



UTA CONTRACT 24-03859

Information Technology Research and Advisory Services

THIS IT SOFTWARE AND ASSOCIATED SERVICES SUPPLY AGREEMENT (“Contract”) is entered into and made effective as of the date of last signature below. (“Effective Date”) by and between Utah Transit Authority, a public transit district organized under the laws of the State of Utah (“UTA”), and Info-Tech Research Group Inc. (the “Contractor”).

RECITALS

WHEREAS, on June 3, 2024, UTA received competitive proposals to provide INFORMATION TECHNOLOGY RESEARCH AND ADVISORY SERVICES, and (as applicable) all associated hardware, software, tools, installation services, commissioning and testing services, training and documentation (the “Software and Services”) according to the terms, conditions and specifications prepared by UTA in 24-03859RW (the “RFP”); and

WHEREAS, UTA wishes to procure the Software and Services according to the terms, conditions and specifications listed in the RFP (as subsequently amended through negotiation by the parties); and

WHEREAS, the document “RFP 24-03589__Info_Tech_Research_and_Advisory_Services - w_ITRG_IT_redlines” dated June 3, 2024, proposal submitted by the Contractor in response to the RFP (“Contractor’s Proposal”) was deemed to be the most advantageous to UTA; and

WHEREAS, Contractor is willing to furnish the Software and Services according to the terms, conditions and specifications of the Contract.

AGREEMENT

NOW, THEREFORE, in accordance with the foregoing Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and agreements hereafter set forth, the mutual benefits to the parties to be derived here from, and for other valuable consideration, the receipt and sufficiency of which the parties acknowledge, it is hereby agreed as follows:

1. SOFTWARE AND ASSOCIATED SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor hereby agrees to furnish and deliver the Software and Associated Services in accordance with the Contract as described in Exhibit A (Product Description and Statement of Associated Services) (including performing any installation, testing commissioning and other Services described in the Contract).

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2. TERM

This Contract shall commence as of the Effective Date. The Contract shall remain in full force and effect for purchases of Software and Services (made via purchase order or other agreed order method) during a THREE (3) - year period expiring September 30, 2027. UTA may, at its sole election and in its sole discretion, extend the initial term for up to TWO (2) additional one-year option periods, for a total Contract period not to exceed FIVE (5) years. Extension options may be exercised by UTA upon providing Contractor with notice of such election at least thirty (30) days prior to the expiration of the initial term or then-expiring option period (as applicable). The Contract may be further extended if the Contractor and UTA mutually agree to an extension evidenced in writing. The rights and obligations of UTA and Contractor under the Contract shall at all times be subject to and conditioned upon the provisions of the Contract.

3. COMPENSATION AND FEES

UTA shall pay Contractor in accordance with the payment milestones or other terms described in Exhibit B. If Exhibit B does not specify any milestones or other payment provisions, then payment shall be invoiced after the Software have been delivered and the Services have been performed. In no event shall advance payments be made.

Per Exhibit B Part 6, the total NTE (Not To Exceed) amount for the initial 3 year Term for this contract is \$369,551.97. If both options are exercised, the 5 Year NTE is \$688,175.72

4. INCORPORATED DOCUMENTS

a. The following documents hereinafter listed in chronological order, with most recent document taking precedence over any conflicting provisions contained in prior documents (where applicable), are hereby incorporated into the Contract by reference and made a part hereof:

1. The terms and conditions of this Software and Associated Services Supply Agreement (including any exhibits and attachments hereto).

2. UTA's RFP including, without limitation, all attached or incorporated terms, conditions, federal clauses (as applicable), drawings, plans, specifications and standards and other descriptions of the Software and Services;

3. Contractor's Proposal including, without limitation, all federal certifications (as applicable);

b. The above-referenced documents are made as fully a part of the Contract as if hereto attached or herein repeated. The Contract (including the documents listed above) constitute the complete contract between the parties.

c. If this procurement is funded by federal dollars, the mandatory FTA terms and conditions contained at Exhibit C will also apply.

5. ORDER OF PRECEDENCE

The Order of Precedence for this contract is as follows:

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- UTA Contract including all attachments and terms and conditions
- UTA Solicitation Terms
- Contractor's Bid or Proposal including proposed terms or conditions

Any contractor proposed term or condition which is in conflict with a UTA contract or solicitation term or condition will be deemed null and void.

6. LAWS AND REGULATIONS

Contractor and any and all Software and/or Services furnished under the Contract will comply fully with all applicable Federal and State laws and regulations, including those related to safety and environmental protection. Contractor shall also comply with all applicable licensure and certification requirements.

7. INVOICING PROCEDURES

- a. Contractor shall submit invoices to UTA's Project Manager for processing and payment in accordance with Exhibit B. If Exhibit B does not specify invoice instructions, then Contractor shall invoice UTA after delivery of all Software and satisfactory performance of all Services. Invoices shall be provided in the form specified by UTA. Reasonable supporting documentation including cost and pricing data demonstrating Contractor's entitlement to the requested payment must be submitted with each invoice.
- b. Contractor shall invoice UTA after delivery of all Goods and satisfactory performance of all Services. Contractor shall submit invoices to ap@rideuta.com for processing and payment. In order to timely process invoices, Contractor shall include the following information on each invoice:
 - i. Contractor Name
 - ii. Unique Invoice Number
 - iii. PO Number
 - iv. Invoice Date
 - v. Detailed Description of Charges
- c. Total Dollar Amount Due UTA shall have the right to disapprove (and withhold from payment) specific line items of each invoice to address non-conforming Goods or Services. Approval by UTA shall not be unreasonably withheld. UTA shall also have the right to offset (against payments) amounts reasonably reflecting the value of any claim which UTA has against Contractor under the Contract. Payment for all invoice amounts not specifically disapproved or offset by UTA shall be provided to Contractor within thirty (30) calendar days of invoice submittal.
- d. UTA shall have the right to disapprove (and withhold from payment) specific line items of each invoice to address non-conforming Software or Services. Approval by UTA shall not be unreasonably withheld. UTA shall also have the right to offset (against payments) amounts reasonably reflecting the value of any claim which UTA has against Contractor under the Contract. Payment for all invoice amounts not specifically disapproved or offset by UTA shall be provided to Contractor within thirty (30) calendar days of invoice submittal to ap@rideuta.com. Invoices not submitted electronically will shall be paid thirty (30) calendar days from date of receipt by UTA's accounting department.

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- e. Invoices must include a unique invoice number, UTA's Purchase Order number, a description of the Good or Service provided, line-item pricing, total amount due, and must be submitted electronically to ap@rideuta.com.

8. WARRANTY OF SOFTWARE AND SERVICES

- a. Contractor warrants that all Software (including hardware, firmware, and/or software products that it licenses) and Services shall conform to the specifications, drawings, standards, samples, and other descriptions made a part of (or incorporated by reference into) the Contract. Contractor further warrants that all Software and Services shall be of the quality specified, or of the best grade if no quality is specified, and, unless otherwise provided in the Contract, will be new, and free from defects in design, materials and workmanship.
- b. Contractor warrants that all Software and Services shall be in compliance with applicable federal, state, and local laws and regulations including, without limitation, those related to safety and environmental protection.
- c. At any time for a period of two (2) years from the date that all Software have been delivered and all Services have been performed in accordance with the Contract, Contractor shall at its own expense promptly repair, replace and/or re-perform any Software or Services that are defective or in any way fail to conform to the Contract requirements.
- d. If Contractor fails to promptly make any repair, replacement or re-performance as required herein, UTA may conduct the necessary remedial work at Contractor's expense. Contractor cannot void the warranty for repair, replacement or re-performance performed under these circumstances. Provided that such repair, replacement or re-performance is conducted in a reasonable manner and with workmanship and care consistent with industry standards, Contractor shall reimburse UTA for the cost of any warranty repair, replacement or re-performance self-performed by UTA.
- e. The foregoing warranties are not intended as a limitation but are in addition to all other express warranties set forth in the Contract and such other warranties as are implied by law, custom, and usage of trade. Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to the Contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to the Contract unless otherwise specified and mutually agreed upon elsewhere in the Contract. In general, Contractor warrants that: (1) the Good will do what the salesperson said it would do, (2) the Good will live up to all specific claims that the manufacturer makes in their advertisements, (3) the Software will be suitable for the ordinary purposes for which such items are used, (4) the Software will be suitable for any special purposes that UTA has relied on Contractor's skill or judgment to consider when it advised UTA about the Good, (5) the Software have been properly designed and manufactured, and (6) the Software are free of significant defects or unusual problems about which UTA has not been warned. Nothing in this warranty will be construed to limit any rights or remedies UTA may otherwise have under the Contract.

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9. OWNERSHIP OF DESIGNS, DRAWINGS, AND WORK PRODUCT

Any deliverables prepared or developed pursuant to the Contract including without limitation drawings, specifications, manuals, calculations, maps, sketches, designs, tracings, notes, reports, data, software, computer programs, models and samples, shall become the property of UTA when prepared, and, together with any documents or information furnished to Contractor and its employees or agents by UTA hereunder, shall be delivered to UTA upon request, and, in any event, upon termination or final acceptance of the Software and Services. UTA shall have full rights and privileges to use and reproduce said items.

To the extent that any deliverables include or incorporate preexisting intellectual property of Contractor, Contractor hereby grants UTA a fully paid, perpetual license to use such intellectual property for UTA's operation, maintenance, modification, improvement and replacement of UTA's assets. The scope of the license shall be to the fullest extent necessary to accomplish those purposes, including the right to share same with UTA's contractors, agent, officers, directors, employees, joint owners, affiliates and contractors.

10. GENERAL INDEMNIFICATION

Contractor shall indemnify, hold harmless and defend UTA, its officers, trustees, agents, and employees (hereinafter collectively referred to as "Indemnitees") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs (hereinafter referred to collectively as "claims") related to bodily injury, including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of the failure of such Contractor to conform to federal, state, and local laws and regulations. If an employee of Contractor, a subcontractor, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable brings a claim against UTA or another Indemnitee, Contractor's indemnity obligation set forth above will not be limited by any limitation on the amount of damages, compensation or benefits payable under any employee benefit acts, including workers' compensation or disability acts. The indemnity obligations of Contractor shall not apply to the extent that claims arise out of the sole negligence of UTA or the Indemnitees.

11. INSURANCE REQUIREMENTS

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The Utah Transit Authority in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

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A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those Stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a “following form” basis.

1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate \$4,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$2,000,000

a. The policy shall be endorsed to include the following additional insured language: "The Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

2. Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$2,000,000

a. The policy shall be endorsed to include the following additional insured language: "The Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".

3. Worker's Compensation and Employers' Liability

Workers' Compensation Statutory

Employers' Liability

Each Accident \$100,000

Disease – Each Employee \$100,000

Disease – Policy Limit \$500,000

- a. Policy shall contain a waiver of subrogation against the Utah Transit Authority.
- b. This requirement shall not apply when a contractor or subcontractor is exempt under UCA 34A-2-103, AND when such contractor or subcontractor executes the appropriate waiver form.

4. Professional Liability (Errors and Omissions Liability)

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The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.
- B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:
1. On insurance policies where the Utah Transit Authority is named as an additional insured, the Utah Transit Authority shall be an additional insured to the full limits of liability purchased by the Contractor. Insurance limits indicated in this agreement are minimum limits. Larger limits may be indicated after the contractor's assessment of the exposure for this contract; for their own protection and the protection of UTA.
 2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
- C. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the Utah Transit Authority, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to (Utah Transit Authority agency Representative's Name & Address).
- D. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or authorized to do business in the State and with an "A.M. Best" rating of not less than A-VII. The Utah Transit Authority in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. VERIFICATION OF COVERAGE: Contractor shall furnish the Utah Transit Authority with certificates of insurance (on standard ACORD form) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be sent to utahta@ebix.com and received and approved by the Utah Transit Authority before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

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All certificates required by this Contract shall be emailed directly to Utah Transit Authority's insurance email address at utahta@ebix.com. The Utah Transit Authority project/contract number and project description shall be noted on the certificate of insurance. The Utah Transit Authority reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE UTAH TRANSIT AUTHORITY'S CLAIMS AND INSURANCE DEPARTMENT.

- F. SUBCONTRACTORS: Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or subcontractors shall maintain separate insurance as determined by the Contractor, however, subcontractor's limits of liability shall not be less than \$1,000,000 per occurrence / \$2,000,000 aggregate. Sub-contractors maintaining separate insurance shall name Utah Transit Authority as an additional insured on their policy. Blanket additional insured endorsements are not acceptable from sub-contractors. Utah Transit Authority must be scheduled as an additional insured on any sub-contractor policies.
- G. APPROVAL: Any modification or variation from the insurance requirements in this Contract shall be made by Claims and Insurance Department or the UTA Legal Services, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by administrative action.

12. OTHER INDEMNITIES

- a. Contractor shall protect, release, defend, indemnify and hold harmless UTA and the other Indemnitees against and from any and all claims of any kind or nature whatsoever on account of infringement relating to Contractor's performance under the Contract. If notified promptly in writing and given authority, information and assistance, Contractor shall defend, or may settle at its expense, any suit or proceeding against UTA so far as based on a claimed infringement and Contractor shall pay all damages and costs awarded therein against UTA due to such breach. In case any Good or Service is in such suit held to constitute such an infringement or an injunction is filed that interferes with UTA's rights under the Contract, Contractor shall, at its expense and through mutual agreement between UTA and Contractor, either procure for UTA any necessary intellectual property rights, or modify Contractor's Software and Services such that the claimed infringement is eliminated.
- b. Contractor shall: (i) protect, release, defend, indemnify and hold harmless UTA and the other Indemnitees against and from any and all liens or claims made or filed against UTA on account of any Software or Services furnished by subcontractors of any tier; and (ii) keep UTA property free and clear of all liens or claims arising in conjunction with any Software or Services furnished under the Contract by Contractor or its subcontractors of any tier. If any lien arising out of the Contract is filed in conjunction with any Software or Services furnished under the Contract, Contractor, within ten (10) calendar days after receiving from UTA written notice of such lien, shall obtain a release of or otherwise satisfy such lien. If Contractor fails to do so, UTA may take such steps and make such expenditures as in its discretion it deems advisable to obtain a release of or otherwise satisfy any such lien or liens, and Contractor shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA in obtaining such release or satisfaction. If any non-payment claim is made directly against UTA arising out of non-payment to any subcontractor, Contractor shall assume the defense of such claim within ten (10) calendar days after receiving from UTA written notice of such

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claim. If Contractor fails to do so, Contractor shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA to satisfy such claim.

- c. Contractor will defend, indemnify and hold UTA, its officers, agents and employees harmless from liability of any kind or nature, arising from Contractor's use of any copyrighted or un-copyrighted composition, trade secret, patented or un-patented invention, article or appliance furnished or used in the performance of the Contract.

- d. Except for the Contractor's Indemnification obligations related to: (1) breach of confidentiality; (2) third party intellectual property infringement; (3) bodily injury and property damage; and, (4) gross negligence or willful misconduct; to the fullest extent permissible by applicable law, notwithstanding anything to the contrary herein, the maximum amount that Contractor or its related entities, suppliers, sub-contractors, agents or distributors is liable to UTA for under this Agreement, for any reason whatsoever, including negligence, is Two Million Dollars (\$2,000,000USD). The parties acknowledge that Contractor has set its prices and entered into this agreement in reliance on the limitations of liability and disclaimers of warranties and damages set forth herein, and that the same form a fundamental and essential basis of the bargain between the parties.

13. INDEPENDENT CONTRACTOR

The parties agree that Contractor, in the carrying out of its duties hereunder, is an independent contractor and that neither Contractor nor any of its employees is or are agents, servants or employees of UTA. Neither Contractor nor any of Contractor's employees shall be eligible for any workers compensation insurance, pension, health coverage, or fringe benefits which apply to UTA's employees. Neither federal, state, nor local income tax nor payroll tax of any kind shall be withheld or paid by UTA on behalf of Contractor or the employees of Contractor. Contractor acknowledges that it shall be solely responsible for payment of all payrolls, income and other taxes generally applicable to independent contractors.

14. STANDARD OF CARE.

Contractor shall perform any Services to be provided under the Contract in a good and workmanlike manner, using at least that standard of care, skill and judgment which can reasonably be expected from similarly situated independent contractors (including, as applicable, professional standards of care).

15. USE OF SUBCONTRACTORS

- a. Contractor shall give advance written notification to UTA of any proposed subcontract (not indicated in Contractor's Proposal) negotiated with respect to the Work. UTA shall have the right to approve all subcontractors, such approval not to be withheld unreasonably.
- b. No subsequent change, removal or substitution shall be made with respect to any such subcontractor without the prior written approval of UTA.
- c. Contractor shall be solely responsible for making payments to subcontractors, and such payments shall be made within thirty (30) days after Contractor receives corresponding

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payments from UTA.

- d. Contractor shall be responsible for and direct all Work performed by subcontractors.
- e. Contractor agrees that no subcontracts shall provide for payment on a cost-plus-percentage-of-cost basis. Contractor further agrees that all subcontracts shall comply with all applicable laws

16. CONTRACTOR SAFETY COMPLIANCE

UTA is an ISO 14001 for Environmental Management Systems, ISO 9001 Quality and Performance Management, and OSHAS 18001 safety systems Management Company. Contractor, including its employees, subcontractors, authorized agents, and representatives, shall comply with all UTA and industry safety standards, NATE, OSHA, EPA and all other State and Federal regulations, rules and guidelines pertaining to safety, environmental Management and will be solely responsible for any fines, citations or penalties it may receive or cause UTA to receive pursuant to this Contract. Each employee, contractor and subcontractor must be trained in UTA EMS and Safety Management principles. Contractor acknowledges that its Software and Services might affect UTA's Environmental Management Systems obligations. A partial list of activities, products or Services deemed as have a potential EMS effect is available at the UTA website www.rideuta.com. Upon request by UTA, Contractor shall complete and return a Contractor Activity Checklist. If UTA determines that the Software and/or Services under the Contract has the potential to impact the environment, UTA may require Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA.

17. Security Features

The proposed solution must have a high level of cyber security. All UTA data must be kept in a separate database and never commingled with other customers' data. Activity auditing must be available for all actions and be trackable by user. Specific technical details of the security measures in place should be include in the submission for review by UTA's Information Security team. Proposed solution must comply with UTA Security Requirements for SaaS/Customized Developed Systems found at Exhibit C.

18. ASSIGNMENT OF CONTRACT

Contractor shall not assign any of its rights or responsibilities, nor delegate its obligations, under this Contract or any part hereof without the prior written consent of UTA, and any attempted transfer in violation of this restriction shall be void.

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19. ENVIRONMENTAL RESPONSIBILITY

UTA is ISO 14001 Environmental Management System (EMS) certified. Contractor acknowledges that its Software and/or Services might affect UTA's ability to maintain the obligation of the EMS. A partial list of activities, products or Services deemed as have a potential EMS effect is available at the UTA website www.rideuta.com. Upon request by UTA, Contractor shall complete and return a Contractor Activity Checklist. If UTA determines that the Software and/or Services under the Contract has the potential to impact the environment, UTA may require Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA.

20. SUSPENSION OF WORK

- a. UTA may, at any time, by written order to Contractor, require Contractor to suspend, delay, or interrupt all or any part of the Work called for by this Contract. Any such order shall be specifically identified as a "Suspension of Work Order" issued pursuant to this Article. Upon receipt of such an order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of further costs allocable to the Work covered by the order during the period of Work stoppage.
- b. If a Suspension of Work Order issued under this Article is canceled, Contractor shall resume Work as mutually agreed to in writing by the parties hereto.
- c. If a Suspension of Work Order is not canceled and the Work covered by such order is terminated for the convenience of UTA, reasonable costs incurred as a result of the Suspension of Work Order shall be considered in negotiating the termination settlement.
- d. If the Suspension of Work causes an increase in Contractor's cost or time to perform the Work, UTA's Project Manager or designee shall make an equitable adjustment to compensate Contractor for the additional costs or time and modify this Contract by Change Order.

21. TERMINATION

- a. **FOR CONVENIENCE:** UTA shall have the right to terminate the Contract at any time by providing written notice to Contractor. If the Contract is terminated for convenience, UTA shall pay Contractor: (i) in full for Software delivered and Services fully performed prior to the effective date of termination; and (ii) an equitable amount to reflect costs incurred (including Contract close-out and subcontractor termination costs that cannot be reasonably mitigated) and profit on work-in-progress as of to the effective date of the termination notice. UTA shall not be responsible for anticipated profits based on the terminated portion of the Contract. Contractor shall promptly submit a termination claim to UTA. If Contractor has any property in its possession belonging to UTA, Contractor will account for the same, and dispose of it in the manner UTA directs.
- b. **FOR DEFAULT:** If Contractor (a) becomes insolvent; (b) files a petition under any chapter of the bankruptcy laws or is the subject of an involuntary petition; (c) makes a general assignment for the benefit of its creditors; (d) has a receiver appointed; (e) should fail to make prompt payment to any subcontractors or suppliers; or (f) fails to comply with any of its material obligations under the Contract, UTA may, in its discretion, after first giving Contractor seven (7) days written notice to cure such default:
 1. Terminate the Contract (in whole or in part) for default and obtain the Software and Services using other contractors or UTA's own forces, in which event Contractor shall be liable for all incremental costs so incurred by UTA;

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2. Pursue other remedies available under the Contract (regardless of whether the termination remedy is invoked); and/or

3. Except to the extent limited by the Contract, pursue other remedies available at law.

- c. CONTRACTOR'S POST TERMINATION OBLIGATIONS: Upon receipt of a termination notice as provided above, Contractor shall (i) immediately discontinue all work affected (unless the notice directs otherwise); and (ii) deliver to UTA all data, drawings and other deliverables, whether completed or in process. Contractor shall also remit a final invoice for all services performed and expenses incurred in full accordance with the terms and conditions of the Contract up to the effective date of termination. UTA shall calculate termination damages payable under the Contract, shall offset such damages against Contractor's final invoice, and shall invoice Contractor for any additional amounts payable by Contractor (to the extent termination damages exceed the invoice). All rights and remedies provided in this Article are cumulative and not exclusive. If UTA terminates the Contract for any reason, Contractor shall remain available, for a period not exceeding 90 days, to UTA to respond to any questions or concerns that UTA may have regarding the Software and Services furnished by Contractor prior to termination.

22. CHANGES

- a. UTA's Project Manager or designee may, at any time, by written order designated or indicated to be a Change Order, direct changes in the Work including, but not limited to, changes:
- A. In the Scope of Services;
 - B. In the method or manner of performance of the Work; or
 - C. In the schedule or completion dates applicable to the Work.

To the extent that any change in Work directed by UTA causes an actual and demonstrable impact to: (i) Contractor's cost of performing the work; or (ii) the time required for the Work, then (in either case) the Change Order shall include an equitable adjustment to this Contract to make Contractor whole with respect to the impacts of such change.

- b. A change in the Work may only be directed by UTA through a written Change Order or (alternatively) UTA's expressed, written authorization directing Contractor to proceed pending negotiation of a Change Order. Any changes to this Contract undertaken by Contractor without such written authority shall be at Contractor's sole risk. Contractor shall not be entitled to rely on any other manner or method of direction.
- c. Contractor shall also be entitled to an equitable adjustment to address the actual and demonstrable impacts of "constructive" changes in the Work if: (i) subsequent to the Effective Date of this Contract, there is a material change with respect to any requirement set forth in this Contract; or (ii) other conditions exist or actions are taken by UTA which materially modify the magnitude, character or complexity of the Work from what should have been reasonably assumed by Contractor based on the information included in (or referenced by) this Contract. In order to be eligible for equitable relief for "constructive" changes in Work, Contractor must give UTA's Project Manager or designee written notice stating:
- A. The date, circumstances, and source of the change; and
 - B. That Contractor regards the identified item as a change in Work giving rise to an adjustment in this Contract.

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Contractor must provide notice of a “constructive” change and assert its right to an equitable adjustment under this Section within ten (10) days after Contractor becomes aware (or reasonably should have become aware) of the facts and circumstances giving rise to the “constructive” change. Contractor’s failure to provide timely written notice as provided above shall constitute a waiver of Contractor’s rights with respect to such claim.

- d. As soon as practicable, but in no event longer than 30 days after providing notice, Contractor must provide UTA with information and documentation reasonably demonstrating the actual cost and schedule impacts associated with any change in Work. Equitable adjustments will be made via Change Order. Any dispute regarding the Contractor’s entitlement to an equitable adjustment (or the extent of any such equitable adjustment) shall be resolved in accordance with Article 20 of this Contract.

23. INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS

Contractor shall retain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit B (or any other provision of the Contract). Such records shall include, without limitation, time sheets and other cost documentation related to the performance of labor services, as well as subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation supporting non-labor costs. Contractor shall also retain other books and records related to the performance, quality or management of the Contract and/or Contractor’s compliance with the Contract. Records shall be retained by Contractor for a period of at least six (6) years, or until any audit initiated within that six-year period has been completed (whichever is later). During this six-year period, such records shall be made available at all reasonable times for audit and inspection by UTA and other authorized auditing parties including, but not limited to, the Federal Transit Administration. Copies of requested records shall be furnished to UTA or designated audit parties upon request. Contractor agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Contract at any tier.

24. FINDINGS CONFIDENTIAL

Any documents, reports, information, or other data and materials delivered or made available to or prepared or assembled by Contractor or subcontractor under this Contract are considered confidential and shall not be made available to any person, organization,

or entity by Contractor without consent in writing from UTA. If confidential information is released to any third party without UTA’s written consent as described above, contractor shall notify UTA of the data breach within 10 days and provide its plan for immediate

mitigation of the breach for review and approval by UTA.

- a. It is hereby agreed that the following information is not considered to be confidential:
 - A. Information already in the public domain.

UTA IT SOFTWARE AND ASSOCIATED SERVICES SUPPLY AGREEMENT

- B. Information disclosed to Contractor by a third party who is not under a confidentiality obligation.
- C. Information developed by or in the custody of Contractor before entering into this Contract.
- D. Information developed by Contractor through its work with other clients; and
- E. Information required to be disclosed by law or regulation including, but not limited to, subpoena, court order or administrative order.

25. PUBLIC INFORMATION.

Contractor acknowledges that the Contract and related materials (invoices, orders, etc.) will be public documents under the Utah Government Records Access and Management Act (GRAMA). Contractor's response to the solicitation for the Contract will also be a public document subject to GRAMA, except for legitimate trade secrets, so long as such trade secrets were properly designated in accordance with terms of the solicitation.

26. PROJECT MANAGER

UTA's Project Manager for the Contract is KATRINA VALEK, or designee. All questions and correspondence relating to the technical aspects of the Contract should be directed to UTA's Project Manager at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801) 287-2533.

27. CONTRACT ADMINISTRATOR

UTA's Contract Administrator for the Contract is RICK WILSON, or designee. All questions and correspondence relating to the contractual aspects of the Contract should be directed to UTA's Grants & Contracts Administrator at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801)287-3016.

28. CONFLICT OF INTEREST

Contractor represents that it has not offered or given any gift or compensation prohibited by the laws of the State of Utah to any officer or employee of UTA to secure favorable treatment with respect to being awarded the Contract. No member, officer, or employee of UTA during their tenure or one year thereafter shall have any interest, direct or indirect, in the Contract or the proceeds thereof.

29. NOTICES OR DEMANDS

a. Any and all notices, demands or other communications required hereunder to be given by one party to the other shall be given in writing and may be electronically delivered, personally delivered, mailed by US Mail, postage prepaid, or sent by overnight courier service and addressed to such party as follows:

If to UTA:

Utah Transit Authority
ATTN: Rick Wilson
669 West 200 South
Salt Lake City, UT 84101

If to Contractor:

Info-Tech Research Group Inc.
ATTN: Robyn Kukoly
3960 Howard Hughes Parkway, Suite 500
Las Vegas, NV 89169

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rwilson@rideuta.com bids_contracts@infotech.com

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- a. Either party may change the address at which such party desires to receive written notice of such change to any other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

30. CLAIMS/DISPUTE RESOLUTION

- a. "Claim" means any disputes between UTA and the Contractor arising out of or relating to the Contract Documents including any disputed claims for Contract adjustments that cannot be resolved in accordance with the Change Order negotiation process set forth in Article 20. Claims must be made by written notice. The responsibility to substantiate claims rests with the party making the claim.
- b. Unless otherwise directed by UTA in writing, Contractor shall proceed diligently with performance of the Work pending final resolution of a Claim, including litigation. UTA shall continue to pay any undisputed payments related to such Claim.
- c. The parties shall attempt to informally resolve all claims, counterclaims and other disputes through the escalation process described below. No party may bring a legal action to enforce any term of this Contract without first having exhausted such process.
- d. The time schedule for escalation of disputes, including disputed requests for change order, shall be as follows:

Level of Authority	Time Limit
UTA's Project Manager: Katrina Valek, IT Management Analyst Contractor's Project Manager: Robert Webb, Senior Account Director	Five calendar days
UTA's Kyle Brimley, IT Director Contractor's Luke Kikot, Senior Sales Director	Five calendar days
UTA's Alisha Garrett, Chief Enterprise Strategy Officer Contractor's James Alexander, Regional Vice President	Five calendar days

Unless otherwise directed by UTA's Project Manager, Contractor shall diligently continue performance under this Contract while matters in dispute are being resolved.

If the dispute cannot be resolved informally in accordance with the escalation procedures set forth above, then either party may commence formal mediation under the Juris Arbitration and Mediation (JAMS) process using a mutually agreed upon JAMS mediator. If resolution does not occur through Mediation, then legal action may be commenced in accordance the venue and governing law provisions of this contract.

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31. GOVERNING LAW

The validity, interpretation and performance of the Contract shall be governed by the laws of the State of Utah, without regard to its law on the conflict of laws. Any dispute arising out of the Contract that cannot be solved to the mutual agreement of the parties shall be brought in a court of competent jurisdiction in Salt Lake County, State of Utah. Contractor consents to the jurisdiction of such courts.

32. COSTS AND ATTORNEY FEES.

If any party to this Agreement brings an action to enforce or defend its rights or obligations hereunder, the prevailing party shall be entitled to recover its costs and expenses, including mediation, arbitration, litigation, court costs and attorneys' fees, if any, incurred in connection with such suit, including on appeal

33. UTAH ANTI-BOYCOTT OF ISRAEL ACT

Contractor agrees that will be not engage in any type of boycott against the State of Israel for the duration of this contract.

34. SEVERABILITY

Any provision of the Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the Contract.

35. AMENDMENTS

Any amendment to the Contract must be in writing and executed by the authorized representatives of each party.

36. FORCE MAJEURE

Neither party to the Contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which are beyond that party's reasonable control. UTA may terminate the Contract after determining such delay or default will reasonably prevent successful performance of the Contract.

37. NO THIRD-PARTY BENEFICIARIES

The parties enter in to the Contract for the sole benefit of the parties, in exclusion of any third party, and no third-party beneficiary is intended or created by the execution of the Contract.

38. ENTIRE AGREEMENT

This Contract shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto.

39. COUNTERPARTS

This Contract may be executed in any number of counterparts and by each of the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Any signature page of the Contract may be detached from any counterpart and reattached to any other counterpart hereof.

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The electronic transmission of a signed original of the Contract or any counterpart hereof and the electronic retransmission of any signed copy hereof shall be the same as delivery of an original.

40. NONWAIVER

No failure or waiver or successive failures or waivers on the part of either party in the enforcement of any condition, covenant, or article of this Contract shall operate as a discharge of any such condition, covenant, or article nor render the same invalid, nor impair the right of either party to enforce the same in the event of any subsequent breaches by the other party.

41. INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS

Contractor shall retain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit B (or any other provision of this Contract). Such records shall include, without limitation, time sheets and other cost documentation related to the performance of labor services, as well as subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation supporting non-labor costs. Contractor shall also retain other books and records related to the performance, quality or management of this Contract and/or Contractor's compliance with this Contract. Records shall be retained by Contractor for a period of at least six (6) years after completion of the Work, or until any audit initiated within that six-year period has been completed (whichever is later). During this six-year period, such records shall be made available at all reasonable times for audit and inspection by UTA and other authorized auditing parties including, but not limited to, the Federal Transit Administration. Copies of requested records shall be furnished to UTA or designated audit parties upon request. Contractor agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Work at any tier.

42. SALES TAX EXEMPT

Purchases of certain materials are exempt from Utah sales tax. UTA will provide a sales tax exemption certificate to Contractor upon request. UTA will not pay Contractor for sales taxes for exempt purchases, and such taxes should not be included in Contractor's Application for Payment.

43. REVOLVING DOOR RESTRICTIONS

UTA Ethics Policy requires Board approval for the award or amendment of a contract with a contractor that has hired a former UTA employee or who are represented by a former employee where the former employee left UTA employment within the 12 months prior to the contract award or amendment. Approval will not be given if there is a strong appearance of an unfair competitive advantage.

44. SURVIVAL

Provisions of this Contract intended by their nature and content to survive termination of this Contract shall so survive including, but not limited to, Articles 7, 9, 10, 11, 12, 13, 15, 17, 18, 19, 21, 23, 24, 25, 30, 31, 32, and 40.

UTA IT SOFTWARE AND ASSOCIATED SERVICES SUPPLY AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be executed by authorized representatives as of the date of last signature below

UTAH TRANSIT AUTHORITY:

INFO-TECH RESEARCH GROUP INC.

By _____

DocuSigned by:
By *Liam Ledgerwood* _____
6155B949C2E3444...

Jay Fox

Liam Ledgerwood

Executive Director

Legal Counsel

Date

Date 8/26/2024

By _____

Alisha Garrett

Chief Enterprise Strategy Officer

Date

By _____

Kyle Brimley

IT Director

Date

DocuSigned by:
B *Mike Bell* _____
70E33A415BA44F6...

Mike Bell

UTA Legal Counsel

Date 8/26/2024

UTA IT SOFTWARE AND ASSOCIATED SERVICES SUPPLY AGREEMENT

EXHIBIT A

STATEMENT OF SERVICES (SCOPE OF SERVICES: From RFP Part 1 Section 4.0)

The selected Firm must provide, at a minimum, the following consultation, research, and support services.

Account Manager:

The awarding firm will provide a dedicated Account Manager who will serve as the main point of contact for IT Leadership. This will include a point of contact to coordinate workshops, arrange meetings with the firm's subject matter experts and coordinate other services as needed.

Personalized Consulting Services:

- A minimum of two (2) face-to-face (in person or virtual) 3-5 day consulting workshops per calendar year should be included in the cost of this RFP (Request for Proposals), with the option of purchasing additional sessions if needed. Face to face consulting engagements will be used to solve UTA's most pressing problems and initiatives. Examples of this include:
 - o Planning and Executing Digital Transformation Strategies
 - o Implementing AI (Artificial Intelligence)
 - o IT Innovation and Leadership
 - o Establish Data Governance and assist in requirement gathering for data governance program
 - o Data Governance, Data Culture, Data Operations
 - o Data Architecture Roadmap, Data Integration Strategy, etc.
 - o IT Security Governance and other Information Security Initiatives, including assisting UTA in developing a security plan to align IT Governance to NIST 800-53
 - o Create and improve security compliance program through tabletop exercises
 - o Utilize Azure Security Cloud and maintain proper security procedures & requirements
 - o Enterprise Software Implementation Governance
 - o Software Asset Management

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- o Business Applications
 - o Stakeholder Relations & Business Relationship Management
 - o IT Service Management
 - o IT Operations Management
 - o Incident and Problem Management
- Analyst calls that can be used by IT Leadership to execute key initiatives and guided implementation advisory calls and touch points to facilitate projects from kick-off to completion.
 - IT subject matter expert Advisory support and/or a Dedicated IT Leader (Counselor) support to help navigate the immense undertaking of planning and executing the environmental technology change.

Online Tools / Research Publications:

- Prebuilt Publications that can be customized by the user for new and existing I.T. Projects.
- Framework Driven content that is visual but customizable by the user.
- Benchmarking Services that are supported by data/research.
- Toolset to develop strong relationships with business partners while improving efficiency and customer satisfaction.
- Provide research and advice on best practices for Organizational Change Management.
- Technology Leadership
- Emerging Technologies and Tech Trends
- Access to Diagnostic programs to assess various aspects of IT Security performance.

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EXHIBIT B – ATTACHED

Price Proposal-24-03559RW-Info-Tech Response_BAFO-July3 2024

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EXHIBIT C

SECURITY REQUIREMENTS FOR SaaS/Custom Developed Systems

1 Requirements: General

The following requirements are a guideline for the security requirements of any Software as a Service (SaaS) cloud solution, or custom developed system(s) requested by the Utah Transit Authority "UTA" for use within its corporate or OT/ICS networks. Any proposal submitted should be compliant with industry and/or government standards that govern cybersecurity processes and controls based, at a minimum, on NIST 800-53 current revisions.

1.1 Disaster Recovery and Data

The following requirements apply to the Contract:

1.1.1 Redundancy, Data Backup and Disaster Recovery

A) Unless specified otherwise in the RFP, Contractor/Supplier/Supplier shall maintain or cause to be maintained disaster avoidance procedures designed to safeguard Agency data and other confidential information, Contractor/Supplier/Supplier's processing capability and the availability of hosted services, in each case throughout the Contract term. Any force majeure provisions of the Contract do not limit the Contractor/Supplier's obligations under this provision.

B. The Contractor/Supplier shall have robust contingency and disaster recovery (DR) plans in place to ensure that the services provided under the Contract will be maintained in the event of disruption to the Contractor/Supplier/sub-Contractor/Supplier's operations (including, but not limited to, disruption to information technology systems), however caused.

C. The contingency and DR plans must be designed to ensure that services under the Contract are restored in compliance with the DR plan instructions.

D. The Contractor/Supplier shall test the contingency/DR plans at least annually to identify any changes that need to be made to the plan(s) to ensure a minimum interruption of service. Coordination shall be made with the Agency to ensure limited system downtime when testing is conducted. At least one (1) annual test shall include backup media restoration and failover/fallback operations at the DR location.

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The Contractor/Supplier shall send the Contract Monitor a notice of completion following completion of DR testing, upon request.

E. Such contingency and DR plans shall be available for the UTA to inspect at any reasonable time, and subject to regular updating, revising, and testing throughout the term of the Contract.

1.1.2 Data Export/Import

A. The Contractor/Supplier shall, at no additional cost or charge to the Agency, in an industry standard/non-proprietary format:

1) perform a full or partial import/export of Agency data within 24 hours without undue delay of a request; or

2) provide to the Agency the ability to import/export data at will and provide the Agency with any access and instructions which are needed for the Agency to import or export data.

B. Any import or export shall be in a secure format per the Security Requirements.

1.1.3 Data Ownership and Access

A. Data, databases, and derived data products created, collected, manipulated, or directly purchased as part of an RFP are the property of the Agency. The purchasing Agency department is considered the custodian of the data and shall determine the use, access, distribution, and other conditions based on appropriate Agency statutes and regulations.

B. Public jurisdiction user accounts and public jurisdiction data shall not be accessed, except (1) in the course of data center

operations, (2) in response to service or technical issues, (3) as required by the express terms of the Contract, including as necessary to perform the services hereunder or (4) at the Agency's written request.

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C. The Contractor/Supplier shall limit access to and possession of Agency data to only Contractor/Supplier Personnel whose responsibilities reasonably require such access or possession and shall train such Contractor/Supplier Personnel on the confidentiality obligations set forth herein.

D. At no time shall any data or processes – that either belong to or are intended for the use of the Agency or its officers, agents, or employees – be copied, disclosed, or retained by the Contractor/Supplier or any party related to the Contractor/Supplier for subsequent use in any transaction that does not include the Agency.

E. The Contractor/Supplier shall not use any information collected in connection with the services furnished under the Contract for any purpose other than fulfilling such service.

1.1.4 Provisions in Sections 1.1.1 – 1.1.3 shall survive expiration or termination of the Contract. Additionally, the Contractor/Supplier shall flow down the provisions of Sections 1.1.1-1.1.3 (or the substance thereof) in all subcontracts.

2 Security Requirements

2.1.1 Information Technology

A. Contractor/Supplier shall comply with and adhere to the Relevant Agency IT Security policies and/or procedures and Standards. These policies may be revised from time to time and the Contractor/Supplier shall comply with all such revisions. Updated and revised versions of the Agency IT Policy and Standards are available upon request after appropriate Non-disclosure Agreement (NDA) has been filed.

B. The Contractor/Supplier shall not connect any of its own equipment to an Agency LAN/WAN without prior written approval by the Agency. The Contractor/Supplier shall complete any necessary paperwork as directed and coordinated with the Contract Monitor to obtain approval by the Agency to connect Contractor/Supplier-owned equipment to an Agency LAN/WAN.

The Contractor/Supplier shall:

- 1) Implement administrative, physical, and technical safeguards to protect Agency data that are no less rigorous than accepted industry best practices for information security such as those listed below (see Section 2.1.2).

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2) Ensure that all such safeguards, including the way Agency data is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws as well as the terms and conditions of the Contract; and

3) The Contractor/Supplier, and Contractor/Supplier Personnel, shall (i) abide by all applicable federal, Agency and local laws, rules and regulations concerning security of Information Systems and Information Technology and (ii) comply with and adhere to the Relevant Agency IT Security policies and/or procedures and Standards as each may be amended or revised from time to time.

2.1.2 Data Protection and Controls

A. Contractor/Supplier shall ensure a secure environment for all Agency data and any hardware and software (including but not limited to servers, network and data components) provided or used in connection with the performance of the Contract and shall apply or cause application of appropriate controls so as to maintain such a secure environment (“Security Best Practices”). Such Security Best Practices shall comply with an accepted industry standard, such as the National Institute of Standards and Technology (NIST) cybersecurity framework.

B. To ensure appropriate data protection safeguards are in place, the Contractor/Supplier shall always implement and maintain the following controls throughout the Term of the Contract (the Contractor/Supplier may augment this list with additional controls):

1) Establish separate production, test, and training environments for systems supporting the services provided under the Contract and ensure that production data is not replicated in test or training environment(s) unless it has been previously anonymized or otherwise modified to protect the confidentiality of Sensitive Data elements. The Contractor/Supplier shall ensure the appropriate separation of production and non-production environments by applying the data protection and control requirements listed in Section 2.1.2.

2) Apply hardware and software hardening procedures as recommended by Center for Internet Security (CIS) guides <https://www.cisecurity.org/>, Security Technical Implementation Guides (STIG) <http://iase.disa.mil/Pages/index.aspx>, or similar industry best practices to reduce the systems’ surface of vulnerability, eliminating as many security risks as possible and documenting what is not feasible or not performed according to best practices. Any hardening practices not implemented shall be documented with a plan of action and milestones including

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any compensating control. These procedures may include but are not limited to removal of unnecessary software, disabling or removing unnecessary services, removal of unnecessary usernames or logins, and the deactivation of unneeded features in the Contractor/Supplier's system configuration files.

3) Ensure that Agency data is not comingled with non-Agency data through the proper application of compartmentalization Security Measures.

4) Apply data encryption to protect Sensitive Data at all times, including in transit, at rest, and also when archived for backup purposes. Unless otherwise directed, the Contractor/Supplier is responsible for the encryption of all Sensitive Data.

5) For all Agency data the Contractor/Supplier manages or controls, data encryption shall be applied to such data in transit over untrusted networks.

6) Encryption algorithms which are utilized for encrypting data shall comply with current Federal Information Processing Standards (FIPS), "Security Requirements for Cryptographic Modules", FIPS PUB 140-2:

<http://csrc.nist.gov/publications/fips/fips140-2/fips1402.pdf>

<http://csrc.nist.gov/groups/STM/cmvp/documents/140/1401vend.htm>

7) Enable appropriate logging parameters to monitor user access activities, authorized and failed access attempts, system exceptions, and critical information security events as recommended by the operating system and application manufacturers and information security standards.

8) Retain the aforementioned logs and review them at least daily to identify suspicious or questionable activity for investigation and documentation as to their cause and remediation, if required. The UTA shall have the right to request independently audited attestations (i.e SOC2 Type 2) pertaining to these policies and procedures and the Contractor/Supplier or Subcontractor/Supplier's performance to confirm the effectiveness of these measures for the services being provided under the Contract.

9) Ensure system and network environments are separated by properly configured and updated firewalls.

10) Restrict network connections between trusted and untrusted networks by physically or logically isolating systems from unsolicited and unauthenticated network traffic.

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11) By default, “deny all” and only allow access by exception.

12) Review, at least annually, the aforementioned network connections, documenting and confirming the business justification for the use of all service, protocols, and ports allowed, including the rationale, or compensating controls implemented for those protocols considered insecure but necessary.

13) Perform regular vulnerability testing of operating system, application, and network devices. Such testing is expected to identify outdated software versions; missing software patches; device or software misconfigurations; and to validate compliance with or deviations from the security policies applicable to the Contract. Contractor/Supplier shall evaluate all identified vulnerabilities for potential adverse effect on security and integrity and remediate the vulnerability without undue delay based on the severity of the finding, following the earlier of vulnerability’s identification or public disclosure, or document why remediation action is unnecessary or unsuitable. The UTA -shall have the right to inspect the Contractor/Supplier’s policies and procedures and the results of vulnerability testing to confirm the effectiveness of these measures for the services being provided under the Contract.

14) Enforce strong user authentication and password control measures to minimize the opportunity for unauthorized access through compromise of the user access controls. At a minimum, the implemented measures should be consistent with the most current PCI-DSS or similar standard including specific requirements for password length, complexity, history, and account lockout.

15) Ensure Agency data is not processed, transferred, or stored outside of the United States (“U.S.”), Canada or Ireland. The Contractor/Supplier shall provide its services to the Agency and the Agency’s end users solely from datacenters in the U.S., Canada or Ireland, unless granted an exception in writing by the Agency, the Contractor/Supplier shall not allow Contractor/Supplier Personnel to store Agency data on portable devices, including personal computers, except for devices that are used and kept only at its U.S., Canada or Ireland data centers. The Contractor/Supplier shall permit its Contractor/Supplier Personnel to access Agency data remotely only as required to provide technical support.

16) Ensure Contractor/Supplier’s Personnel shall not connect any of its own equipment to an Agency LAN/WAN without prior written approval by the Agency, which may be revoked at any time for any reason. The Contractor/Supplier shall complete any necessary paperwork as directed and coordinated with the Contract Monitor to obtain approval by the Agency to connect Contractor/Supplier-owned equipment to a Agency LAN/WAN.

17) Ensure that anti-virus and anti-malware software is installed and maintained on all systems supporting the services provided under the Contract; that the anti-virus and anti-malware software is automatically updated; and that the software is configured to actively scan and

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detect threats to the system for remediation. The Contractor/Supplier shall perform routine vulnerability scans and take corrective actions for any findings.

18) Conduct regular external vulnerability testing designed to examine the service provider's security profile from the Internet without benefit of access to internal systems and networks behind the external security perimeter. Evaluate all identified vulnerabilities on Internet-facing devices for potential adverse effect on the service's security and integrity and remediate the vulnerability promptly or document why remediation action is unnecessary or unsuitable. The UTA shall have the right to request independently audited attestations (I.e SOC 2 Type 2) of these policies and procedures and the performance of vulnerability testing to confirm the effectiveness of these measures for the services being provided under the Contract.

2.1.3 PCI Compliance

A. Contractor/Supplier shall at all times comply, and ensure compliance with, all applicable Payment Card Industry ("PCI") Data Security Standards ("DSS"), including any and all changes thereto. Contractor/Supplier shall provide UTA with documented evidence of current compliance to PCI DSS within 30 days of an UTA request.

B. The Contractor/Supplier shall annually furnish to the Agency evidence of the PCI Security Standards Council's (SSC) acceptance or attestation of the Contractor/Supplier's conformance to the relevant PCI DSS requirements by a third party certified to perform compliance assessments.

C. The Contractor/Supplier shall ensure that the scope of the annual SOC 2 Type 2 Report specified under Section 2.2 includes testing to confirm the PCI assessment results.

2.1.4 Security Incident Response

A. The Contractor/Supplier shall notify the UTA in accordance with Section 2.1.4A-D when any Contractor/Supplier system that may access, process, or store Agency data or Agency systems experiences a Security Incident, or a Data Breach as follows:

1) notify the UTA without undue delay, of the discovery of a Security Incident by providing notice via written or electronic correspondence to the Contract Monitor, UTA chief information officer and UTA chief information security officer;

2) notify the UTA without undue delay if there is a threat to Contractor/Supplier's Solution as it pertains to the use, disclosure, and security of Agency data; and

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3) provide written notice to the UTA without undue delay, after Contractor/Supplier's discovery of unauthorized use or disclosure of Agency data and thereafter all information the Agency or UTA requests concerning such unauthorized use or disclosure.

B. Contractor/Supplier's notice shall identify:

- 1) the nature of the unauthorized use or disclosure;
- 2) the Agency data used or disclosed,
- 3) who made the unauthorized use or received the unauthorized disclosure;
- 4) what the Contractor/Supplier has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and
- 5) what corrective action the Contractor/Supplier has taken or shall take to prevent future similar unauthorized use or disclosure.
- 6) The Contractor/Supplier shall provide such other information, including a written report, as reasonably requested by the Agency.

C. The Contractor/Supplier may need to communicate with outside parties regarding a Security Incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as mutually agreed upon, defined by law or contained in the Contract. Discussing Security Incidents with the Agency should be handled on an urgent as-needed basis, as part of Contractor/Supplier communication and mitigation processes as mutually agreed upon, defined by law, or contained in the Contract.

D. The Contractor/Supplier shall comply with all applicable laws that require the notification of individuals in the event of unauthorized release of Agency data or other event requiring notification, and, where notification is required, assume responsibility for informing all such individuals in accordance with applicable law and to indemnify and hold harmless the UTA and its officials and employees from and against any claims, damages, and actions related to the event requiring notification.

2.1.5 Data Breach Responsibilities

A. If the Contractor/Supplier reasonably believes or has actual knowledge of a Data Breach, the Contractor/Supplier shall, unless otherwise directed:

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- 1) Notify the appropriate Agency-identified contact without undue delay in accordance with the agreed upon security plan or security procedures unless a shorter time is required by applicable law;
- 2) Cooperate with the Agency to investigate and resolve the data breach;
- 3) Promptly implement commercially reasonable remedial measures to remedy the Data Breach; and
- 4) Document responsive actions taken related to the Data Breach, including any post- incident review of events and actions taken to make changes in business practices in providing the services.

B. If a Data Breach is a direct result of the Contractor/Supplier's breach of its Contract obligation to encrypt Agency data or otherwise prevent its release, the Contractor/Supplier shall bear the costs associated with (1) the investigation and resolution of the data breach; (2) notifications to individuals, regulators or others required by Agency law; (3) a credit monitoring service required by Agency or federal law; (4) a website or a toll-free number and call center for affected individuals required by Agency law; and (5) complete all corrective actions as reasonably determined by Contractor/Supplier based on root cause; all [(1) through (5)] subject to the Contract's limitation of liability.

2.1.6 The Agency shall, at its discretion, have the right to review and assess the Contractor/Supplier's compliance to the security requirements and standards defined in the Contract.

2.1.7 Provisions in Sections 2.1.1 – 2.1.6 shall survive expiration or termination of the Contract. Additionally, the Contractor/Supplier shall flow down the provisions of Sections 2.1.1-2.1.6 (or the substance thereof) in all subcontracts.

2.2 SOC 2 Type 2 Audit Report

2.2.1 A SOC 2 Type 2 Audit applies to the Contract. The applicable trust principles are: Security, Availability, Processing Integrity, Confidentiality, and Privacy.

2.2.2 In the event the Contractor/Supplier provides services for identified critical functions, handles Sensitive Data, or hosts any related implemented system for the Agency under the Contract, the

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Contractor/Supplier shall have an annual audit performed by an independent audit firm of the Contractor/Supplier's handling of Sensitive Data or the UTA's critical functions. Critical functions are identified as all aspects and functionality of the Solution including any add-on modules and shall address all areas relating to Information Technology security and operational processes. These services provided by the Contractor/Supplier that shall be covered by the audit will collectively be referred to as the "Information Functions and Processes." Such audits shall be performed in accordance with audit guidance: Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC 2) as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly-recognized professional organization, as agreed to by the UTA, to assess the security of outsourced client functions or data (collectively, the "Guidance") as follows:

- A. The type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). All SOC2 Audit Reports shall be submitted to the Contract Monitor as specified in Section F below. The initial SOC 2 Audit shall be completed within a timeframe to be specified by the Agency. The audit period covered by the initial SOC 2 Audit shall start with the Contract Effective Date unless otherwise agreed to in writing by the Contract Monitor. All subsequent SOC 2 Audits after this initial audit shall be performed at a minimum on an annual basis throughout the Term of Contract and shall cover a 12-month audit period or such portion of the year that the Contractor/Supplier furnished services.
- B. The SOC 2 Audit shall report on the suitability of the design and operating effectiveness of controls over the Information Functions and Processes to meet the requirements of the Contract, including the Security Requirements identified in Section 2, relevant to the trust principles identified in 3.9.1: as defined in the aforementioned Guidance.
- C. The audit scope of each year's SOC 2 Report may need to be adjusted (including the inclusion or omission of the relevant trust services principles of Security, Availability, Processing Integrity, Confidentiality, and Privacy) to accommodate any changes to the environment since the last SOC 2 Report. Such changes may include but are not limited to the addition of Information Functions and Processes through modifications to the Contract or due to changes in Information Technology or the operational infrastructure. The Contractor/Supplier shall ensure that the audit scope of each year's SOC 2 Report engagement shall accommodate these changes by including in the SOC 2 Report all appropriate controls related to the current environment supporting the Information Functions and/or Processes, including those controls required by the Contract.
- D. The scope of the SOC 2 Report shall include work performed by any sub-Contractor/Suppliers that provide essential support to the Contractor/Supplier or essential support to the Information Functions and Processes provided to the UTA under the Contract. The Contractor/Supplier shall ensure the audit includes all such sub-Contractor/Suppliers operating in performance of the Contract.

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E. All SOC 2 Audits, including those of the Contractor/Supplier, shall be performed at no additional expense to the UTA.

F. The Contractor/Supplier shall provide to the Contract Monitor, upon request, a complete copy of the final SOC 2 Report(s) and a documented corrective action plan addressing each audit finding or exception contained in the SOC 2 Report. The corrective action plan shall identify in detail the remedial action to be taken by the Contractor/Supplier along with the date(s) when each remedial action is to be implemented.

G. If the Contractor/Supplier currently has an annual, independent information security assessment performed that includes the operations, systems, and repositories of the Information Functions and Processes being provided to the UTA under the Contract, and if that assessment generally conforms to the content and objective of the Guidance, the UTA will determine in consultation with appropriate Agency government technology and audit authorities whether the Contractor/Supplier's current information security assessments are acceptable in lieu of the SOC 2 Report(s).

H. If the Contractor/Supplier fails during the Contract term to obtain an annual SOC 2 Report by the date specified in Section 2.2.2F, the UTA shall have the right to retain an independent audit firm to perform an audit engagement of a SOC 2 Report of the Information Functions and Processes utilized or provided by the Contractor/Supplier and under the Contract. The Contractor/Supplier agrees to allow the independent audit firm to access its facility/ies for purposes of conducting this audit engagement(s) and will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement of the SOC 2 Report. The UTA will invoice the Contractor/Supplier for the expense of the SOC 2 Report(s) or deduct the cost from future payments to the Contractor/Supplier.

I. Provisions in Section 2.2.1A-H shall survive expiration or termination of the Contract. Additionally, the Contractor/Supplier shall flow down the provisions of Section 2.2.1A-H (or the substance thereof) in all subcontract