

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

between

COUNTY OF SANTA BARBARA

and

CALIFORNIA SHOCK/TRAUMA AIR RESCUE (CALSTAR)

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and California Shock/Trauma Air Rescue (CALSTAR) having its principal place of business at 4933 Bailey Loop, McClellan, CA (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

WHEREAS, pursuant to Health and Safety Code section 1797.204, the local Emergency Medical Services (EMS) Agency shall plan, implement, and evaluate an emergency medical services system, in accordance with the provisions of this part, consisting of an organized pattern of readiness and response services based on public and private agreements and operational procedures; and

WHEREAS, Title 22 of the California Code of Regulations, section 100280 states that Air Ambulance means any aircraft specially constructed, modified or equipped, and used for the primary purposes of responding to emergency calls and transporting critically ill or injured patients whose medical flight crew has at a minimum two (2) attendants certified or licensed in advanced life support; and

WHEREAS, Health and Safety Code section 1797.222 authorizes the EMS Agency to adopt policies and procedures governing the transportation of a patient who received care in the field from prehospital emergency medical personnel to specialty care centers utilizing authorized medical transportation providers including private air ambulances; and

WHEREAS, Title 22 of the California Code of Regulations section 100300 requires written agreements with air ambulance providers specifying conditions to routinely serve their jurisdiction; and

WHEREAS, CONTRACTOR is granted, through execution of this Agreement, authorization to provide air ambulance medical transport services within the County of Santa Barbara; and

WHEREAS, CONTRACTOR agrees to only provide services when requested through the Santa Barbara County Public Safety Dispatch Center in accordance with Santa Barbara County's Air Medical Transport Policies which have been provided to CONTRACTOR and are available on the EMS website, www.sbcphd.org/ems; and

WHEREAS, CONTRACTOR will not usually operate ground rescue or transport, but may, from time to time, participate in the ground transfer of a patient utilizing the services of a locally approved ambulance provider if such transport method is deemed medically necessary;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** Nancy Lapolla at phone number 805-681-5264 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Lynn Malmstrom, CALSTAR CEO, at phone number 916-921-4000 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid as follows:

To COUNTY: EMS Agency Director
Emergency Medical Services Agency
300 North San Antonio Road, Bldg 1
Santa Barbara, CA 93110-1316
(805) 681-5274

To CONTRACTOR: Chief Executive Officer
CALSTAR Headquarters
4933 Bailey Loop
McClellan, CA 95652
(916) 921-4000

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** CONTRACTOR is authorized to provide services within the COUNTY in accordance with the terms of EXHIBIT A attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance on December 1, 2012 and end performance upon completion, but no later than June 30, 2015 unless otherwise directed by COUNTY or unless earlier terminated. Upon approval by COUNTY and written notification to CONTRACTOR, this Agreement may be extended beyond June 30, 2015 for two (2) additional one (1) year terms, commencing on July 1 and ending on June 30.

CONTRACTOR AND COUNTY shall review the Agreement annually, or as often as warranted to ensure applicability to current conditions.

5. **COMPENSATION OF CONTRACTOR.** This Agreement does not provide for compensation by either party to the other. COUNTY shall not be responsible for payment for any costs or expenses incurred by CONTRACTOR by reason of this Agreement, including costs or expenses related to the provision of service under this Agreement.

6. **INDEPENDENT CONTRACTOR.** CONTRACTOR shall perform all of its services under this Agreement as an independent contractor and not as an employee of COUNTY. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement.

Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR is a certified air carrier operating under the provisions of Part 135 of the Federal Aviation Regulations. CONTRACTOR agrees to comply with all federal, state and county regulations and requirements now in effect or which may become effective during the term of this Agreement, including County EMS Air Medical Transport Policies. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. TAXES. COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

9. CONFLICT OF INTEREST. CONTRACTOR covenants that CONTRACTOR presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR.

10. RESPONSIBILITIES OF COUNTY. COUNTY shall provide:

- Oversight, monitoring and evaluation of CONTRACTOR performance and compliance.
- Access to the Santa Barbara County Public Safety Communications Center for relaying pertinent information.
- A forum for EMS input through inclusion of CALSTAR in EMS committees.

11. OWNERSHIP OF DOCUMENTS. COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: All non patient data collected necessary for the oversight of the performance of this Agreement such as response time data. CONTRACTOR shall not release any materials owned by County under this section except after prior written approval of COUNTY.

12. RECORDS, AUDIT, AND REVIEW. CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. It is understood that COUNTY shall coordinate all such audits and inspections through the CONTRACTOR's Air Medical Program Coordinator.

13. INDEMNIFICATION AND INSURANCE. CONTRACTOR agrees to indemnify the COUNTY and procure and maintain insurance in accordance with the provisions of EXHIBIT B attached hereto and incorporated herein by reference.

14. NONDISCRIMINATION. COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CONTRACTOR agrees to comply with said ordinance.

15. NONEXCLUSIVE AGREEMENT. CONTRACTOR understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the COUNTY desires.

16. ASSIGNMENT. CONTRACTOR shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. TERMINATION.

A. For Cause. COUNTY or CONTRACTOR may, by written notice to the other party, terminate this Agreement in whole or in part due to a failure to: 1) comply with COUNTY EMS Agency policies related to air medical transport; 2) adhere to medical equipment requirements; 3) train staff; or 4) in any other way fail to fulfill the obligations and/or requirements stated within this Agreement. Prior to any such Termination as stated in this Section 17.A, the parties agree to meet and confer on any issue that is the subject of a dispute under this Agreement ("Meet and Confer"). The Meet and Confer shall be a condition precedent to terminating the Agreement or taking any other formal steps to settle the dispute.

The party seeking to initiate the Meet and Confer procedure (the "Initiating Party") shall give written notice to the other party, describing in general terms the nature of the dispute, the Initiating Party's position and a summary of the evidence and arguments supporting its position, and identifying one or more individuals with authority to settle the dispute on such party's behalf. The party receiving notice (the "Responding Party") shall have five (5) business days within which to respond. The response shall include the Responding Party's position and summary of the evidence and arguments supporting its position and shall identify one or more individual with authority to settle the dispute on such party's behalf (the individuals so designated shall be known as the "Authorized Individuals"). The Authorized Individuals shall meet at a mutually acceptable time and place within thirty (30) days after the Initiating Party's notice and thereafter as often as they deem reasonably necessary to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within sixty (60) days after the Initiating Party's notice, the Initiating party may proceed with terminating the Agreement. All deadlines specified in this Meet and Confer provision may be extended by mutual agreement.

B. For Convenience. Either party may terminate this Agreement upon providing sixty (60) days prior written notice to the other party.

18. SECTION HEADINGS. The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

19. SEVERABILITY. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. REMEDIES NOT EXCLUSIVE. No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

21. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. NO WAIVER OF DEFAULT. No delay or omission of COUNTY to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

23. ENTIRE AGREEMENT AND AMENDMENT. In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

24. SUCCESSORS AND ASSIGNS. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

25. COMPLIANCE WITH LAW. CONTRACTOR shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY be a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

26. CALIFORNIA LAW. This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

27. EXECUTION OF COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

28. AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

29. PRECEDENCE. In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

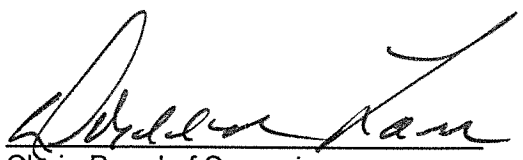
30. COMPLIANCE WITH HIPAA. CONTRACTOR is expected to adhere to Health Insurance Portability and Accountability Act (HIPAA) regulations and to develop and maintain comprehensive patient confidentiality policies and procedures, provide annual training of all staff regarding those policies and procedures, and demonstrate reasonable effort to secure written and/or electronic data. The parties should anticipate that this Agreement will be modified as necessary for full compliance with HIPAA.

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **CALSTAR**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on December 1, 2012.

COUNTY OF SANTA BARBARA

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

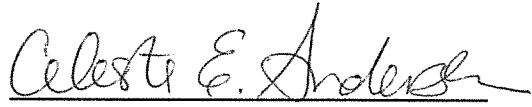

Chair, Board of Supervisors

By: 
Deputy Clerk

Date: 12-4-12

APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

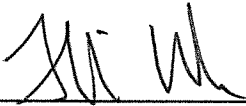
APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

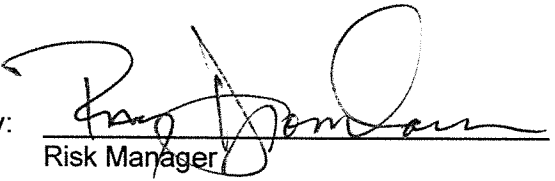
By: 
Deputy County Counsel

By: 
Deputy Auditor-Controller
Gregory Eric Levin
Advanced and Specialty Accounting

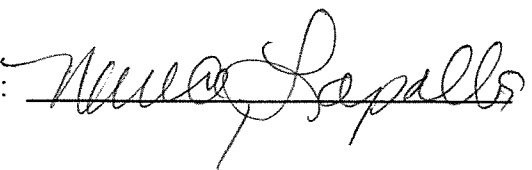
APPROVED
TAKASHI WADA, MD, MPH
DIRECTOR / HEALTH OFFICER
PUBLIC HEALTH DEPARTMENT

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: 
Director

By: 
Risk Manager

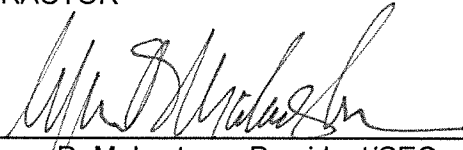
APPROVED
NANCY LAPOLLA, MPH
EMS AGENCY DIRECTOR
PUBLIC HEALTH DEPARTMENT

By: 

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **CALSTAR**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on December 1, 2012.

CONTRACTOR

By: 

Lynn D. Malmstrom, President/CEO

Date: 12/14/12

EXHIBIT A

CONTRACTOR REQUIREMENTS

CONTRACTOR agrees as follows:

1. To provide approved Air Ambulance services 24 hours a day, 7 days a week within the boundaries of Santa Barbara County, subject to availability of service, aircraft, crew and weather conditions.
2. To utilize aircraft that meet International Civil Aviation Organization (ICAO) noise abatement standards and follow ICAO noise abatement procedures whenever possible.
3. To adhere to hospital noise abatement paths for helipad landing and take off and follow hospital policies pertaining to helicopter operations.
4. To follow the Helicopter Association International, Fly Neighborly Program designed to help reduce noise impacts to the community.
5. To avoid orbiting over area hospitals or neighborhoods, departures for refueling without crew members and use of unnecessary helicopter lighting during helipad approach. Exceptions include strong winds and inclement weather or other situations where safety dictates otherwise.
6. To respond to 911 calls only when officially requested by County Public Safety Communication Center (County Dispatch) in accordance with Santa Barbara County dispatch procedures.
7. To adhere to the requirements established in the Santa Barbara County EMS Agency Air Medical Transport Policy #402, #402A, #402B and Air Medical Transport Provider Policy #403 as amended from time to time.
8. To immediately advise County Dispatch with an Estimated Time to Arrival (ETA) or advise County Dispatch if prompt response cannot be made due to being on another call or due to flight hazard.
9. To meet lift off time of six minutes from notification ninety percent (90%) of the time, reportable to the EMS Agency for review at Contract Compliance Committee (CCC). Exceptions include weather, mechanical failure, unsafe flying conditions determined by pilot or instrument flight rules (IFR) flight planning. The cause of exceptions must be identified and reported to the EMS Agency for review at CCC.
10. To meet ETA ninety percent (90%) of the time within 6:00 minutes, based on ETA time provided to County Dispatch and time reported over scene and report compliance to EMS Agency for review at CCC.
11. To monitor only specified communication frequencies during response to emergency medical calls, and use communication frequencies in accordance with County Dispatch specifications at all times.
12. To follow EMS Agency Communications Failure policy #304, as amended from time to time, in the event of communication breakdown.
13. To appoint a Medical Director who shall be licensed and authorized to practice in the State of California and should have experience in both air and ground emergency medical services. The

Medical Director shall be Board Certified in Emergency Medicine and ensure medical flight personnel meet all training and medical qualifications required. The Medical Director shall be actively involved in the on-going Training and Quality Improvement (QI) Program and shall maintain regular communications with the EMS Agency Medical Director.

14. To provide air medical transport service with two (2) State of California Registered Nurses, working under the Nurse Practice Act.
15. To utilize the assigned Santa Barbara County Base Hospitals for coordination of patient destination for calls originating and ending in the county.
16. To provide medical care using CONTRACTOR's Medical Protocols and Standardized Procedures, approved by CONTRACTOR's Medical Director. At the County's request, CONTRACTOR shall provide a current copy of its Medical Protocols and Standardized Procedures to the EMS Agency.
17. To comply with COUNTY requirements (pursuant to 22 CCR §100302) for record keeping and data collection. Data received by virtue of this requirement will be used only for the COUNTY continuous QI Program. CONTRACTOR agrees to meet with COUNTY and explore the sharing of digital patient care reporting to facilitate the QI Program. All patient care reports will be treated as confidential information used for the purposes of evaluating and improving the overall EMS system.
18. To appoint a Regional Director and Chief Flight Nurse or designee to be the liaison with the COUNTY, Base Hospital(s) and receiving facilities who shall be responsible for any data collection and continuous QI requirements of the EMS Agency, including participation on the Helicopter Utilization Review Committee and other EMS committees as deemed necessary by the EMS Agency
19. To facilitate the scheduling of periodic visits by the COUNTY staff to ensure compliance with local, state and federal laws, policies and/or procedures, and notify COUNTY of significant air medical transport critical care service problems or changes in a timely manner, including but not limited to:
 - Changes of available Air Medical Transport unit(s);
 - Base Hospital complaints;
 - Changes in status of licensed/accredited personnel, e.g., termination, classification, etc.;
 - Changes in base location;
 - Radio frequency interference which causes operational problems;
 - To the extent allowed by law, any personnel actions taken as a result of direct violation of the COUNTY and CONTRACTOR protocols/policies and/or procedures;
20. To secure or furnish all services and supplies necessary for the provision of services pursuant to this Agreement.
21. To notify and work with COUNTY when evaluating equipment that can be used in the field for definitive medical care or intervention.
22. To comply with all COUNTY program requirements, including all protocols, policies and procedures as well as applicable state and county regulations. Nurse medical staff shall follow CONTRACTOR medical protocols and standardized procedures.

23. To provide EMS system personnel with educational updates and instructor-led orientations to ensure all providers are oriented with helicopter operations.
24. To comply with training guidelines as approved by COUNTY.
25. To maintain current certification with the Commission on Accreditation of Medical Transport Systems (CAMTS¹) during the term of this Agreement.
26. To ensure that all Santa Barbara County CALSTAR pilots have as a minimum 3,000 hours of pilot in command experience, 100 hours of instrument time in helicopters and, within one (1) year of employment, obtain an Airline Transport Pilot (ATP) helicopter certificate.
27. To ensure that all CALSTAR Registered Nurses maintain all State and Contractor required professional licenses and certifications including Critical Care Registered Nurse (CCRN), and Critical Care Flight Nurse (CCFN.) Ensure that all flight nurses maintain critical and specialty care skill levels by participating in annual clinical rotations and trainings in any critical care or specialty care programs available in Santa Barbara County hospitals. This may include, but not be limited to, Pediatric Intensive Care, Neonatal Intensive Care, Labor and Delivery, Trauma, in addition to their regular continuing education training programs each year.
28. To participate in local EMS planning activities including disaster drills and exercises.

¹ CAMTS is an independent, non-profit agency which audits and accredits fixed-wing and rotary wing air medical transport services as well as ground inter-facility critical care services in the U.S. to a set of industry-established criteria. CAMTS has accredited 132 medical transport programs in the U.S. as of June, 2007 as well as three in Canada and one in South Africa.

EXHIBIT B

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS FOR CONTRACTS REQUIRING PROFESSIONAL LIABILITY INSURANCE

MUTUAL INDEMNIFICATION

CONTRACTOR shall defend, indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or its agents or employees or other independent contractors directly responsible to it; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the COUNTY.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

COUNTY shall defend, indemnify and save harmless the CONTRACTOR, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the COUNTY or its agents or employees or other independent contractors directly responsible to it; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the CONTRACTOR.

COUNTY shall notify the CONTRACTOR immediately in the event of any accident or injury arising out of or in connection with this Agreement.

INSURANCE

CONTRACTOR shall procure the following required insurance coverages at its sole cost and expense. All insurance coverage is to be placed with insurers which (1) have a Best's rating of no less than A: VII. All other insurers require the prior approval of the COUNTY. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by the COUNTY, CONTRACTOR shall provide a copy of any insurance policy to the COUNTY within ten (10) working days.

1. Workers' Compensation Insurance: Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the COUNTY stating that fact.
2. Automobile Liability Insurance: The Automobile Liability Insurance shall cover all owned, leased and non-owned motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR'S activities hereunder.

The limit of liability for Automobile Liability Insurance shall not be less than \$1,000,000 per occurrence.

3. Aviation Commercial General Liability Insurance: The Aviation Commercial General Liability Insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the CONTRACTOR in the indemnity and hold harmless provisions of the Indemnification Section of this Agreement between COUNTY and CONTRACTOR.

The Aviation Commercial General Liability Insurance shall cover all owned, non-owned and hired air medical transport vehicles which are operated on behalf of CONTRACTOR pursuant to CONTRACTOR'S activities hereunder. CONTRACTOR shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY, its officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy reflects the Additional Insured status must be attached to the certificate of insurance.

Aviation Commercial General Liability coverage shall be in the amount of not less than \$20,000,000 per occurrence and aggregate. Any deductible or Self-Insured Retention (SIR) over \$10,000 requires approval by the COUNTY.

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this Agreement.

4. Professional Liability Insurance. Professional liability insurance shall include coverage for the activities of CONTRACTOR's professional staff with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$3,000,000 in the aggregate. If the policy providing professional liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of two (2) years following completion of the performance or attempted performance of the provisions of this Agreement.
5. The Commercial General Liability and Aircraft Liability insurance required will be primary coverage as respects COUNTY and any insurance or self insurance maintained by COUNTY will be excess of CONTRACTOR'S insurance coverage and will not contribute to it.
6. Both parties agree that rights of subrogation will not be waived by either party in the event of an accident or incident.
7. In the event of a material change or cancellation in coverage, the company shall endeavor to give thirty (30) days written notice to the County of Santa Barbara, Risk Management Division.
8. COUNTY is to be notified if any aggregate insurance limit is exceeded.

CONTRACTOR shall submit to the office of the designated COUNTY representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming

effective. Approval of insurance by COUNTY or acceptance of the certificate of insurance by COUNTY shall not relieve or decrease the extent to which the CONTRACTOR may be held responsible for payment of damages resulting from CONTRACTOR's services of operation pursuant to the Agreement, nor shall it be deemed a waiver of COUNTY's rights to insurance coverage hereunder.

In the event the CONTRACTOR is not able to comply with the COUNTY's insurance requirements, COUNTY may, terminate this Agreement.

The above insurance requirements are subject to periodic review by the COUNTY. The COUNTY's Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the COUNTY or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of COUNTY's risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification. If CONTRACTOR is unable to secure the increased insurance coverage of this paragraph, CONTRACTOR may terminate this Agreement.