreement.
- 1.2. The parties agree that the Judicial may elect to extend the Agreement up to four (4) consecutive optional one-year Terms, identified as follows, if authorized in writing in accordance with the terms and conditions of the Agreement:
 - 1.2.1. TBD through TBD (“**First Option Term**”).
 - 1.2.2. TBD through TBD (“**Second Option Term**”).
 - 1.2.3. TBD through TBD (“**Third Option Term**”).
 - 1.2.4. TBD through TBD (“**Fourth Option Term**”).
- 1.3. In the event the Judicial Council elects to exercise an option to extend the Agreement, as set forth in this provision, the parties will modify the Agreement via unilateral execution of the Judicial Council’s Unilateral Amendment Form.
- 1.4. In the event any Option Term is exercised under this Agreement, the rates applicable for each option Term, set forth below, shall apply.

2. Pricing

- 2.1. Contractor will charge a flat, monthly fee of TBD, plus TBD per tub in excess of 10 tubs in a day.
- 2.2. Pricing shall remain firm for the Initial Term. In the event the Judicial Council exercises any Option Term, pricing may increase by not more than the lesser of three percent (3%) or the percentage increase in the Consumer Price Index (“CPI”) for the prior 12-month period. As of the Effective Date of this Agreement, the CPI is TBD.
- 2.3. No fuel surcharges any other surcharges shall apply.

3. Pickup and Delivery

- 3.1. Contractor shall pick up tubs of mail with every day, excluding weekends or the Judicial Council holidays listed below from the Judicial Council, located at 455 Golden Gate Avenue, San Francisco, California.
- 3.2. Mail picked up will be postmarked and have postage.
- 3.3. Pickup time must be no earlier than 5:30 pm.
- 3.4. Mail must be delivered to either the Oakland main post office or the San Francisco main post office in time for their processing of that days’ postmarked mail.
- 3.5. Contractor will provide to the Project Manager, proof of service delivery to postal sort facility when requested. Mail cannot just be deposited in mailbox – rather, post office must take possession of mail directly.
- 3.6. Contractor will deliver any quantity and type of mail, up to and including boxes, flats, tubs and trays to USPS sort facility. In the event that any one pickup will exceed ten tubs of mail, Contractor will be contacted in advance.
- 3.7. Contractor will submit on the same day a form indicating how large the overage of tubs was.
- 3.8. Contractor is NOT responsible for any presort.
- 3.9. Contractor is NOT to use mail picked up as a part of a larger delivery to receive postal discounts.

4. Contractor will bill Judicial Council monthly, in arrears.

5. Judicial Council Holidays

The Judicial Council’s holidays are: New Year’s Day, Martin Luther King, Jr., Day, Lincoln’s Birthday, Washington’s Birthday, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans’ Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

SERVICES—SHORT FORM AGREEMENT TERMS
Attachment 1

This JBCL Appendix contains the provisions required for compliance with Public Contract Code (“PCC”), part 2.5, enacted under Senate Bill 78 (Stats. 2011, ch. 10), and the Judicial Branch Contracting Manual (“JBCM”) adopted pursuant to that law. In this appendix, (i) “Agreement” refers to the agreement into which this appendix is incorporated, (ii) “JBE” refers to the California judicial branch entity that is a party to the Agreement, (iii) “Contractor” refers to the other party to the Agreement, and (iv) “Consulting Services” refers to those services described in chapter 8, appendix C, section 1 of the JBCM.

- 1. Contractor Certification Clauses.** Contractor certifies that the following representations and warranties are true. Contractor shall cause these representations and warranties to remain true during the term of this Agreement, and Contractor shall promptly notify the JBE if any representation and warranty becomes untrue.
 - 1.1. Non-discrimination.** Contractor complies with the Federal Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and California’s Fair Employment and Housing Act (Government Code section 12990 et seq.) and associated regulations (Code of Regulations, title 2, section 7285 et seq.). Contractor does not unlawfully discriminate against any employee or applicant for employment because of age (40 and over), ancestry, color, creed, disability (mental or physical) including HIV and AIDS, marital or domestic partner status, medical condition (including cancer and genetic characteristics), national origin, race, religion, request for family and medical care leave, sex (including gender and gender identity), and sexual orientation. Contractor has notified in writing each labor organization with which Contractor has a collective bargaining or other agreement of Contractor’s obligations of non-discrimination.
 - 1.2. National Labor Relations Board.** No more than one, final unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a federal court requiring Contractor to comply with an order of the National Labor Relations Board. Contractor swears under penalty of perjury that this representation is true.
 - 1.3. Not an Expatriate Corporation.** Contractor is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of PCC 10286.1, and is eligible to contract with the JBE.
- 2. Provisions Applicable Only to Certain Agreements.** The provisions in this section are *applicable only to the types of agreements specified in the title of each subsection*. If the Agreement is not of the type described in the title of a subsection, then that subsection does not apply to the Agreement.
 - 2.1. Agreements over \$10,000.** This Agreement is subject to examinations and audit by the State Auditor for a period of three years after final payment.
 - 2.2. Agreements over \$50,000.** No JBE funds received under this Agreement will be used to assist, promote or deter union organizing during the term of this Agreement (including any extension or renewal term).
 - 2.3. Agreements of \$100,000 or More.** Contractor certifies that it is, and will remain for the term of the Agreement, in compliance with PCC 10295.3, which places limitations on contracts with contractors who discriminate in the provision of benefits regarding marital or domestic partner status. Contractor recognizes the importance of child and family support obligations and fully complies with (and will continue to comply with during the term of this Agreement) all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq. Contractor provides the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
 - 2.4. Agreements for Services over \$200,000 (Excluding Consulting Services).** Contractor shall give priority consideration in filling vacancies in positions funded by this Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with PCC 10353.

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- 2.5. Agreements of \$1,000,000 or More.** Contractor certifies either (i) it is not on the current list of persons engaged in investment activities in Iran (“Iran List”) created by the California Department of General Services pursuant to PCC 2203(b), and is not a financial institution extending \$20,000,000 or more in credit to another person, for forty-five (45) days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the Iran List, or (ii) it has received written permission from the JBE to enter into this Agreement pursuant to PCC 2203(c).
- 2.6. Agreements for the Purchase of Goods.** Contractor shall not sell or use any article or product as a “loss leader” as defined in Business and Professions Code section 17030.
- 2.7. Agreements for the Purchase of Certain Goods, and Printing, Janitorial, and Building Maintenance Services Agreements.** If Contractor will sell to the JBE, or use in the performance of this Agreement, goods specified in PCC 12207 (for example, certain paper products, office supplies, mulch, glass products, lubricating oils, plastic products, paint, antifreeze, tires and tire-derived products, and metal products), then with respect to those goods: (i) Contractor shall use recycled products in the performance of this Agreement to the maximum extent doing so is economically feasible, and (ii) upon request, Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the PCC 12200, in such goods regardless of whether the goods meet the requirements of PCC 12209. With respect to printer or duplication cartridges that comply with the requirements of PCC 12156(e), the certification required by this subdivision shall specify that the cartridges so comply.
- 2.8. Agreements for Furnishing Equipment, Materials, Supplies, or for Laundering Services.** Contractor certifies that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the JBE under this Agreement have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Contractor adheres to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and PCC 6108. Contractor agrees to cooperate fully in providing reasonable access to Contractor’s records, documents, agents, and employees, and premises if reasonably required by authorized officials of the Department of Industrial Relations, or the Department of Justice to determine Contractor’s compliance with the requirements under this section and shall provide the same rights of access to the JBE.
- 2.9. Agreements relating to DVBE Incentive.** This section is applicable if Contractor received a disabled veteran business enterprise (“DVBE”) incentive in connection with this Agreement. Contractor’s failure to meet the DVBE commitment set forth in its bid or proposal constitutes a breach of the Agreement. If Contractor used DVBE subcontractor(s) in connection with this Agreement: (i) Contractor must use the DVBE subcontractors identified in its bid or proposal, unless the JBE approves in writing replacement by another DVBE subcontractor in accordance with the terms of this Agreement; and (ii) Contractor must within sixty (60) days of receiving final payment under this Agreement certify in a report to the JBE: (1) the total amount of money Contractor received under the Agreement; (2) the name and address of each DVBE subcontractor to which Contractor subcontracted work in connection with the Agreement; (3) the amount each DVBE subcontractor received from Contractor in connection with the Agreement; and (4) that all payments under the Agreement have been made to the applicable DVBE subcontractors. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation.
- 2.10. Agreements Resulting from Competitive Solicitations.** Contractor shall assign to the JBE all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by Contractor for sale to the JBE. Such assignment shall be made and become effective at the time the JBE tenders final payment to the Contractor. If the JBE receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this section, the Contractor shall be

JBCL Appendix

entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the JBE any portion of the recovery, including treble damages, attributable to overcharges that were paid by the Contractor but were not paid by the JBE as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Upon demand in writing by the Contractor, the JBE shall, within one year from such demand, reassign the cause of action assigned under this part if the Contractor has been or may have been injured by the violation of law for which the cause of action arose and (a) the JBE has not been injured thereby, or (b) the JBE declines to file a court action for the cause of action.

- 2.11. Agreements for Legal Services.** Contractor shall: (i) adhere to legal cost and billing guidelines designated by the JBE; (ii) adhere to litigation plans designated by the JBE, if applicable; (iii) adhere to case phasing of activities designated by the JBE, if applicable; (iv) submit and adhere to legal budgets as designated by the JBE; (v) maintain legal malpractice insurance in an amount not less than the amount designated by the JBE; and (vi) submit to legal bill audits and law firm audits if so requested by the JBE, whether conducted by employees or designees of the JBE or by any legal cost-control provider retained by the JBE for that purpose. Contractor may be required to submit to a legal cost and utilization review as determined by the JBE. If (a) the value of this Agreement is greater than \$50,000, (b) the legal services are not the legal representation of low- or middle-income persons, in either civil, criminal, or administrative matters, and (c) the legal services are to be performed within California, then Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the Agreement equal to the lesser of either (A) thirty (30) multiplied by the number of full time attorneys in the firm's offices in California, with the number of hours prorated on an actual day basis for any period of less than a full year or (B) the number of hours equal to ten percent (10%) of the contract amount divided by the average billing rate of the firm. Failure to make a good faith effort may be cause for non-renewal of this Agreement or another judicial branch or other state contract for legal services, and may be taken into account when determining the award of future contracts with a judicial branch entity for legal services.
- 2.12. Agreements Allowing for Reimbursement of Contractor's Costs.** Contractor must include with any request for reimbursement from the JBE a certification that the Contractor is not seeking reimbursement for costs incurred to assist, promote, or deter union organizing. If Contractor incurs costs or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from the JBE was sought for these costs, and Contractor will provide those records to the Attorney General upon request.
- 2.13. Agreements Performed in California by Contractors that are Corporations, LLCs, or LPs.** Contractor is, and will remain for the term of the Agreement, qualified to do business and in good standing in California.
- 2.14. Agreements that the JBE Cannot Terminate for Convenience.** The JBE's obligations under this Agreement are subject to the availability of applicable funds. Funding beyond the initial appropriation year is conditioned upon appropriation of sufficient funds to support the activities described in this Agreement. Upon notice, the JBE may terminate this Agreement in whole or in part, without prejudice to any right or remedy of the JBE, if expected or actual funding is withdrawn, reduced, or limited in any way. If this Agreement is terminated for nonavailability of funds, the JBE will pay Contractor for the fair value of work satisfactorily performed prior to the termination, not to exceed the total contract amount.
- 2.15. Agreements relating to small business preference.** This section is applicable if Contractor received a small business preference in connection with this Agreement. Contractor's failure to meet the small business commitment set forth in its bid or proposal constitutes a breach of this Agreement. Contractor must within sixty (60) days of receiving final payment under this Agreement report to the JBE the actual percentage of small/micro business participation that was achieved. If Contractor is a nonprofit veteran service agency ("NVSA"), Contractor must employ veterans receiving services from the NVSA for not less than 75 percent of the person-hours of direct labor required for the production of goods and the provision of services performed pursuant to this Agreement.