

The State Bar of California

REQUEST FOR PROPOSAL



This document is a Request for Proposal (“RFP”) for an additional provider to add to the State Bar’s Affinity Program.

The State Bar is seeking proposals for additional business and personal services for its member benefits program in the area of Student Loan Financing Services. Contract terms desired are for an initial period of two years, with an option to renew for an additional 1 year term.

Please submit 6 copies of your proposal no later than 4 p.m. on May 27, 2014 to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attn: Raquel Hines
Insurance & Infinity Programs
415-538-2201
raquel.hines@calbar.ca.gov

I. INTRODUCTION

The State Bar of California (“the State Bar”) created in 1927 by the Legislature and adopted into the California Constitution in 1960, is a public corporation within the judicial branch of state government. The primary purpose of the State Bar is to serve as an administrative adjunct to the California Supreme Court in all matters pertaining to the admission, discipline, and regulation of California lawyers. The State Bar Act and California court rules vest in the State Bar the duty to regulate the legal profession, formulate and elevate educational and professional standards, raise the quality of legal services, advance the science of jurisprudence, and aid in the improvement of the administration of justice.

The State Bar is a unified, or integrated bar, and membership is mandatory for all attorneys who are licensed to practice law in the state. In addition to its mandated licensing and disciplinary and certification functions, the State Bar offers a number of other programs designed to assist, educate and protect its members and the public. The State Bar’s programs are financed primarily by fees paid by attorneys and applicants to

practice law. The State Bar has over 238,000 members, making it the largest unified state bar in the country. The State Bar has offices located in Los Angeles and San Francisco. For more than 80 years, The State Bar of California has shaped the development of the law, regulated the professional conduct of the state's lawyers and provided greater access to the justice system for all citizens. More information about the organization can be found at <http://www.calbar.ca.gov/AboutUs.aspx>.

In addition, The State Bar of California runs a benefits program for its members called *CalBar Connect*. The purpose of the program is to provide State Bar members and their families with specialized programs for goods and services that they need either personally or professionally. The program also provides the State Bar with a source of non-dues revenue. The program is marketed through the following means:

1. CalBarConnect.com: The program web-site contains information on all program offerings as well as web-links and/or other methods of contacting program providers.
2. *CalBar Connect* Discount card and Direct Marketing. *CalBar Connect* materials are included in many of the regulatory mailings made by The State Bar of California. A discount card is included alongside the State Bar Membership card and brochures are included in mandatory mailings. *CalBar Connect* is also featured in the CalBar eJournal.
3. Trade Show Activity: *CalBar Connect* has a visible presence at the State Bar Annual Meeting and is an annual sponsor of the Young Lawyers event and participates actively in other bar-sponsored events.
4. Marketing: *CalBar Connect* providers may purchase the State Bar postal mailing list to market their programs. These mailings carry the *CalBar Connect* Logo and drive traffic to the web-site which benefits the programs as a whole.

Note that The State Bar of California has restrictions in place concerning the use of member e-mails. Both the State Bar and CalBar Connect providers face serious limitations on the use of member email.

II. STATEMENT OF WORK

Currently, the *CalBar Connect* program consists of approximately 30 different offerings from 10-12 different partners. Services offered are roughly split between personal and professional goods and services. The categories of programs cover insurance, financial services, consumer products and professional software. Approximately 45,000 members of the State Bar have purchased a product or service through *CalBar Connect* in the last three years.

New program vendors are generally offered a two-year agreement with an automatic 1 year extension if both parties choose to continue the relationship. Generally *CalBar Connect* providers are exclusive in their respective business areas. All vendors are expected to sign the Standard *CalBar Connect* vendor agreement and complete our ADA standards questionnaire, pay quarterly royalties and provide regular sales reports. All partners have a page on *CalBar Connect* and may from time to time be featured in other marketing materials

A. Description of Desired Products & Services

The State Bar has identified an additional need to make available to State Bar members a program that will assist them in reducing the burden of student loan debt and to do so conveniently and at better terms than they could generally otherwise obtain on their own. The specific services that a Program Administrator will provide are:

1. Negotiate with various entities and service providers in order to create access to a selection of product options for members of the State Bar of California.
2. Educate members about state and federal developments pertaining to student loan debt, including their rights and responsibilities.
3. Assist with various aspects of administering programs and services.

B. Detailed Marketing Requirements

1. Experience in marketing your loan repayment assistance program specifically in an association setting (including, if available, sample penetration rates achieved by these programs) and experience in using target marketing to increase penetration rates.
2. Provide significant Internet functionality, enabling members to obtain complete information on products and preliminary price quotes (subject to final underwriting) and, if practicable, to compare such products with competitive products online. In addition, design a customized landing page that will link from our main *CalBar Connect* site to yours’.
3. Dedicate specifically described resources and personnel to market and service sponsored products to the members of the State Bar of California.
4. Employ multiple marketing approaches, including the use of direct mail, appearances at the State Bar Annual Meeting, print advertisement, and advertisement on Internet resources typically used by State Bar members. Provide e-mail marketing programs in compliance with State Bar of California e-mail policies. (The State Bar does not allow unauthorized e-mail solicitation).

5. Work well with the State Bar to promote the strength and growth of the program.
6. Assist with the creation and implementation of communication materials (flyers, brochures, presentations, etc.) that help to improve awareness and understanding of various program benefits, including:
 - a. Provide materials for Law School Educational programs and New Admittee Swearing-In Ceremonies.
 - b. Attend meetings and provide support as needed.

C. Management Reports

The selected Program Administrator(s) will be required to provide reasonable quarterly and annual management reports, including:

1. Quarterly Reports of applications received and accepted/issued by category, gross premium, cancellations and non-renewals, complaints and any litigation.
2. Annual Reports should include the information listed above, and should also include: financial reports, recommendations for improvements to the program, member contracts in-force, pure loss and combined ratios, marketing activities (including statistics on response rates and yield rates of marketing campaigns), plans and targets and reinsurance arrangements.

III. GENERAL INFORMATION

The submission requirements for this RFP are set forth below. A proposal shall constitute an irrevocable offer for 120 days following the deadline for its submission. Reference to a certain number of days in this RFP shall mean business days unless otherwise specified.

Contact with State Bar personnel in connection with this RFP may not be made other than as specified in this RFP. Unauthorized direct or indirect contact with any State Bar personnel may be cause for rejection of a bid.

A. Submission Requirements

To be considered responsive, a proposal must contain the following, prefaced by a table of contents, referenced by number and in the order below. Proposals may include parts of the original RFP if answering questions asked or used in tailoring a specific response, but should not be included in full unaltered form for filler. If specific submission requirements are particularly large and self-contained (i.e., annual reports, 10-k, users' guide, etc.) they may be included in a separate

appendix. Proposals should not direct the evaluation team to visit online sources to obtain information, or include *to be provided after award*, or *provided upon request* clauses.

1. A brief description of the history and organization of the bidder's firm, and of any proposed subcontractors.
2. Copies of business licenses, professional certifications or other credentials, together with evidence that bidder, if a corporation, is in good standing and qualified to conduct business in California.
3. The most recent year's annual reports, or comparable document, including detailed current profit and loss, assets and liabilities, lender's largest investors, funding sources and other relevant financial data. Bidders must submit Attachment A: Vendor History Questionnaire in hardcopy format per instructions below.
4. A description of at least three (3) similar projects completed by the bidder within the past three (3) years. Include personal references with contact information for each.
5. Qualifications, background and experience of the project director and other staff proposed to work on the project.
6. A general description of the techniques, approaches and methods to be used in completing the project, including a description of the good/service/program to be offered and a clear explanation of the discount or benefit that will be obtained by members purchasing the offering. Include examples of the customer experience and application process. Indicate security standards employed and any special service features available to the client in the mobile or electronic-based arena. Scoring weight will be given to offers that are unique and not easily obtainable through other discount programs.
7. A description of the loans that will be eligible for refinancing.
8. A marketing plan which details how the product/service will be marketed.
9. An estimate of the anticipated revenue stream and annual sales revenue anticipated over a three year period.
10. A description of how your program will link to the *CalBar Connect* Website including any requirements that the State Bar will incur. Please include how leads are verified and a description of the customer experience.

11. A projection of the anticipated revenue to be generated by the State Bar either through revenue sharing or marketing contributions and the methods used for calculation. The proposal should be based on any arrangements that you believe would maximize revenue to the State Bar while continuing to provide State Bar members with pricing advantages and/or other unique benefits they could not generally obtain on their own. It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in [Section 17030](#) of the Business and Professions Code.
12. A written acknowledgement of the acceptance of the Contracting Requirements set forth in section IV of this RFP. Specific terms may be reserved for future negotiation, but must be clearly identified and reasons given for the reservation.

B. Submission Requirements Format Summary

Proposals should be prepared simply and economically, providing a straightforward and concise description of the Vendor’s ability to meet the requirements of this RFP. Emphasis should be on completeness and clarity of content.

1. Deliver 6 physical hardcopies to the attention of Raquel Hines, no later than 4 p.m. May 27, 2014.
2. Each set should include all attachments requested, *no electronic submissions required*.

Proposals that fail to address each of the submission requirements above may be deemed non-responsive and will not be further considered. The State Bar, solely upon its own discretion, will judge vendors on their overall compliance, and may judge a vendor to be materially compliant, even if that vendor is non-compliant to a particular requirement of the RFP. Note that responses to questions must be specifically answered within the context of the submitted proposal. The State Bar’s evaluation team will not refer to a designated web site, brochure, or other location for the requested information. Responses that utilize references to external materials as an answer will be considered non-responsive.

C. Rejection of Proposals

The State Bar reserves the right in its sole discretion to reject any or all proposals in whole or in part, without incurring any cost or liability whatsoever. All proposals will be reviewed for completeness of the submission requirements. If a proposal fails to meet a material requirement of the RFP, or if it is incomplete or

contains irregularities, the proposal may be rejected. A deviation is material to the extent that a proposal is not in substantial accord with RFP requirements.

Immaterial deviations may cause a bid to be rejected. The State Bar may or may not waive an immaterial deviation or defect in a proposal. The State Bar's waiver of an immaterial deviation or defect will in no way modify the RFP or excuse a bidder from full compliance with the RFP requirements.

Any proposal may be rejected where it is determined to be not really competitive, or where the cost is not reasonable.

Proposals that contain false or misleading statements may be rejected if in the State Bar's opinion the information was intended to mislead the State Bar regarding a requirement of the RFP.

D. Evaluation Process and Highest Scored Bidder

An evaluation team will review, in detail, all proposals that are received to determine the Highest Scored Bidder (“HSB”).

Following the initial review and screening of the written Proposals, using the selection criteria described below, several bidders may be invited to participate in the final selection process, which may include participation in an oral interview and/or submission of any additional information as requested by the State Bar.

The State Bar reserves the right to determine the suitability of proposals on the basis of a proposal's meeting administrative requirements, technical requirements, the review team's assessment of the quality and performance of the equipment and services proposed, and cost.

During the evaluation process, the State Bar may require a bidder's representative to answer questions with regard to the proposal and/or require certain bidders to make a formal presentation to the evaluation team and/or the State Bar Senior Executive Team. The State Bar may also have discussions with those bidders falling within a competitive range, request revised pricing offers from such bidders, and make an award and/or conduct negotiations thereafter.

This Request for Proposal does not commit the State Bar to awarding a Contract. Bidders shall bear all costs incurred in the preparation of the Proposal and participating in the Proposal evaluation process. The State Bar reserves the right to reject any and all Proposals, to accept the Proposal it considers most favorable in its sole discretion, and to waive minor irregularities. The State Bar further reserves the right to seek new Proposals when such procedure is considered by it to be in the best interest of the State Bar.

1. The following criteria will be used in reviewing and comparing the proposals and in determining the HSB. The State Bar reserves the right to decide to select more than one single marketing partner, if it is determined to best serve the diverse needs of its members. If a non-exclusive award is preferred, the highest-scored bidders will be determined using the process below.
 - a. Responsiveness of the proposal to the submission requirements set forth in the RFP (10%).
 - b. Agreement with the State Bar's contracting requirements (10%).
 - c. The technical ability, financial viability, capacity, and flexibility of the bidder to perform the contract and deliver the unique products and/or services to the State Bar membership, as verified by, e.g., the quality of any demonstration, client references, demonstrated success in projects with similar requirements and any other contracts with the State Bar (50%).
 - d. The total cost of the proposal solution including projected revenues generated less program operating costs, if any. If the proposal contains itemized rates, per piece pricing, or commission-based pricing, the State Bar reserves the right to calculate totals by calculating rates using either previous known usage activity or future projected volume. (30%).
2. If a large number of proposals are received, the State Bar reserves the right to review the proposals using a tiered evaluation system. All qualified proposals will be evaluated based on the Submission Requirements and Cost, with the top candidates advancing as finalists and receiving a full evaluation as outlined above.

E. Award and Execution of Contract

Subject to the State Bar's right to reject any or all proposals, the highest-scored bidder (or bidders) will be awarded the contract. This may initially be a single award, or several awards in non-competing service categories. Notice will be posted at the State Bar's offices at 180 Howard Street, San Francisco, CA and written notice sent to bidders on or about July 25, 2013 of the Bar's intention to award the contract to the highest-scored bidder (or bidders). It is anticipated that final selection of the HSB will be made by August 1, 2013. The evaluation team will select a winning proposal subject to approval by the Board of Trustees. Upon selection, the State Bar and the selected Vendor will enter into good faith negotiations on a contract containing, without limitation, the Statement of Work and Contracting Requirements sections below.

No contract or agreement, express or implied, shall exist or be binding on the State Bar before the execution of a written contract by both parties. If agreement on the terms of such a contract cannot be reached after a period deemed reasonable by the State Bar in its sole discretion, the State Bar may enter into negotiations and sign a contract with any other bidder who submitted timely, responsive and responsible proposals to this RFP.

If, after the State Bar and the HSB agree to terms and execute a contract, that contract is terminated for any reason, the State Bar may, in its sole discretion, either enter into negotiations with the next highest scored bidder, or issue a new RFP and begin the proposal process anew.

Questions regarding the State Bar's award of any business on the basis of proposals submitted in response to the RFP, or on any other matter in connection with the selection process, should be addressed in writing to andrew.conover@calbar.ca.gov.

Where written notice is required in this RFP, the notice must be sent by U.S. mail and either facsimile or e-mail.

F. Errors in the RFP

If a bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the bidder should immediately provide the State Bar with written notice of the problem and request that the RFP be clarified or modified. Without disclosing the source of the request, the State Bar may modify the document prior to the date fixed for submission of proposals by issuing an addendum to all potential bidders to whom the RFP was sent.

If prior to the date fixed for submissions, a bidder knows of or should have known of an error in the RFP but fails to notify the State Bar of the error, the bidder shall bid at its own risk, and if, awarded the contract, shall not be entitled to additional compensation or time by reason of the error or its later correction.

G. Questions Regarding the RFP

Questions regarding the RFP may be addressed in writing to Raquel Hines at Raquel.hines@calbar.ca.gov. All questions must be submitted no later than 8 days prior to the date for submission of proposals. Questions and answers regarding the RFP may be shared with all bidders known to be interested in submitting a proposal.

If a question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the bidder may submit the question in writing, conspicuously marking it as "CONFIDENTIAL." With the question, the bidder must submit a statement explaining why the question is

sensitive. If the State Bar concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the State Bar does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the bidder will be notified.

A bidder, who believes that one or more of the RFP's requirements is onerous or unfair, or unnecessarily precludes less costly or alternative solutions, may submit a written request that the RFP be changed. The request must set forth the recommended change and reason for proposing the change. The State Bar must receive any such request no later than 5 days before the deadline for submitting proposals.

H. Addenda

The State Bar may modify the RFP prior to the date fixed for submission by posting, mailing, emailing or faxing an addendum to the bidders known to be interested in submitting a proposal. If any bidder determines that an addendum unnecessarily restricts its ability to bid, it must notify the State Bar in writing no later than 5 days before the deadline for submitting proposals.

I. Withdrawal and Resubmission/Modification of Proposals

A proposal may be withdrawn at any time prior to the deadline for submitting proposals by notifying the State Bar in writing of its withdrawal. The notice must be signed by the bidder. The bidder may thereafter submit a new or modified proposal, provided that it is received at the State Bar no later than the deadline.

Modification offered in any other manner, oral or written, will not be considered. Proposals cannot be changed after the evaluation process begins.

J. Protest Procedure

A bidder may protest the award if it meets all the following conditions:

1. The bidder has submitted a proposal that it believes is or should have been the HSB, under the criteria set forth above;
2. The bidder believes that its proposal meets the State Bar's administrative and technical requirements, proposes services of proven quality and performance, and offers a competitive cost to the State Bar; and
3. The bidder believes that the State Bar has incorrectly selected another bidder.

A bidder qualified to protest should contact Andrew Conover, Finance Manager, (415) 538-2207, to attempt an informal resolution. If this contact is unable to resolve the protest to the bidder's satisfaction, the bidder must file a written protest within 5 days of the notice of intention to award the contract. The written protest must state the facts surrounding the issue and the reasons the bidder believes the award to be invalid. The protest must be sent by certified or registered mail or delivered personally to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attention: Peggy Van Horn, Chief Financial Officer

Protests will be reviewed and decided by the State Bar's Award Protest Team within 30 days after the State Bar issues written acknowledgment of the protest. In the event that a protest is filed, the contract award will be postponed pending resolution of the protest.

K. News Releases

News releases pertaining to the award of a contract may not be made without the prior written approval of the State Bar.

L. Disposition of Materials

All materials submitted in response to an RFP will become the property of the State Bar of California and will be returned only at the State Bar's option and at the expense of the bidder. One copy of each proposal will be retained for the State Bar's official files and become a public record. Specific limited pages of a proposal, not including proposed cost and compensation, may be marked as proprietary and confidential. The entire proposal cannot be deemed confidential. The bidder's consent will be requested before release of such confidential pages to non-State Bar personnel. By submitting a proposal, a bidder agrees to these terms and waives any right to pursue a cause of action for damages incurred as a result of the release of any information contained in a proposal.

IV. CONTRACTING REQUIREMENTS

Upon selection of a vendor, the terms set forth in this RFP are to be embodied in a definitive agreement containing such additional covenants and other provisions as may be mutually acceptable.

The State Bar contemplates that, in addition to the terms described above in this RFP, final agreement between the State Bar and the selected vendor will include, without limitation, the following terms. Submission of a proposal shall constitute agreement to

contract on these terms, except for any term specifically reserved in the proposal for future negotiation.

A. Time of Essence

Time is of the essence with respect to Vendor's performance of the services and equipment to be provided in the final agreement.

B. Warranties and Representations

Vendor warrants and represents that it possesses such expertise, experience and resources to perform the scope of services required in a diligent, timely and professional manner consistent with the standards of the industry. Vendor represents and warrants that none of its work performed under this Agreement will infringe on the rights of third parties. Vendor will supply at all times an adequate number of well-qualified personnel to perform the work. Vendor will provide a contact person available and authorized to remedy any non-conformity with this warranty. If any of Vendor's work is found to be infringing, Vendor will correct the work to be non-infringing at no charge to the State Bar.

1. Contractor represents and warrants that: (i) as of the effective date of the contract, the Landing Page and Contractor's website comply with the State Bar of California Accessibility Standards in Procurement ("Accessibility Standards"), attached as Exhibit 1, as they exist at the time of entering the contract, unless and to the extent that Parties otherwise expressly agree in writing.
2. In the event Contractor should have known, becomes aware, or is notified that the Landing Page and Website do not comply with the Accessibility Standards, Contractor represents and warrants that it will, in a timely manner and at no cost to the State Bar, perform all necessary steps to satisfy the Accessibility Standards, including but not limited to remediation, replacement, and upgrading of the Landing Page or Website.
3. Contractor acknowledges and agrees that these representations and warranties are essential inducements on which the State Bar relies in awarding this contract.

In the event of a breach of Contractor's representations and warranties, Contractor will be liable for direct and consequential damages and any other remedies to which the State Bar may be entitled. This remedy is cumulative of any and all other remedies to which the State Bar may be entitled under this contract and other applicable law.

C. Equipment, Tools, Supplies

The Vendor will supply all equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services and insurance required. The Vendor is not required to purchase, rent or hire any equipment, tools, supplies, offices, transportation, personnel, insurance or instrumentalities from the State Bar. The State Bar has no obligation whatsoever to provide any equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services or insurance required to perform services under this agreement.

D. Indemnity Obligations of Vendor

Contractor will indemnify and defend the State Bar (its Board of Trustees, officers, committee members, consultants, advisors, employees, and agents as the same may be constituted from time to time) against any and all third party claims, damages, liabilities, costs and expenses including reasonable attorneys' fees, that arise out of or in connection with: (a) the goods or services offered by Company pursuant to Section 2; (b) Contractor's unauthorized use of the State Bar's intellectual property; (c) Contractor's unauthorized use of the Mailing List; (d) the breach of Contractor of this Agreement or any agreement between Contractor and a Member; (e) Contractor's direct mail or website content or use of the Calbar Connect website including but not limited to claims of infringement of intellectual property rights; (f) Contractor's acts or omissions in the performance of its services under this Agreement; or (g) Contractor's willful misconduct. The above obligation to indemnify shall not apply to the extent any such claims, damages, liabilities or costs arise out of the gross negligence or intentional misconduct of the State Bar (its Board of Trustees, officers, committee members, consultants, advisors, employees, and agents).

E. Insurance Obligations of Vendor

The Vendor will provide and keep in full force and effect during the term of this agreement, at the Vendor's own cost and expense, the following insurance policies for the joint benefit of the Vendor and the State Bar, with an insurer reasonably acceptable to the State Bar:

1. Commercial general liability insurance with a general aggregate limit (other than products/completed operations) of at least Two Million Dollars (\$2,000,000.00); at least One Million Dollars (\$1,000,000.00) personal and advertising injury limit; at least One Million Dollars (\$1,000,000.00) premises and operations limit; at least One Million Dollars (\$1,000,000.00) each occurrence limit.

The Vendor will deliver to the State Bar offices at 180 Howard Street, San Francisco, CA 94105 Attn: Risk Management, true and correct copies of its insurance policies required above, and certificates of such insurance within seven (7) days of the execution of this agreement. Each such policy will name the State Bar as an additional insured and will state that the Vendor's policy shall be primary and that any insurance carried by the State Bar shall be noncontributing with respect thereto. Each such policy will provide for thirty (30) days prior

written notice to the State Bar in the event of cancellation or reduction in coverage or amount. If the Vendor fails to secure and maintain insurance policies complying with the provisions of this agreement, the State Bar may purchase the appropriate insurance policies and the Vendor will pay upon demand the cost of it to the State Bar or the State Bar may terminate this agreement. Additionally, if the Vendor assigns any portion of the duties under this agreement, each subcontractor or assignee will purchase and maintain the same insurance coverage required hereunder.

The Vendor will immediately notify the State Bar if the Vendor's commercial general liability insurance contains restrictive endorsements other than those restrictive endorsements normally included in the State of California. If the Vendor's commercial general liability insurance contains such restrictive endorsements, the Vendor shall have five (5) business days to remove said restrictions. If the Vendor is unable to do so, the State Bar may terminate this agreement, and will be required to give the Vendor no more than two (2) days' notice of such termination, anything in this agreement to the contrary notwithstanding.

F. Termination

1. **At Will.** The agreement may be terminated by the State Bar, in its sole and complete discretion, upon thirty (30) days written notice to Vendor. In the event of termination pursuant to this section, the vendor's sole compensation will be for that portion of services performed or goods delivered up to the date of termination, together with reimbursable expenses, if any then due. Vendor will not be paid for any services, goods or reimbursable expenses associated with any work or service not specifically authorized by the State Bar.
2. **Authorization of Funds.** If the term of this agreement extends into fiscal year(s) subsequent to that in which it is signed, it is understood that the continuation of this contract is subject to the authorization of sufficient funding for such purpose by the California State Legislature. If sufficient funds are not so authorized, the parties mutually agree that the contract may be terminated or amended as appropriate in response to the reduction in funding. If the agreement is terminated, Contractor agrees to take back any affected equipment, products, software, or hardware furnished under this contract, and relieve the State Bar of any further obligation, except for the State Bar's obligation to pay for services already performed pursuant to this agreement.
3. **Default by Vendor.** This agreement may be terminated by the State Bar upon fifteen (15) days written notice to the Vendor in the event the Vendor is in default under any of its provisions. In the event this agreement is terminated due to the default by the Vendor, the Vendor will

not be entitled to receive any compensation for services performed or for any reimbursable expenses incurred, and the State Bar will have the right to have the services completed by other parties and the Vendor will reimburse the State Bar for the actual costs to complete the services in excess of the balance of the fee and reimbursable expenses, if any, provided for in this agreement. Any such act by the State Bar will not be deemed a waiver of any other right or remedy of the State Bar, including, without limitation, the State Bar's right to consequential damages caused directly or indirectly by the Vendor's default.

4. **Automatic Termination.** This agreement will automatically terminate on the occurrence of any of the following events: (a) bankruptcy or insolvency of either party; (b) sale of the business of either party; (c) failure to comply with federal, state or local laws, regulations or requirements, or (d) expiration of the agreement.

G. Confidentiality and Publicity

The Vendor will retain all information provided by the State Bar in the strictest confidence and will neither use it nor disclose it to anyone other than employees requiring the information to perform services under this agreement without the prior written consent of the State Bar. The State Bar retains the right to enjoin any unauthorized disclosure in an appropriate court of law. The Vendor will not issue any public announcements concerning the State Bar without the prior written consent of the State Bar.

H. Compliance with Laws

The Vendor agrees to comply with all applicable federal, state, and local laws and regulations, including but not limited to the provisions of the Fair Employment and Housing Act (Govt. Code, § 12900 et seq.) and any applicable regulations promulgated there under (Cal. Code of Regs., tit. 2, § 72850.0 et seq.). Vendor agrees to include the non-discrimination and compliance provisions of this clause in any and all subcontracts to perform work under the agreement.

I. Assignment/Subcontracting

1. **Assignment.** The Vendor will not assign or transfer its interest, in whole or in part, under this agreement, without the written consent of the State Bar, which consent may be granted or withheld in the sole and absolute discretion of the State Bar.
2. **Subcontracting.** The Vendor may subcontract with other qualified firms or individuals as required to complete all, or a portion of, the delivery of equipment and services, with the prior written approval of the State Bar.

The Vendor will clearly describe the reason for using any subcontractors, the specific role each subcontractor will play in the project, and the relationship between the Vendor and its subcontractor to be maintained during the term of this agreement. No subcontract will be approved unless the Vendor provides a written guarantee that the Vendor's firm will be contractually obligated to assume all project responsibilities and the insurance requirements set forth above.

J. General Provisions

1. **Governing Law.** The agreement will be governed by the laws of the State of California without giving effect to its principles of conflict of laws.

2. **Audit.** Vendor agrees that the State Bar or its designee shall have the right to review and copy any records and supporting documentation pertaining to the performance of this Agreement. Vendor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Vendor agrees to allow the State Bar or its designee access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Vendor agrees to include a similar right of the State Bar or its designee to audit records and interview staff in any subcontract related to performance of this Agreement.

3. **License.** In those instances where required, the Vendor represents and warrants that the Vendor holds a license, permit or special license to perform the services pursuant to this agreement, as required by law, or employs or works under the general supervision of the holder of such license, permit or special license and shall keep and maintain all such licenses, permits or special licenses in good standing and in full force and effect at all times while the Vendor is performing the services pursuant to the agreement.