

APPENDIX B

SPECIAL CONTRACT TERMS AND CONDITIONS

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1. VIRUS, MALICIOUS, MISCHIEVOUS OR DESTRUCTIVE PROGRAMMING

Notwithstanding any other provision in this Contract to the contrary, provided PENNDOT has fully complied with its software security standards, if CONTRACTOR or any of its employees, subcontractors or consultants introduces a virus or malicious, mischievous or destructive programming into PENNDOT and has failed to comply with PENNDOT software security standards and provided further that PENNDOT can demonstrate that the virus or malicious, mischievous or destructive programming was introduced by CONTRACTOR or any of its employees, subcontractors or consultants, CONTRACTOR shall be liable for any damage to any data and/or software owned or licensed by PENNDOT in the event a computer virus or malicious mischievous or destructive programming is discovered to have originated from CONTRACTOR, its servants, agents, or employees. In addition, CONTRACTOR shall be liable for the damages incurred by PENNDOT including, but not limited to, the expenditure of COMMONWEALTH funds to eliminate or remove a computer virus or malicious mischievous or destructive programming that result from CONTRACTOR'S failure to take proactive measures to keep virus or malicious, mischievous or destructive programming from originating from CONTRACTOR, its servants, agents or employees through appropriate firewalls and maintenance of anti-virus software and software security updates (such as operating systems security patches, etc.). In the event of destruction or modification of software, CONTRACTOR shall eliminate the virus, malicious, mischievous or destructive programming, restore PENNDOT'S software, and be liable to PENNDOT for any resulting damages. CONTRACTOR shall be responsible for reviewing COMMONWEALTH software security standards and complying with those standards.

PENNDOT may, at any time, audit, by a means deemed appropriate by PENNDOT, any computing devices being used by representatives of CONTRACTOR to provide services to PENNDOT for the sole purpose of determining whether those devices have anti-virus software with current virus signature files and the current minimum operating system patches or workarounds have been installed. Devices found to be out of compliance will immediately be disconnected and will not be permitted to connect or reconnect to PENNDOT network until the proper installation have been made.

CONTRACTOR may use the anti-virus software used by PENNDOT to protect CONTRACTOR'S computing devices used in the course of providing services to PENNDOT. It is understood that CONTRACTOR may not install the software on any computing device not being used to provide services to PENNDOT, and that all copies of the software will be removed from all devices upon termination of this Contract.

2. INSURANCE REQUIREMENTS

CONTRACTOR shall procure and maintain at its expense the following types of insurance issued by companies acceptable to PENNDOT and authorized to conduct such business under the laws of PENNDOT:

- a. Worker's compensation insurance for all of CONTRACTOR's employees and those of any subcontractor, engaged in work at the site of the project in accordance with the Worker's Compensation Act of 1915 and any supplements or amendments thereof.
- b. Public liability and property damage insurance to protect PENNDOT, CONTRACTOR, and any and all subcontractors from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death, and damage to property, including loss of use resulting from any property damage, which may arise out of the services performed under this Contract, whether such performance be by CONTRACTOR, by any subcontractor, or anyone directly or indirectly employed by either. The limits of such insurance shall be in an amount not less than two hundred fifty thousand (\$250,000.00) dollars each person and one million (\$1,000,000.00) dollars each occurrence, personal injury and property damage combined. Such policies shall be occurrence rather than claims-made policies and shall name PENNDOT of Pennsylvania as an additional insured. The insurance shall not contain any endorsements or any other form designed to limit and restrict any action by PENNDOT, as an additional insured, against the insurance coverage in regard to work performed for PENNDOT.

3. CONTINUED OPERATION AFTER TERMINATION OR DEFAULT

This agreement provides for the co-location of a Photo License Center. In some cases, it might be in the best interests of the COMMONWEALTH that the Photo License Center continues to operate even if the CONTRACTOR otherwise ceases operation at the location. The COMMONWEALTH shall therefore have the discretion to require the CONTRACTOR to provide photo license center services, per the requirements outlined in this RFP, even if the CONTRACTOR otherwise ceases operation. In the event of the CONTRACTOR's default, the COMMONWEALTH retains the right to procure a substitute location at the CONTRACTOR's expense for operation of a photo license center, at the COMMONWEALTH's discretion.