



MASTER SECURITY PROFESSIONAL SERVICE AGREEMENT

FULL LEGAL NAME OF SECURITY PROVIDER ("Allied Universal"): Universal Protection Service, LP d/b/a Allied Universal Security Services, for itself and on behalf of its wholly-owned subsidiaries and affiliates which may provide service hereunder within certain states

FULL LEGAL NAME OF CLIENT ("Client"): The City of San Clemente, California

By signing below by their duly authorized representatives, Client and Allied Universal agree to be legally bound to the Agreement, General Terms and Conditions and Exhibits attached hereto, which form a binding and enforceable part of this Agreement as of the day and year first written below ("Commencement Date").

CLIENT: The City of San Clemente California

UNIVERSAL PROTECTION SERVICE, LP d/b/a Allied Universal Security Services

By: Name: Andy Hall Title: City Manager Address for Notices: 910 Calle Negocio, San Clemente, CA 92673 Fax:

By: Name: Steve Claton Title: President, Southwest Region Address for Notices: 450 Exchange, Irvine, CA 92602 Fax: N/A

GENERAL TERMS AND CONDITIONS

The term of this Agreement shall be for a maximum period of one (1) years beginning on July 10, 2023 ("Commencement Date") ("Initial Term"). This Agreement may only be extended with the approval of Client's City Council. Either party may terminate this agreement during initial term by providing the other party thirty (30) days' notice of intent to terminate said Agreement.

Allied Universal shall provide security professional services (the "Services") in the amount, for the times and at the location(s) set forth in Exhibit A. Services provided in Exhibit A may be terminated by either party for non-performance by the other party upon thirty (30) days' written notice to the non-performing party. The non-performing party shall have the opportunity to cure the non-performance within that thirty-day period. Either party may terminate Exhibit A and/or this Agreement (if there is no existing work hereunder) for any reason at any time upon thirty (30) days' written notice to the other party.

Client shall pay Allied Universal for the performance of the Services and any other products and/or services provided by Allied Universal hereunder at the rates ("Billing Rates") and other charges set forth in Exhibit A or otherwise payable hereunder without deduction or set-off. The billing and payment terms will be contained in Exhibit A. Client shall be deemed to accept all invoices submitted to Client if it does not notify Allied Universal in writing of any disputes within ninety (90) days of the invoice date. Unless stated otherwise in Exhibit A, the Billing Rates set forth in Exhibit A are valid for the first twelve (12) months of the Agreement, thereafter they will be increased annually, effective as of the anniversary date of the Commencement Date, in an amount equal to the greater of (i) the percentage increase determined pursuant to subsection C.3. below and (ii) three percent (3%).

A. Scope of Services

- 1. Allied Universal agrees to provide the Services in a professional and diligent manner. Allied Universal does not warrant or guarantee that the Services constitute complete security at Client's location(s) so as to prevent any incident, loss, theft, damage or injury (including death). Client agrees that Allied Universal has not provided any consultation services regarding what may or may not be the proper levels of security staffing, or the methods of security provided.
2. Client may request a change in the Services. Such requested changes will be communicated in writing and will be effective only upon Allied Universal's written approval which Allied Universal will not unreasonably decline. However, in no event will a refusal by Allied Universal to approve requested changes constitute a breach of this Agreement or otherwise constitute non-performance by Allied Universal of this Agreement. The parties acknowledge and agree that Exhibit A solely governs Allied Universal's duties at Client's location(s).
3. The purpose of any inspection at Client's location(s) by Allied Universal is solely to assist Client with its loss control program. The safe maintenance of Client's premises and operations and equipment on those premises and the avoidance of unsafe conditions and practices is the sole responsibility of Client.

B. Independent Contractor / Personnel

- 1. Allied Universal is responsible for the hiring, training and supervision of all security professionals assigned by Allied Universal to Client's location(s). Client shall not direct or supervise security officers or change the instructions or supervision given to the security professionals by Allied Universal, including but not limited to requiring Allied Universal personnel to use force and/or restraints.
2. In addition to the Services set forth in Exhibit A attached hereto, and in addition to any general or routine training provided by Allied Universal to its security professionals, Allied Universal shall provide each of its employees assigned to Client's location(s) with Client requested additional training at the costs set forth in Exhibit A.
3. Allied Universal shall provide uniforms for all assigned personnel. Allied Universal will maintain these uniforms in good condition at Allied Universal's sole cost and expense unless otherwise provided in Exhibit A. Equipment and non-standard uniforms required by Client will be provided as mutually agreed upon and at a cost mutually agreed upon in writing. Allied Universal's personnel will not be required to carry weapons of any kind, unless otherwise expressly set forth herein.
4. Security professionals assigned to Client's location(s) are employees of Allied Universal, which is acting as an independent contractor. Allied Universal will pay all compensation due and owing to its employees and all required payroll taxes and withholdings.

5. Allied Universal is entitled to assign personnel to Client's location(s) in full compliance with applicable equal opportunity, civil rights and other employment laws/regulations. Upon reasonable written notice, Client shall have the right to request in writing that any of Allied Universal's employees whose performance it finds to be unacceptable be removed from its location(s); provided reasons for such request do not violate applicable law.

6. Client acknowledges that Allied Universal has spent considerable time and expense in recruiting and training its employees. As such, Client agrees that it will not employ, as a security professional or in any related capacity, directly or indirectly, including employment through a successor security contractor, any person who has been employed by Allied Universal in a supervisory capacity and assigned to Client's location for a period of one hundred and eighty (180) days following the last date of that person's employment with Allied Universal. In the event of a breach of this provision, Client shall pay Allied Universal the average weekly billing for such employee for four (4) months as liquidated damages together with all legal fees and other costs arising from the breach of this provision.

7. Persons performing services under this Agreement for Allied Universal are employees of Allied Universal and shall under no circumstances be considered to be employees of Client for any purpose and shall not be entitled to receive any compensation or benefits from Client of any kind or nature whatsoever, except for Client's payment to Allied Universal under this Agreement. In the event that any of Allied Universal's officers, employees, agents, subcontractors, representatives or other persons providing services on Allied Universal's behalf under this Agreement (collectively "Allied Universal's Personnel") claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS of the Client, Allied Universal shall indemnify, defend (with counsel acceptable to Client), and hold harmless Client for the payment of any employer and employee contributions for PERS benefits on behalf of Allied Universal's Personnel as well as for payment of any penalties and interest on such contributions which would otherwise be the responsibility of the Client.

8. Notwithstanding any other agency, state or federal policy, rule, regulation, law, or ordinance to the contrary, Allied Universal's Personnel providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation and benefit including but not limited to eligibility to enroll in PERS as an employee of Client and entitlement to any contributions to be paid by Client for employer contributions and/or employee contributions for PERS benefits.

9. The payment made to Allied Universal pursuant to this Agreement shall be the full and complete compensation to which Allied Universal and Allied Universal's Personnel are entitled for performance of any work under this contract. Neither Allied Universal nor Allied Universal's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the Client. The Client will not make any federal or state tax withholdings on behalf of Allied Universal. The Client shall not be required to pay any workers' compensation insurance on behalf of Allied Universal.

10. Allied Universal agrees to defend (with counsel acceptable to Client), indemnify and hold harmless the Client for and against any obligation, claim, suit, or demand for tax, retirement contribution, including any contribution to PERS, Social Security, salary, or wages, overtime payment, or workers' compensation payment which the Client may be required to make on behalf of Allied Universal or Allied Universal's Personnel for work done under this Agreement.

### C. Billing

1. The Billing Rates do not include the direct bill items ("Direct Bill Item(s)"), if any, expressly identified as such in Exhibit A, which shall be invoiced and paid by Client to Allied Universal in accordance with the payment terms herein. Notwithstanding anything contained herein to the contrary, Allied Universal may pass through any increase in any and all of the costs of any and all Direct Bill Items when incurred or accrued upon prior

notice to Client, and Client shall reimburse Allied Universal for such costs. Allied Universal shall not accrue any Direct Bill Items without prior written approval of the Client.

2. The parties agree any wage rates, annual/monthly/weekly billing estimates, or wage estimates included Exhibit A, any other addenda, any pricing sheet, RFP submission, and/or other document are for demonstration purposes only and will not have any impact on the Billing Rates, the amount Client agrees to pay, or on the wages Allied Universal pays its employees.

3. In the event that Allied Universal experiences an increase in its costs resulting from any change, whether or not anticipated, in: (1) Federal, state, provincial, territorial, or local taxes, levies, or required withholdings imposed or assessed on amounts payable to and/or by Allied Universal hereunder or by or in respect of Allied Universal to its personnel; (2) Federal, state, provincial, territorial, or local minimum wage rates, mandated paid time off and/or sick leave, changes in overtime wage regulations, uniform maintenance expenses or other required employee allowances, licensing fees and/or requirements, or wage, medical, welfare and other benefit costs under collective bargaining agreements; (3) costs related to insurance and/or workers' compensation; and/or (4) costs related to medical and/or welfare benefits and other requirements, including without limitation costs incurred by Allied Universal pursuant to applicable federal, state and/or local law, including, without limitation "Healthcare Reform Legislation Costs" (as defined below), the Billing Rates shall be increased by a percentage equal to the percentage increase in Allied Universal's costs resulting from the items set forth in this paragraph. Allied Universal will provide Client at least sixty (60) days' prior notice of such change in the Billing Rates.

4. [Reserved.]

5. "Healthcare Reform Legislation Costs" means the costs and/or assessments incurred by Allied Universal in respect of employee medical and/or welfare benefits and other requirements under the Patient Protection and Affordable Care Act of 2010 and the related statutes and regulations.

6. Unless otherwise expressly stated herein, Allied Universal's fees and charges do not include any sales, use, excise or similar taxes, levies or duties ("Taxes"). Client is responsible for paying for all such Taxes in respect of Allied Universal's Services or in respect of amounts payable by Client hereunder. If Allied Universal has the legal obligation to pay or collect Taxes for which Client is responsible under this section, the appropriate amount shall be promptly paid by Client to Allied Universal unless Client provides Allied Universal with either a valid and current tax exemption certificate or direct pay certificate, authorized by the appropriate taxing authority.

7. Client agrees to pay Allied Universal one and one-half percent (1.5 %) per month interest or such maximum amount as permitted by law, whichever is less, on any invoice not paid by its due date. In the event that legal action is required to collect on any past-due invoiced amount owed to Allied Universal by Client under this Agreement, Client agrees to pay to Allied Universal the costs and attorneys' fees incurred by Allied Universal in such action.

### D. Physical and Intellectual Property

1. Client recognizes and acknowledges that in performing its duties under this Agreement, Allied Universal may install and/or utilize proprietary software (hereinafter "Proprietary Software"), a valuable, special and unique asset of Allied Universal and/or third parties. This Proprietary Software is and will remain the sole and exclusive property of Allied Universal and/or those applicable third parties.

2. Client further agrees that materials developed, generated, or produced pursuant to this Agreement, including but not limited to Post Orders, security plans, emergency plans, diagrams, reports, and writings, both internal and external (hereinafter collectively, "Work Product"), may include the proprietary information of Allied Universal and will remain the sole and exclusive property of Allied Universal. Client and Client's personnel will have no proprietary interest in the Work Product. Client acknowledges that it will not share such Work Product with any third party and any Work Product in Client's possession shall be returned to Allied Universal upon termination or expiration of this Agreement. The provisions of this paragraph shall not apply to documents that are required to be disclosed or retained pursuant to applicable law.

3. Any property, equipment or supplies furnished by Allied Universal to its personnel in performance of the Services described in this Agreement shall remain the property of Allied Universal and shall be returned to Allied Universal promptly at the expiration or termination of this Agreement.

4. Allied Universal represents and warrants that it is the owner of the Proprietary Software that the Proprietary Software does not infringe on the intellectual property rights of any third parties.

#### **E. Insurance and Indemnification**

1. Allied Universal shall maintain Workers' Compensation coverage for its security professionals and personnel assigned to Client's location(s) at limits imposed by statute, including Employer Liability coverage.

2. Allied Universal shall maintain for its own protection and benefit and that of the Client, to the extent of the Client's rights as an additional insured as set forth in Section 3.A.i of Exhibit B, various other policies of insurance, including Commercial General Liability coverage, for its performance of the Services at Client's location(s), which shall meet the standards specified in Exhibit B hereto, which is incorporated fully by this reference.

3. Allied Universal shall maintain Automobile Liability insurance for its employees' operation of Allied Universal's owned, leased and non-owned vehicles. However, to the extent that Client requires Allied Universal employees to drive Client's vehicles in performance of the Services, Client agrees to carry Automobile Liability insurance for those vehicles with bodily injury and property damage limits of One Million Dollars (\$1,000,000.00). Such insurance will be primary for any loss or damage occurring to Client vehicles operated by Allied Universal employees in performance of the Services, and under no circumstances shall Allied Universal indemnify or defend Client or Client's insurer for losses that occur or arise out of Allied Universal's operation of Client-owned vehicles.

4. Client agrees that Allied Universal is not an insurer of Client's operations, personnel or facilities. Except as provided elsewhere in this Agreement, Client assumes all risk of loss, physical damage and personal injury at its operations, to its personnel and/or facilities or any other property resulting from fire, theft or other casualty, and Client waives any right of recovery and its insurers' right of subrogation against Allied Universal for any loss or damage resulting from any such occurrence.

5. Allied Universal will protect, defend (with counsel acceptable to Client), hold harmless and indemnify Client, its officials, officers, directors, professionals, agents, employees, volunteers and representatives from and against all claims, actions, proceedings, liabilities, damages, losses, costs and expenses (including reasonable attorney's fees) (the "Losses") asserted against Client and resulting from the performance of the Services provided under this Agreement, provided such Losses (1) are caused solely by the grossly negligent failure of Allied Universal to perform the Services, or by other grossly negligent actions or omissions in the performance of the Services by Allied Universal, or through the willful misconduct or unlawful activity of Allied Universal, or by Allied Universal's breach of any term of this Agreement; (2) are not caused in any way through the negligence, willful misconduct or unlawful activity of Client or otherwise resulting from Allied Universal's compliance with specific direction from Client; and/or (3) do not actually or allegedly arise out of an Allied Universal employee taking a Legally Mandated Coverage Break(s) (as defined herein). Allied Universal's obligations under this paragraph shall not extend to first party losses sustained by Client, or other benefits or insurance provided by Client to its employees, including but not limited to medical, disability, and workers compensation benefits.

6. Notwithstanding anything contained in this Agreement to the contrary, should Allied Universal be found liable for any Losses hereunder for any reason, the sole and exclusive remedy of Client in any situation, whether in contract or tort, or otherwise, shall be limited to Client's actual and direct damages, and shall in no event exceed \$1,000,000.00, such amount to be inclusive of any defense costs.

7. Client shall protect, defend, hold harmless and indemnify Allied Universal, its respective successors and assigns, and its directors, professionals and employees from and against all Losses asserted against Allied Universal arising out of incidents or occurrences taking place or arising

at Client's location provided that any such Losses: a) occur due to Allied Universal's compliance with Client's specific directions and requests (including but not limited to directions and requests in Section B.1 and Section B.5); b) occur during Legally Mandated Coverage Break(s); and/or c) are: (1) attributable to bodily injury, sickness, disease or death or to damage to tangible property; and, (2) are not caused in any way through the negligence, willful misconduct or unlawful activity of Allied Universal, or the failure of Allied Universal to perform the Services.

8. Under no circumstances will either party be liable to the other, or any other person or entity, for consequential, incidental, indirect or punitive damages, or for lost profits.

9. Each party shall give written notice to the other party of any of its Losses or potential Losses arising out of the Services within sixty (60) days following notification of the occurrence giving rise to such Losses or potential Losses. No action to recover any Loss shall be instituted or maintained against any party unless notice of such Loss shall have been given by the other party in the manner and form set forth herein. No action to recover for any Loss shall be instituted or maintained against either party unless instituted not later than twelve (12) months following notification of the occurrence giving rise to such Loss, or such earlier period as may be required under applicable law.

#### **F. Compliance with Laws**

1. Some or all of the physical security guard services identified in this Agreement could be designated as a Qualified Anti-terrorism Technology ("QATT") under the Support Anti-terrorism by Effective Technologies ("SAFETY") Act of 2002, 6 U.S.C. §§ 441-444, as amended. Where this QATT has been deployed in defense against, response or recovery from an act of terrorism, as that latter term is defined under the SAFETY Act (as herein defined), Allied Universal and Client agree to waive all claims against each other, including their professionals, directors, agents or other representatives, arising out of the manufacture, sale, use or operation of the QATT, and further agree that each is responsible for losses, including business interruption losses, that it sustains, or for losses sustained by its own employees resulting from an activity arising out of such act of terrorism. This provision shall apply throughout the term of this Agreement, unless Allied Universal should cease to have SAFETY Act coverage for these Services for any reason.

2. Both parties shall, at their own cost and expense, comply in full with all applicable federal, state, provincial, and local statutes, laws, ordinances, rules regulations, orders, licenses, permits or fees ("Governmental Regulations") applicable to its operations and its performance under this Agreement, including without limitation, (i) environmental laws, (ii) laws relating to accessibility by and accommodation of handicapped persons, (iii) employment and labor laws, and (iv) laws relating to discrimination of any type of manner. Client shall notify Allied Universal in writing as soon as practical of any inquiry, notice, subpoena, lawsuit, or other evidence of an investigation by any public agency or the commencement of any judicial or administrative litigation, or arbitration proceedings with respect to Allied Universal's operations at the property and/or performance under this Agreement. Should Allied Universal be issued a citation or other sanction because of conditions on the premises created by others, Client shall pay and will be responsible for the fine. The foregoing shall include, but not be limited to, all applicable health, safety, and labor standards.

3. Under no circumstances will either party indemnify the other party for Workers' Compensation claims or for fulfilling independent statutory duties the other party owes to third parties or its employees.

#### **G. Miscellaneous**

1. This Agreement represents the entire agreement and understanding of the parties concerning the subject matter herein and replaces any and all previous agreements, understandings, representations, discussions or offers. No modification to this Agreement shall be effective unless in writing and executed by both parties and delivered to each respective party hereto.

2. A written waiver by either party of any of the terms or conditions of this Agreement shall not be deemed or construed to be a waiver of such term or condition for the future or of any subsequent breach of the Agreement. The failure to enforce a particular provision of this Agreement shall not constitute a waiver of such provision or otherwise prejudice Allied Universal's right to

enforce such provision at a later time.

3. This Agreement is entered into solely for the mutual benefit of the parties hereto and no benefits, rights, duties or obligations are intended or created by this Agreement as to any third parties.

4. Each party further warrants and represents that this Agreement has been executed by a duly authorized individual.

5. This Agreement and all matters collateral hereto shall be governed by the laws of the state or province wherein the Services are to be provided without reference to its choice of law provisions.

6. If any of the terms or provisions of this Agreement are ruled to be invalid or inoperative, all the remaining terms and provisions shall remain in full force and effect.

7. This Agreement may be executed in one or more counterparts, each of which shall constitute one and the same Agreement. The parties agree that this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission or delivered by scanned image (e.g. .pdf or .tiff file) as an attachment to email.

8. Allied Universal shall not be responsible for additional expenses and costs incurred by it or Client to provide Services pursuant to this Agreement as a result of unusual circumstances including, but not limited to, strikes, riots, revolutions, wars, military actions, fires, floods, droughts, natural disasters, pandemics, active shooter events, snow storms, blizzards or other inclement weather, accidents, insurrections, lockouts or other acts of God, perils of the sea, stoppage of labor, or other events considered as "Force Majeure", or by any other unavoidable cause beyond Allied Universal's reasonable control if Allied Universal informs Client of such additional expenses or costs in advance and Client instructs Allied Universal to proceed with performance. All such additional expenses shall be documented in an amendment to this Agreement and shall be the responsibility of Client as an additional charge invoiced and paid by Client as it is incurred, pursuant to the terms of the Billing section set forth above. Additionally, to the extent that Allied Universal is unable to perform, or is delayed in performing, the Services due to a Force Majeure event, such nonperformance or delayed performance is not a breach of this Agreement nor cause for Client's termination of this Agreement.

9. Either party may assign this Agreement to an affiliate, meaning an entity controlling, controlled by or under common control with the party. Except as permitted in this section, neither party may assign, delegate or subcontract this Agreement without the prior written consent of the other. Any attempted assignment without prior written consent shall be voided. Notwithstanding the foregoing, in the event either party attempts to assign this Agreement, it shall remain liable hereunder after such assignment.

10. Any notice required or permitted hereunder shall be in writing and shall be delivered either in person, by nationally recognized overnight delivery service or by certified or registered mail, postage prepaid, addressed to the parties at the address shown in the opening paragraph (or as may be directed by a party in the future by written notice).

11. In connection with the negotiation, execution and performance of this Agreement, each party acknowledges that it has been and will be provided with confidential business information of the other party and confidential and personally identifiable information of the other party's employees or third parties or other information that is protected by law ("Confidential Information"). Each party will exercise reasonable commercial efforts to protect and preserve the confidentiality of Confidential Information, including at a minimum those methods and procedures it uses to protect its own confidential information. A party shall not be required to preserve the

confidentiality of Confidential Information to the extent it becomes public other than through the action or inaction of the party, or disclosure is required by law. If either is required by law or at the specific request of the other party to disclose information belonging to the other, the party requesting disclosure shall indemnify the other party, its respective successors and assigns, and its officials, officers, directors, professionals, agents, representatives, volunteers and employees from and against all Losses asserted against the other arising out of said disclosure.

12. The parties further acknowledge and agree that to the extent Allied Universal has assumed insurance, defense and indemnification obligations hereunder, such obligations shall not apply to any work performed by Allied Universal at the specific direction of Client, or work performed by Allied Universal that is not specifically set forth on an Exhibit A. Notwithstanding anything to the contrary provided herein or in any other direction (oral or written), Allied Universal and Client agree that in no event shall Allied Universal employees be required to undertake any duty that could potentially expose themselves to unreasonable risk or harm. At all times, each party represents and warrants that the policies and requirements Allied Universal and its employees are requested and/or required to adhere to by such party are lawful.

13. For the avoidance of doubt, any duties contrary to and/or in excess of the Services set forth in Exhibit A, shall be agreed upon by the parties in writing in advance. In the event that there are any post orders, directives, or other specification documents of any type ("Post Orders"), they shall not form any part of this Agreement, they are not incorporated into this Agreement and are not a novation or modification or expansion of the duties set forth in this Agreement. Further, if there is any conflict between the provisions of this Agreement and any other documents, this Agreement shall control. Under no circumstances shall the Post Orders expand the liabilities of the parties toward each other or any third party.

14. Client acknowledges and agrees that the continuity of Services is subject to interruption for mandatory, paid rest periods or unpaid meal periods or other breaks as required by applicable law, during which time security professionals must be relieved of all duties, including without limitation to the requirement to remain "on call" ("Legally Mandated Break Period(s)"). Services at the locations set forth in an Exhibit A will be interrupted and such locations will not be secured during such time that security professionals are on Legally Mandated Break Periods and Client has not agreed to pay for sufficient relief coverage ("Legally Mandated Coverage Break(s)"). Allied Universal acknowledges that it is Allied Universal's sole responsibility to ensure that Legally Mandated Break Period(s) are taken as required by law, and shall defend (with counsel acceptable to Client), indemnify and hold harmless the Client from and against any Losses arising out of or related to the failure or alleged failure of any Allied Universal Personnel to take a Legally Mandated Break Period(s).

15. The duties and responsibilities of Allied Universal are specifically set forth herein. Client acknowledges that Client alone has chosen the number of security professionals and type of services, e.g., armed, unarmed, to be provided under the Agreement; that Allied Universal has informed Client that additional security professionals and/or services are available at an additional cost; and that Client has elected not to avail itself of additional security professionals or services at this time unless mutually agreed upon in writing.

16. The following provisions shall survive expiration or termination of this Agreement for any reason: A.1; A.3; B.1; B.4; B.5; B.6; B.7; B.8; B.9; B.10; C; D; E; F and G.



EXHIBIT A

**to Master Services Agreement Between**

**Allied Universal  
and**

**The City of San Clemente, California**

This Exhibit A is intended to incorporate the terms and conditions of the Master Security Professional Service Agreement between Universal Protection Service, LP, d/b/a Allied Universal Security Services (“Allied Universal”) and the City of San Clemente, CA (“Client”) dated June 16, 2023 (the “Agreement”). The term of this Exhibit A shall be for a period of 1 years beginning on July 10, 2023 and the defined terms “Commencement Date” and “Initial Term” shall flow from said date. This Exhibit A will automatically continue thereafter on a month to month basis until all existing work hereunder is completed or terminated in accordance with its terms.

**LOCATIONS FOR SECURITY SERVICES**

<u>Location</u>	<u>Specify for each location: Armed Unarmed</u>	<u>Schedule of Coverage</u>	<u>Hours</u>
1. North Beach City Parking Lot area, Metrolink platform, and firepit / beach area on City Beach immediately adjacent to parking lot, and restroom facilities.	Unarmed	Two (2) two (2) man teams per day. Teams shall be deployed as needed between the two City locations. Random patrol pattern.	TBD  12 hour shifts per team per day.
2. Pier Bowl area including Pier Bowl parking lot, Pier, Metrolink platform area, Park Semper Fi, park area adjacent to parking area, and restrooms adjacent to the Pier.	Unarmed		

**Description of Services:**

The Services Allied Universal will provide Client pursuant to this Agreement are:

- Educate, inform, and compel visitors to comply with City laws regarding loitering, smoking, drug or tobacco use, or any other unruly or illegal activity at the designated City locations. Detailed post orders shall be developed and tailored to meet the needs of the City of San Clemente and shall be mutually agreed upon prior to initial deployment.
- All criminal activity or visible hazards observed will be reported to City while on post.
- Any unusual, hostile, or criminal incidents will be reported to the City via a designated City contact. Incident reports shall be filed electronically with a copy forwarded to the designated City representative,. The security professional creating the report will be available to explain the incident report during their shift.

The location(s), day(s) and time(s) listed in this Exhibit A may not be altered by Client, unless mutually agreed upon in a writing signed by the parties. The scope of services does not include any structures, parking lots, appurtenances, or nearby areas not specifically listed herein.

By signing below by their duly authorized representatives, Client and Allied Universal agree to be legally bound to the Agreement, **General Terms and Conditions, this Exhibit A and all Schedules** attached hereto, which form a binding and enforceable part of this Agreement as of the Commencement Date above.

BILLING RATES

4879-8556-1707 v2

Exhibit A p.1



The initial Billing Rates for the Services shall be as follows:

	<u>Wage</u>	<u>Bill Rate</u>	<u>Overtime/Holidays</u>
Patrol Officer	\$22.00/HR	\$31.46	\$47.19
Supervisor	\$24.00/HR	\$34.32	\$51.48
Vehicle	\$1,700/month total cost/vehicle (includes vehicle, fuel, insurance and all maintenance)		
Heliaus	\$189/month/unit		

Officers will be deployed 7 days per week in two (2) two (2) man teams on 12 hour shifts. Total deployment of 4 officers per day. Shift start times to be determined.

As part of the deployment team, 1 officer will be a designated Field Supervisor. This individual will work 5 days per week, 12 hours per shift for a total of 60 hours per week.

Costs:

Standard Officers:	276 HPW (184 HPW Straight time, 92 HPW OT)	\$10,129/week*
Supervisor:	60 HPW (40 HPW Straight time, 20 HPW OT)	\$2,402/week*
2 Vehicles	\$1,700/vehicle/month	\$3,400/month for the vehicles
2 Heliaus Units:	\$189/Unit / month	\$378/month for the Heliaus Guard Tour / Reporting units

\*weekly estimates may vary due to holidays or changes made to the deployment schedule.

- ADDITIONAL BILLING TERMS EXTRA SERVICE REQUESTS. Requests received with less than 5 business days’ notice will be billed at the overtime rate. The overtime rate for such additional services will continue to apply until this Agreement is amended in writing to provide for the increase in base hours.
- A labor strike or other emergency situation that creates a working environment for security professionals that is more hazardous than the normal condition under this Agreement will be cause to negotiate a temporary billing rate for modified services.
- Allied Universal shall be compensated for all time including preparation, travel to/from, and actual time spent in any court of law, judicial, quasi-judicial or other proceeding, mediation, deposition, arbitration to which Allied Universal is subpoenaed or agrees to appear, arising out of, or relating to, this Agreement at the rate of: \$125.00 per hour, for director or manager and \$65.00 per hour for all other employees in addition to reasonable costs and expenses incurred. This paragraph will survive the termination of this Agreement.
- Client understands and agrees that by ordering and receiving the HELIAUS Technology Platform which may include all or some of the HELIAUS Mobile and HELIAUS Portal components (the “HELIAUS Services”) from Allied Universal, Client agrees to the HELIAUS Software-as-a-Service (SaaS) Terms in full (“the HELIAUS Terms”), and same shall solely govern the provision of the HELIAUS Services; provided, however, the invoicing, payment, and billing terms for the HELIAUS Services shall be governed by this Agreement. The Parties acknowledge and agree that the HELIAUS Services are otherwise separate and distinct from the Services under this Agreement, and that any use or non-use of the HELIAUS Services shall not expand the Allied Universal scope of Services and/or liability hereunder. The HELIAUS Terms may be found at [www.aus.com/service-terms](http://www.aus.com/service-terms) and by signing the Agreement Client acknowledges receipt and agrees to the HELIAUS Terms. “HELIAUS” is a service mark of Allied Universal.

CLIENT:  
 By: \_\_\_\_\_  
 Name: Andy Hall  
 Title: City Manager  
 Address for Notices:  
 910 Calle Negocio, San Clemente, CA 92673  
 Fax: \_\_\_\_\_

UNIVERSAL PROTECTION SERVICE, LP d/b/a  
 Allied Universal Security Services  
 By: \_\_\_\_\_  
 Name: Steve Claton  
 Title: President Southwest Region  
 Address for Notices:  
 450 Exchange, Irvine, CA 92602  
 Fax: \_\_\_\_\_

EXHIBIT B

INSURANCE REQUIREMENTS



1 Time for Compliance. Allied Universal shall not commence work under this Agreement until it has provided evidence satisfactory to the Client that it has secured all insurance required under this section. In addition, Allied Universal shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the Client that the subconsultant has secured all insurance required under this section.

2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Allied Universal, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Allied Universal agrees to amend, supplement or endorse the policies to do so.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, or the substantial equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); or (3) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1), or the substantial equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined single limit for each occurrence. ).

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident; \$1,000,000 disease each employee; and \$1,000,000 disease policy limit.

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Allied Universal's profession with limits of not less than \$1,000,000 per claim. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement. Coverage may be combined with the Commercial General Liability limits.

3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Allied Universal shall provide endorsements on forms approved by the Client to add the following provisions to the insurance policies:

(A) Commercial General Liability:

(i) Additional Insured: The Client, its officials, officers, employees, agents, and volunteers shall be covered as additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement to the extent of Allied Universal's obligations under Section E.5 of the Agreement and up to the amount of the damage cap set forth in Section E.6 of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; or (3) contain any other exclusions contrary to the terms of this Agreement. Coverage for additional insureds may be provided by a blanket endorsement that covers additional insureds where required by written contract. For all policies of Commercial General Liability insurance, Allied Universal shall provide endorsements in the form of ISO CG 20 10 12 19 and ISO CG 20 37 12 19 (or endorsements providing substantially similar coverage) to effectuate this requirement.

(ii) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Client except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability: Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Client except ten (10) days shall be allowed for non-payment of premium.

4 Professional Liability (Errors & Omissions):

(A) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Client except ten (10) days shall be allowed for non-payment of premium.

(B) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.



5 Workers' Compensation: Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the Client except ten (10) days shall be allowed for non-payment of premium.

6 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the Client, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

7 Waiver of Subrogation. All policies of Commercial General Liability and Automobile Liability insurance shall specifically allow Allied Universal or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Allied Universal hereby waives its own right of recovery against the Client, its officials, officers, employees, agents, and volunteers, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

8 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention greater than \$5,000 must be disclosed to the Client and shall protect the Client, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

9 Evidence of Insurance. Allied Universal, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the Client, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the Client for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Upon renewal of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the Client. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Allied Universal shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the Client evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

10 Failure to Maintain Coverage. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, Client has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Client will be promptly reimbursed by Allied Universal or Client will withhold amounts sufficient to pay premium from Allied Universal payments. In the alternative, Client may cancel this Agreement effective upon notice.

11 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A- VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

12 Enforcement of Agreement Provisions (non estoppel). Allied Universal acknowledges and agrees that actual or alleged failure on the part of the Client to inform Allied Universal of non-compliance with any requirement imposes no additional obligation on the Client nor does it waive any rights hereunder.

13 Requirements Not Limiting. Requirement of minimum limits contained in this Appendix is not intended as a limitation on limits.

14 Insurance for Subconsultants. Allied Universal shall include all subconsultants engaged in any work for Allied Universal relating to this Agreement as additional insureds under Allied Universal's policies, or the Allied Universal shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the Client, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Allied Universal's subconsultants performing work relating to this Agreement shall be endorsed to name the Client, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Allied Universal shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. Allied Universal shall provide satisfactory evidence of compliance with this section upon request of the Client.