

Service Contract No.

for

THIS SERVICE CONTRACT, hereinafter referred to as "Contract" is made and entered into between the Seattle Housing Authority, a public body corporate and politic, hereinafter referred to as "SHA," and , hereinafter referred to as the "Service Provider."

WHEREAS, SHA solicited proposals from Service Providers qualified to provide assistance to SHA consistent with Attachment A - Scope of Work, attached and made a part of this Contract; and

WHEREAS, the Service Provider represents that it is qualified, duly authorized and willing to provide the requested services,

NOW THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, or attached, incorporated and made a part hereof, the parties hereto agree as follows:

SECTION 1 - SCOPE OF WORK: The Service Provider shall perform such services as required by SHA to complete the work as defined in Attachment A - Scope of Work, and shall provide all labor, materials, equipment, and services necessary to perform and complete in an acceptable manner the tasks contemplated or otherwise required herein. The Scope of Work shall serve as the progress schedule and be used to measure work performed.

SECTION 2 - TIME FOR BEGINNING AND COMPLETION: The Service Provider shall not begin any work under the terms of this Contract until authorized to do so in writing by SHA. All work under this Contract shall be completed between the date authorized to begin work and the completion date specified in Attachment B – Terms and Conditions, attached and made a part of this Contract. The established completion time for the tasks and the entire contract period shall not be extended because of any delays attributable to the Service Provider, but may be extended by SHA in the event of a delay attributable to SHA, or because of unavoidable delay caused by an act of God or governmental actions or other conditions beyond the control of the Service Provider. Any extension agreed upon by the parties must be in writing, signed by both parties, and incorporated as a Change Order to this Contract.

SECTION 3 – PAYMENTS: The Service Provider agrees to perform all of the work set forth in Attachment A – Scope of Work for an amount not to exceed the Contract Amount specified in Attachment B – Terms and Conditions hereto. Such compensation shall constitute full and complete payment for work performed and/or services rendered and for all supervision, labor, supplies, materials, equipment or use thereof, and for all other expenses and incidentals necessary to complete all of the work. It is understood that this is a fixed amount and will not be increased because of any difference between the estimated and actual costs of performing the work required by this Contract.

The basis of payments (hourly rate, lump sum, etc.) is also specified in Attachment B. Payments shall be made up to the Contract Amount upon receipt of invoices and progress reports prepared by the Service Provider and submitted to SHA not more often than monthly for the duration of the Contract. Payment of any amounts due under the Contract shall not relieve the Service Provider of the obligation to perform all the work set forth in Attachment A – Scope of Work in a satisfactory manner.

Invoices must include the following information: invoice date and number; SHA's Contract number; the Contract title; the period of time for which services are being invoiced; a detailed description of the work performed for which payment is requested; and an itemization of reimbursable expenses. Documentation must be attached for reimbursable expenses as follows: backup documentation for any reimbursable expense items being invoiced that total \$250.00 or more, and sub-consultant invoices, regardless of the amount. All payments shall be processed by SHA within thirty (30) days after accurate billing and

backup documentation are received by SHA. Invoices shall be mailed to the attention of SHA's Project Manager as specified in Attachment B hereto.

SECTION 4 - COMPLETE CONTRACT: This Contract (including Attachments to the Contract), together with SHA's solicitation materials, and the Service Provider's response to the solicitation, contain all covenants, stipulations and provisions agreed upon by the parties. In the event of inconsistencies in language between these documents, the order of precedence shall first be the Contract (including Attachments to the Contract), then SHA's solicitation materials, and finally the Service Provider's response to the solicitation. No agent or representative of either party has authority to make, and the parties shall not be bound by or be liable for any statement, representation, promise or agreement not set forth herein. No changes, amendments, or modifications of the terms hereof shall be valid unless reduced to writing and signed by the parties as a Change Order to this Contract.

SECTION 5 - EXECUTION AND ACCEPTANCE: This Contract may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The Service Provider does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract by having their representatives affix their signatures below.

Service Provider
Street Address of Business
City, State, and Zip of Business

Seattle Housing Authority
120 – Sixth Avenue North
P.O. Box 19028
Seattle, WA 98109-1028

By: _____
Signature
Date
Name and Title of Signatory

By: _____
Signature
Date
Thomas M. Tierney, Executive Director

Attachments:

- A Scope of Work
- B Terms and Conditions
- C Insurance Requirements
- D General Conditions

Attachment A – Scope of Work
Service Contract No. _____

Background.

Objective.

Scope of Services

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Schedule

Project Team

is pleased to propose the following staff for this project.

Name	Title	Role	Hourly Rate

Fees

estimates _____ hours of time and an approximate cost of \$ _____ –\$ _____ to perform the services outlined in the Scope of Services section above. All work will be billed on a not-to-exceed basis at the hourly rates identified above.

If less time than estimated is required, _____ will bill for actual time spent. If additional time is required to complete the project, or if any additional services outside the scope of this project are requested, _____ will bill for subsequent charges at the stated hourly rate.

Expenses

Incidental expenses (if incurred) will be billed at cost plus 10%.

Attachment B – Terms and Conditions
(Service Contract No. ____)

Project Completion Date (Section 2 of the Contract): _____	Contract Amount (Section 3 of Contract): _____
Basis of Payment (hourly rate, lump sum, etc.) (Section 3 of Contract): _____	
Subconsultants Authorized (Attachment D, Section 1): None	
Name of Service Provider's Key Personnel Essential to the Work (Attachment D, Section 2): None	
Name and Address of SHA's Project Manager (Attachment D, Sections 3 and 9): _____	
Service Provider's Name and Address for Delivery of Notices _____	SHA's Name and Address for Delivery of Notices Seattle Housing Authority Attn: _____ P.O. Box 19028 Seattle, WA 98109-1028

Attachment C Insurance Requirements

1. General Requirements:

- A. Prior to undertaking any work under this Contract, the Service Provider shall procure and maintain continuously for the duration of this Contract, at no expense to SHA, insurance coverage as specified below, in connection with the performance of the work of this Contract by the Service Provider, its agents, representatives, employees and/or subcontractors.
- B. The Service Provider's insurance shall be primary as respects SHA, and any other insurance maintained by SHA shall be excess and not contributing insurance with the Service Provider's insurance.
- C. Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, the Service Provider's Commercial General Liability and Commercial Automobile Liability insurance coverage shall apply as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought.
- D. Failure of the Service Provider to fully comply with the insurance requirements of this Contract will be considered a material breach of contract and, at the option of SHA, will be cause for such action as may be available to SHA under other provisions of this Contract or otherwise in law, including immediate termination of the Contract.

2. Required Insurance Coverage: The following are the types and amounts of insurance coverage that must be maintained by the Service Provider during the term of this Contract. The Service Provider must provide acceptable evidence of such coverage prior to beginning work under this Contract.

- A. Commercial General Liability Insurance. A policy of Commercial General Liability insurance including bodily injury, property damage, and products/completed operations, written on an occurrence form, with the following minimum coverage:

\$1,000,000 each occurrence, and
\$2,000,000 aggregate

Coverage shall extend to cover the use of all equipment on the site or sites of the work of this Contract. In the event that the services to be provided under this Contract involve the Service Provider's contact with minor children, the Service Provider shall provide evidence that

sexual misconduct coverage has not been excluded from the policy and is covered under the policy. Acceptable evidence of sexual misconduct coverage must include an endorsement and policy excerpt(s) and is subject to approval by SHA's Risk Manager.

- B. Employers Liability or Washington Stop Gap Liability. A policy of Employers Liability or a Washington Stop Gap Liability insurance endorsement with the following minimum coverage:

\$1,000,000 each accident

- C. Commercial Automobile Liability Insurance. A policy of Commercial Automobile Liability Insurance, including coverage for owned, non-owned, leased or hired vehicles written on an insurance industry standard form (CA 00 01) or equivalent, with the following minimum coverage:

\$1,000,000 combined single limit coverage

- D. Professional Liability Insurance: A policy of Errors and Omissions Liability Insurance appropriate to the Service Provider's profession. Coverage should be for a professional error, act, or omission arising out of the scope of work as described in Attachment A – Scope of Work, with the following minimum coverage:

\$1,000,000 per Claim/Aggregate

If the Professional Liability Insurance policy is written on a claims made form, the Service Provider warrants continuation of coverage, either through policy renewals or the purchase of an extended reporting period ("tail") for a minimum of three years from the date of completion of the work authorized by the Contract. In the event that the Service Provider is authorized to engage subcontractors, each subcontractor shall provide evidence of separate professional liability coverage equal to the levels specified above, unless such requirement is waived in writing by SHA.

- E. Workers Compensation. A policy of Workers Compensation. As respects Workers Compensation insurance in the State of Washington, the Service Provider shall secure its liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington (RCW). If the Service Provider is qualified as a self-insurer in

Attachment C Insurance Requirements

accordance with Chapter 51.14 RCW, the Service Provider shall so certify by a letter signed by a corporate officer, indicating that it is a qualified self-insured, and setting forth the limits of any policy of excess insurance covering its employees, or any similar coverage required.

3. Additional Insured Endorsement: The Seattle Housing Authority must be named as an Additional Insured on a primary and non-contributory basis on all Commercial General Liability policies of the Service Provider. A policy endorsement (form CG2010B or equivalent) must be provided to SHA as evidence of additional insured coverage.
4. Proof of Insurance and Insurance Expiration:
 - A. The Service Provider shall furnish certificates of insurance and policy endorsements as evidence of compliance with the insurance requirements of the Contract. Such certificates and endorsements must be signed by a person authorized by that insurance company to bind coverage on its behalf.
 - B. The Service Provider shall include all subcontractors at any tier as insureds, and ensure that the Service Provider's coverage of subcontractors under the Service Provider's policies is not excluded by any policy provision or endorsement. Alternatively, the Service Provider shall:
 - 1.) Obtain from each subcontractor not insured under the Service Provider's policy or policies of insurance, evidence of insurance meeting all the requirements of this Contract, and
 - 2.) Maintain such evidence on file for a period of one year after the completion of this
- Contract and, upon request, submit such evidence to SHA for examination.
- C. The Service Provider's insurance shall not be reduced or canceled without forty-five (45) days prior written notice to SHA. The Service Provider shall not permit any required insurance coverage to expire during the term of this Contract.
- D. SHA reserves the right to require complete, certified copies of all required insurance policies at any time during the term of this Contract, or to waive any of the insurance requirements of this Contract at its sole discretion.
5. Carrier Review and Approval Authority: Insurance policies, deductibles, self-insured retentions, and insurance carriers will be subject to review and approval by SHA. All insurance shall be carried with companies that are financially responsible. Generally, except for Professional Liability Insurance coverage, all carriers of insurance or reinsurers must have and maintain a rating of "A VII" or better as identified in the *A. M. Best Insurance Rating Guide*, most recent edition. Insurance carriers or reinsurers who do not have a rating of "A VII" or better may not be used without written approval of SHA's Risk Manager. All carriers or reinsurers of Professional Liability (Errors and Omissions) Insurance must have and maintain a rating of "B+VII" or better as identified in the *A. M. Best Insurance Rating Guide*, most recent edition. Insurance carriers or reinsurers for Professional Liability Insurance who do not have a rating of "B+VII" or better may not be used without written approval of SHA's Risk Manager.

Attachment D General Conditions

1. RESTRICTIONS UPON TRANSFER: The Service Provider shall not assign or subcontract any of its rights or obligations under this Contract or subcontract, or transfer any services, obligations, or interest in this Contract unless the Service Provider's intent to issue such assignment or subcontract was included in the Service Provider's application or plan to provide services or is specifically approved in writing by SHA, as referenced in Attachment B. Any such approved assignment or subcontract shall be subject to each provision of this Contract and any procurement procedures required by SHA, the State of Washington, or the United States. In the event of any approved subcontract, SHA shall continue to hold the Service Provider responsible for proper performance of the Service Provider's obligations under this Contract.

In the event that the Service Provider enters into a subcontract for work or services to be provided under this Contract, the Service Provider shall cause all applicable provisions of this Contract to be inserted in all its subcontracts.

2. SUBSTITUTIONS: The Service Provider's key personnel identified in Attachment B to this Contract are considered to be essential to the work effort. Prior to diverting or substituting any of the specified individuals, the Service Provider shall notify SHA reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on this Contract. Any proposed substitute must have qualifications equal to or better than the key personnel being replaced. No diversion or substitution of such key personnel shall be made by the Service Provider without the prior written consent of SHA.

3. DISPUTES: Any disputes or misunderstandings that may arise under this Contract concerning the Service Provider's performance shall first be resolved through amicable negotiations, if possible, between the Service Provider's Project Manager and SHA's Project Manager indicated in Attachment B, or if necessary, shall be referred to SHA's Executive Director and the Service Provider's senior executive(s). If such parties do not agree upon a decision within a reasonable period of time, the parties may pursue other legal means to resolve such disputes, including but not limited to, alternate dispute resolution processes.

This Contract shall be construed and interpreted in accordance with the laws of the State of Washington. The venue of any action brought hereunder shall be in the Superior Court for King County.

4. COMPLIANCE WITH LAWS: In performing the work and providing the services under this Contract, the Service Provider shall comply with all applicable laws of the United States, the State of Washington; and the City

of Seattle; and the applicable rules, regulations, orders and directives of their administrative agencies and officers thereof. Such provisions include, but are not necessarily limited to:

A. Anti-lobbying Certification: No Federal appropriated funds have been paid or will be paid, by or on behalf of the Service Provider, to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an officer or employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the Service Provider shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying," in accordance with its instructions.

The Service Provider further agrees to include the language of this certification in the award documents for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

B. Nondiscrimination/Equality of Opportunity: The Service Provider shall comply with applicable non-discrimination and equal opportunity provisions of the laws and regulations of the United States, the State of Washington, and the City of Seattle.

C. Compliance with Federal Section 3 Requirements: In order to meet SHA's goal of economic opportunity for lower-income persons, the Service Provider agrees to abide by the terms and conditions of this Section, established pursuant to the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u (hereinafter referred to as "Section 3").

1. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. The purpose of Section 3 is to ensure that employment and

Attachment D General Conditions

- other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
2. The parties to this Contract shall comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
 3. The Service Provider agrees to send to each labor organization or representative of workers with which the Service Provider has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Service Provider's commitments under this Section 3 clause, and will post copies of the notice in a conspicuous place at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
 4. The Service Provider agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Service Provider will not subcontract with any subcontractor where the Service Provider has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
 5. The Service Provider will certify that any vacant employment positions, including training positions, that are filled (1) after the Service Provider is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Service Provider's obligations under 24 CFR part 135.
 6. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.
 7. With respect to work performed in connection with Section 3-covered Indian Housing Assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).
 8. If the Service Provider is a Section 3 business and was selected by SHA based on evaluation points assigned under the Section 3 business preference requirements of the solicitation for committing to subcontract more than 25% of the dollar amount of all subcontracts to Section 3 businesses, the Service Provider agrees to meet the Section 3 subcontracting commitment. Failure of the Service Provider to fulfill the Section 3 subcontracting commitment shall be deemed a material breach of contract, which may result in SHA taking any or all of the following actions: (1) demanding specific performance of the subcontracting plan; (2) withholding from contract payments the dollar amount of any or all subcontracts that were to have been awarded to Section 3 businesses or such lesser amount as may be appropriate, (3) withholding any liquidated damages that SHA may incur as a result of the Service Provider's failure to comply with its Section 3 commitment and subcontracting plan; and (4) declaring the Service Provider ineligible to compete for, or participate in, any SHA contract for a period of five years from the date of close out of the contract in which the Section 3 subcontracting commitment was made.
- D. Prevailing Wages: If contractor is to provide work or services in connection with this procurement, contractor shall be required (and by its acceptance of this purchase order agrees) to pay its employees for such work and services not less than the prevailing rates of wage required by law.

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- E. Clean Air and Water: On federally-funded contracts in excess of \$100,000, consistent with the provisions of 24 CFR 85.36(i)(12), the Service Provider shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These provisions shall also apply to any subcontract of the Service Provider in excess of \$100,000.
- F. Energy Efficiency: When applicable, the Service Provider shall comply with all standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163) for the State in which the work under this Contract is performed.

6. EXTRA WORK: SHA may desire to have the Service Provider render services in connection to this project in addition to the items specified in Attachment A - Scope of Work. Such services shall be considered to be extra work and will be specified in a Change Order to this Contract, which shall set forth the nature and scope of the additional work as well as the level, maximum amount and methods of compensation to the Service Provider for the additional work to be performed. Such additional services shall not be initiated until a Change Order authorizing such work is executed.

In the event that SHA may desire to have the Service Provider render additional services, the Service Provider shall provide supporting cost information in sufficient detail to permit SHA to perform the required cost or price analysis required pursuant to 24 CFR 85.36 (f) prior to the issuance of a Change Order for such services.

7. INDEMNIFICATION: The Service Provider agrees to indemnify and hold SHA, its agents, employees and Commissioners harmless from any and all suits, claims, costs, including claims for wages and employment benefits, taxes or liabilities of any sort, including costs and expense for, or on account of injuries or damages arising from acts or omissions of the Service Provider committed in connection with the services to be provided pursuant to this Contract. If an action is brought against SHA, which action arises from services provided pursuant to this Contract, the Service Provider shall, upon notice, defend same at its sole cost. The Service Provider agrees that its obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees or agents.

In any action against SHA and any other entity indemnified in accordance with this section, by any

employee of Service Provider, its Subcontractors (the term Subcontractors as used in this Contract shall include sub-consultants), Sub-subcontractors, agents, or anyone directly or indirectly employed by any of them, the indemnification obligation of this section shall not be limited by a limit on the amount or type of damages, compensation, or benefits payable by or for the Service Provider or any Subcontractor under RCW Title 51, the Industrial Insurance Act, or any other employee benefit acts. In addition, Service Provider waives immunity, as to SHA only, in accordance with RCW Title 51.

8. NOTICE REQUIREMENTS: Whenever notice is required to be given under this Contract, it shall be given in writing, and such notice shall be given by certified or registered mail to the addresses specified in Attachment B to this Contract or to such subsequent respective addresses as either party may hereafter designate in writing.

Notice sent by mail shall be deemed to have been given three (3) days after proper mailing, and the postmark affixed by the U. S. Post Office shall be conclusive evidence of the date of mailing. Approvals, where required by this Contract, shall be effective in the same manner.

9. PROJECT MANAGEMENT: This project shall be managed for SHA by the person specified in Attachment B to this Contract, who shall either directly or indirectly through such others as are designated in writing by the Project Manager provide direction to the Service Provider in performing the work of this Contract.

10. STATUS OF SERVICE PROVIDER AND EMPLOYEES:

A. Non-Representation: Neither the Service Provider, the Subcontractor, employees, agents, or volunteers of the Service Provider or Subcontractor, shall be deemed or represent themselves as employees of SHA or the grantor funding this project on account of the services performed in connection with this Contract.

B. Involvement of Former SHA Employees: The Service Provider agrees to inform SHA of any former SHA employee who terminated SHA employment in the last twelve (12) months prior to execution of any project specific contract, and who will be working on or subcontracting for any of the work. The Service Provider further agrees that no work will be done by a former SHA employee who terminated SHA employment in the last twelve (12) months prior to execution of any project specific contract, and who, in the course of official SHA duties, was involved in, participated in or acted on any matter related to this Contract.

Attachment D General Conditions

C. No Conflict of Interest: The Service Provider confirms that the Service Provider does not have a business interest or a close family relationship with any SHA employee who was, is, or will be involved in the Service Provider selection, negotiation, drafting, signing, administration, or evaluating the Service Provider's performance. As used in this section, the term "Service Provider" shall include any employee of the Service Provider who was, is, or will be involved in the negotiation, drafting, signing, administration, or performance of the Contract. As used in this section, the term "close family relationship" refers to the following: spouse or domestic partner; any dependent parent, parent-in-law, child, son-in-law, or daughter-in-law; or any parent, parent-in-law, sibling, uncle, aunt, cousin, niece or nephew residing in the household of an SHA employee described above.

11. TERMINATION FOR CONVENIENCE AND DEFAULT:

- A. SHA may terminate this Contract in whole, or from time to time in part, for SHA's convenience or the failure of the Service Provider to fulfill the contract obligations (default). SHA shall terminate by delivering to the Service Provider a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Service Provider shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to SHA all information, reports, papers, and other materials accumulated or generated in performing this Contract, whether completed or in process.
- B. If the termination is for the convenience of SHA, SHA shall be liable only for payment for services rendered before the effective date of the termination.
- C. If the termination is due to the failure of the Service Provider to fulfill its obligations under the Contract (default), SHA may (1) require the Service Provider to deliver to it, in the manner and to the extent directed by SHA, any work as described in subparagraph A(2) above, and compensation be determined in accordance with the Extra Work section of this Contract; (2) take over the work and prosecute the same to completion by contract or otherwise, and the Service Provider shall be liable for any additional cost incurred by SHA; and (3) withhold any payments to the Service Provider, for the purpose of set-off or partial payments, as the case may be, of amounts owed SHA by the Service Provider.
- D. If, after termination for failure to fulfill contract obligations (default), it is determined that the Service Provider had not failed, the termination shall

be deemed to have been effected for the convenience of SHA, and the Service Provider shall be entitled to payment as described in paragraph B above.

E. Any disputes with regard to this section are expressly made subject to the terms of the Disputes section of this Contract.

12. OWNERSHIP: All records, reports, documents and other materials produced in connection with or provided to SHA under the terms of this Contract shall become the exclusive property of SHA, and shall not be reproduced by or used by the Service Provider without the express written consent of SHA.

13. ROYALTIES AND PATENTS: The Service Provider shall pay all royalties and license fees. It shall defend all suits or claims for infringement of any patent rights and shall save SHA harmless from loss on account thereof; except that SHA shall be responsible for all such loss when a particular design, process or the product of a particular manufacturer or manufacturers is specified and the Service Provider has no reason to believe that the specified design, process, or product is an infringement. If, however, the Service Provider has reason to believe that any design, process or product specified is an infringement of a patent, the Service Provider shall promptly notify the Project Manager. Failure to give such notice shall make the Service Provider responsible for resultant loss.

14. AUDITS AND RECORDS RETENTION:

- A. SHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this Contract, have access to and the right to examine any of the Service Provider's directly pertinent books, documents, papers, or other records involving transactions related to this Contract for the purpose of making audit, examination, excerpts, and transcriptions.
- B. The Service Provider agrees to include in first-tier subcontracts under this contract a clause substantially the same as in paragraph (a) above. "Subcontract," as used in this clause, excludes contracts not exceeding \$10,000.
- C. The periods of access and examination in paragraphs A and B above for records relating to litigation or settlement of claims arising from the performance of this Contract, or costs and expenses of this Contract to which SHA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such litigation, claims, or exceptions.

Attachment D

General Conditions

15. RENEWALS AND EXTENSIONS: The parties may mutually agree to extend the Contract. Upon the completion of the extended date of this Contract, this Contract will expire unless the parties execute a Change Order extending the term of the Contract.