NOTICE OF AWARD OF CONTRACT

TO:
AA DAYCARE, INC.
1915 NORTH UHLE STREET
ARLINGTON VA 22201

DATE ISSUED: AUGUST 1, 2010
CURRENT REFERENCE NO: 367-10
CONTRACT TITLE: DAY CARE OPERATION
PRIOR REFERENCE NO: 391-09

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

Your firm is awarded the above referenced contract. The contract term covered by this Notice of Award is effective SEPTEMBER 1, 2010 and expires on AUGUST 31, 2011.

This is the FIFTH year award notice of a possible SEVEN year contract.

The contract documents consist of Agreement No. 244-06.

CONTRACT PRICING:
REFER TO TUITION RATES ATTACHED

ATTACHMENT:
REFER TO AGREEMENT NO. 244-06 AMENDMENT 1 THROUGH 3

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: ADAM SZUSCIK
VENDOR PAYMENT TERMS: NET 30 DAYS
TAX IDENTIFICATION NUMBER (EIN/SSN): 54-1798964
EMAIL ADDRESS: accdaycare@gmail.com

COUNTY CONTACT: CAROLL AMBROSE

VENDOR TEL. NO.: 703-527-7200
COUNTY TEL. NO.: 703-228-3465

CONTRACT AUTHORIZATION DISTRIBUTION

VENDOR: 1
BID FOLDER: 1
Date: 7/28/10 AGENCY: 1

JAYTE GONZALES
Procurement Officer
Dear Parents,

We warmly welcome you and your child to Arlington Children’s Center! We believe we offer one of the best childcare with finest educational program in the Washington area.

Our program is designed to provide a wide variety of learning opportunities in a loving and safe environment. The center’s quality curriculum will prepare your child for a future education.

REGISTRATION

A $100.00 Registration Fee and first week tuition are due upon registration and is non-refundable. Registration Fee and first week tuition will reserve your space.

WAITING LIST

If space is not currently available in the program of your choice, a completed application, $100.00 Registration Fee, and first week tuition will reserve the next available space for your child. The children of Arlington County employees have a first right to be admitted to the center. The fees are not refundable.

TUITION RATES FOR COUNTY FAMILIES ARE AS FOLLOWS:

Infant Group

5DAYS $273.00

First and Second Group

5DAYS $254.00

Group Three

5 DAYS $228.00
3 DAYS $154.00
2 DAYS $127.00

*2 days and 3 days only for children older than 2.5 years old

Group Four

5 DAYS $218.00
3 DAYS $154.00
2 DAYS $127.00

All tuition payments are due in advance; Monday before 12:00am. There is a late fee charge of $10.00 per day for payments made after 12:00 am on Monday. Cash payments are not accepted.

Returned Check fee $50.00, The Center reserves the right to adjust tuition at any time.

Summer camp activities fee (shows, trips, performances): $100.00

There is an additional charge for extra curriculum classes such as: Spanish, ballet, and performing arts.
Dear Parents,
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**TUITION RATES FOR NON COUNTY FAMILIES ARE AS FOLLOWS:**

<table>
<thead>
<tr>
<th>Infant Group</th>
<th></th>
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<tbody>
<tr>
<td>5DAYS</td>
<td>$364.00</td>
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<table>
<thead>
<tr>
<th>First and Second Group</th>
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<tbody>
<tr>
<td>5DAYS</td>
<td>$340.00</td>
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</table>

<table>
<thead>
<tr>
<th>Group Three</th>
<th></th>
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<tbody>
<tr>
<td>5 DAYS</td>
<td>$303.00</td>
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<tr>
<td>3 DAYS</td>
<td>$200.00</td>
</tr>
<tr>
<td>2 DAYS</td>
<td>$168.00</td>
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</tbody>
</table>

*2 days and 3 days only for children older than 2.5 years old

<table>
<thead>
<tr>
<th>Group Four</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5 DAYS</td>
<td>$291.00</td>
</tr>
<tr>
<td>3 DAYS</td>
<td>$200.00</td>
</tr>
<tr>
<td>2 DAYS</td>
<td>$168.00</td>
</tr>
</tbody>
</table>

Second child discount 10%
The tuition for Arlington County Employees is discounted by 25%

All tuition payments are due in advance; Monday before 12:00am. There is a late fee charge of $10.00 per day for payments made after 12:00 am on Monday. Cash payments are not accepted.
 Returned Check fee $50.00, The Center reserves the right to adjust tuition at any time.
 Summer camp activities fee (shows, trips, performances): $100.00
 There is an additional charge for extra curriculum classes such as: Spanish, ballet, and performing arts.
ARLINGTON COUNTY, VIRGINIA
AGREEMENT NO. 244-06

AMENDMENT NUMBER 3

NEW REFERENCE NUMBER 391-09

This Amendment Number 3 ("Amendment") is made on the date of execution of the Amendment by the County and amends Agreement Number 244-06-1 as amended by Agreement 1 and 2 (Main Agreement") and made between AA Daycare, Inc., 3850 Wilson Boulevard, Arlington, Virginia 22203 ("Contractor"), a Virginia corporation, authorized to do business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County").

Whereas the County and the Contractor desire to amend the Contract Term, the Contractor and the County, in consideration of the promises and other good and valuable consideration specified in this Amendment, amend the Main Agreement as follows.

CHANGE THE CONTRACT TERM PARAGRAPH TO READ AS FOLLOWS:

CONTRACT TERM
Work under this Agreement shall continue from September 1, 2009 and will be completed no later than August 31, 2010 ("Fourth Subsequent Contract Term"), subject to any modifications as provided for in the Contract Documents. Upon satisfactory performance of the Contractor and with the concurrence of the Contractor, the County may, through issuance of a Notice of Award authorize continued operations of the Contractor for not more than four (4) additional twelve (12) month periods from September 1, 2009 to August 31, 2013, (each period referred to as ("Subsequent Contract Term"). Notwithstanding anything herein to the contrary, the Contract Amount for each extension period shall be in an amount not to exceed the funds appropriated for the Contract by the County Board of Arlington County, Virginia for the Subsequent Contract Term.

TERMS AND CONDITIONS
The work and payment called for under this Amendment shall be subject to all terms and conditions of the Main Agreement. All terms and conditions of the Agreement shall remain in full force and effect for the work covered by this Amendment unless specifically changed by the terms and conditions of this Amendment.
WITNESS THESE SIGNATURES:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

SIGNED BY: [Signature]
PRINT NAME RICHARD D. WARKEN, JR.
AND TITLE: PURCHASING AGENT
DATE: 8/31/09

AA DAYCARE, INC.

TAXPAYER ID NUMBER: 54-1798964

SIGNED BY: [Signature]
PRINT NAME ADAM SZUSTYK
AND TITLE: SECRETARY OF AA DAYCARE INC.
DATE: 08/27/2009
ARLINGTON COUNTY, VIRGINIA
AGREEMENT NO. 244-06

AMENDMENT NUMBER 2

REFERENCE NUMBER 319-08

This Amendment Number 2 ("Amendment") is made on the date of execution of the Amendment by the County and amends Agreement Number 244-06-1 ("Main Agreement") and made between AA Daycare, Inc., 3850 Wilson Boulevard, Arlington, Virginia 22203 ("Contractor"), a Virginia corporation, authorized to do business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County").

Whereas the County and the Contractor desire to amend the Contract Term, the Contractor and the County, in consideration of the promises and other good and valuable consideration specified in this Amendment, amend the Main Agreement as follows.

CHANGE THE CONTRACT TERM PARAGRAPH TO READ AS FOLLOWS:

CONTRACT TERM
Work under this Agreement shall continue from September 1, 2008 and will be completed no later than August 31, 2009 ("Subsequent Contract Term"), subject to any modifications as provided for in the Contract Documents. Upon satisfactory performance of the Contractor and with the concurrence of the Contractor, the County may, through issuance of a Notice of Award authorize continued operations of the Contractor for not more than four (4) additional twelve (12) month periods from September 1, 2009 to August 31, 2013, (each period referred to as ("Subsequent Contract Term"). Notwithstanding anything herein to the contrary, the Contract Amount for each extension period shall be in an amount not to exceed the funds appropriated for the Contract by the County Board of Arlington County, Virginia for the Subsequent Contract Term.

TERMS AND CONDITIONS
The work and payment called for under this Amendment shall be subject to all terms and conditions of the Main Agreement. All terms and conditions of the Agreement shall remain in full force and effect for the work covered by this Amendment unless specifically changed by the terms and conditions of this Amendment.
WITNESS THESE SIGNATURES:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

SIGNED
BY: Assetta Longino
PRINT NAME: RICHARD D. WATSON, JR.
AND TITLE: PURCHASING AGENT
DATE: 4/24/08

AA DAYCARE, INC.

TAXPAYER ID NUMBER: 54-1798964

SIGNED
BY: Adam Szusick
PRINT NAME: Secretary of
AND TITLE: AA Daycare Inc.
DATE: 06/20/2008
ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
SUITE 500, 2100 CLARENDON BOULEVARD
ARLINGTON, VA 22201

AGREEMENT NO. 244-06

THIS AGREEMENT is made, on the date of execution by the County, between AA Daycare, Inc., 3850 Wilson Blvd., Arlington, Virginia 22203 ("Contractor"), a Virginia corporation, authorized to do business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration hereinafter specified, agree as follows:

CONTRACT DOCUMENTS
The Contract Documents consist of this Agreement, Exhibit A (Scope of Work) and Exhibit B (Insurance Requirements). Where the terms and provisions of this Agreement vary from the terms and provisions of the other Contract Documents, the terms and provisions of this Agreement shall prevail over the other Contract Documents.

The Contract Documents set forth the entire Agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to this Agreement which is not contained in the Contract Documents, and that all terms and conditions with respect to this Agreement are expressly contained herein. The Contract Documents shall constitute the Contract.

SCOPE OF WORK
The Contractor agrees to perform the services described in the Contract Documents (alternatively, the "Work"). The primary purpose of the Work is to operate for the County a high quality child day care program. The Contract Documents set forth the minimum Work estimated by the County and the Contractor to be necessary to complete the Work. It shall be the Contractor's responsibility, at the Contractor's sole cost, to provide the specific services set forth in the Contract Documents and sufficient services to fulfill the purposes of the Work. Nothing in the Contract Documents shall be construed to limit the Contractor's responsibility to manage the details and execution of its Work.

PROJECT OFFICER
The performance of the Contractor required by this Agreement is subject to the review and approval of the County Project Officer, who shall be appointed by the Director of the Arlington County Department of Human Resources or designee. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work under this Contract.

CONTRACT TERM
Work under this Agreement will commence on or before September 1, 2006 and will be completed no later than August 31, 2007 ("Initial Contract Term"), subject to any modifications as provided for in the Contract Documents. Upon satisfactory performance of the Contractor and with the concurrence of the
Contractor, the County may, through issuance of an amendment executed by the parties, authorize continued operations of the Contractor for not more than six (6) additional twelve (12) month periods from September 1, 2007 to August 31, 2013, (each period referred to as "Subsequent Contract Term"). Notwithstanding anything herein to the contrary, the Contract Amount for each extension period shall be in an amount not to exceed the funds appropriated for the Contract by the County Board of Arlington County, Virginia for the Subsequent Contract Term.

CONTRACT AMOUNT
As compensation for the Contractor’s services, the Contractor may retain the tuition fees collected from the participants in the program. These tuition fees shall be the sole compensation for services provided by the Contractor, and there is no guarantee, express or implied, of any tuition fees for the Contractor. The tuition fees for any Subsequent Contract Term, if the County decides to authorize Contractor’s continued operations for such term, may not increase more than five percent (5%).

FIDELITY BONDING
The Contractor shall furnish proof of a fidelity bond covering all officers and employees who are responsible for the receipt, custody and disbursement of funds or assets. The amount of the bond shall be in an amount equal to $20,000.

ADDITIONAL SERVICES
The Contractor shall not be compensated for any goods or services provided except those included in Exhibit A and paid for by the Contract Amount unless those goods or services are covered by a written Amendment to this Agreement signed by the County and the Contractor and a County Purchase Order is issued covering the expected cost of such services.

ARLINGTON COUNTY BUSINESS LICENSES
The Contractor must comply with the provisions of Chapter 11 (Business Licenses) of the Arlington County Code.

NON-DISCRIMINATION NOTICE
Arlington County does not discriminate against faith-based organizations.

COUNTY EMPLOYEES
No employee of Arlington County, Virginia shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom which is not available to the general public.

EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED
During the performance of this contract, the contractor agrees as follows:

A. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability or any other basis prohibited by state law related to discrimination in employment except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
B. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an Equal Opportunity Employer.

C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

D. The contractor will comply with the provisions of the Americans with Disabilities Act of 1990 which prohibits discrimination against individuals with disabilities in employment and mandates their full participation in both publicly and privately provided services and activities.

E. The contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

**DRUG-FREE WORKPLACE TO BE MAINTAINED BY CONTRACTOR**

During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with the Arlington County Resolution, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

**INDEMNIFICATION**

The Contractor covenants to save, defend, hold harmless, and indemnify the County, and all of its elected and appointed officials, officers, employees, agents, departments, agencies, boards, and commissions (collectively the "County") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the Contractor's intentional, negligent, or grossly negligent acts or omissions in performance or nonperformance of its work called for by the Contract Documents. This indemnification shall survive the termination of this Contract.

**FAILURE TO DELIVER**

In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the County, after due oral or written notice, may procure the goods or services from other sources and hold the Contractor
responsible for any resulting additional purchase and administrative costs; provided, that if public necessity requires the use of materials or supplies not conforming to the specifications, they may be accepted and payment therefor shall be made at a reduction in price to be determined solely by the County. This remedy shall be in addition to any other remedies, which the County may have. The County shall be entitled to offset such costs against any sums owed by the County to the Contractor.

ETHICS IN PUBLIC CONTRACTING
This Contract incorporates by reference Article 9 of the Arlington County, Virginia, Purchasing Resolution, as well as any state or federal law related to ethics, conflicts of interest, or bribery, including by way of illustration and not limitation, the Virginia State and Local Government Conflict of Interests Act, the Virginia Governmental Frauds Act, and Articles 2 and 3 of Chapter 10 of Title 18.2 of the Virginia Code, as amended. The Contractor certifies that its offer is made without colluson or fraud and that it has not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer, or subcontractor and that it has not conferred on any public employee having official responsibility for this purchase any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised unless consideration of substantially equal or greater value was exchanged.

LIABILITY
The Contractor shall not be held responsible for failure to perform the duties and responsibilities imposed by this Contract if such failure is due to strikes, fires, riots, rebellions, or Force Majeure, beyond the control of the Contractor, that make performance impossible or illegal, unless otherwise specified in the Contract.

The County shall not be held responsible for failure to perform the duties and responsibilities imposed by the Contract if such failure is due to strikes, fires, riots, rebellions, or Force Majeure, beyond the control of the County, that make performance impossible or illegal, unless otherwise specified in the Contract.

ASSIGNMENT
The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of any award, or any or all of its rights, obligations, or interests under this Contract, without the prior written consent of the County.

APPLICABLE LAW
This Contract and the work performed hereunder shall be governed in all respects by the laws of the Commonwealth of Virginia and the venue for any litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia. In performing the Work under this Contract, the Contractor shall comply with applicable federal, state, and local laws, ordinances and regulations.

AUTHORITY TO TRANSACT BUSINESS
In accordance with §13.1-613 of the Code of Virginia, any firm submitting a bid or proposal in response to this solicitation must be authorized to transact business in the Commonwealth of Virginia.
HIPAA COMPLIANCE
The Contractor shall comply with all applicable legislative and regulatory requirements of privacy, security and electronic transaction components of the Health Insurance Portability and Accountability Act (HIPAA) of 1996.

IMMIGRATION REFORM AND CONTROL ACT OF 1986
The Contractor certifies that it does not, and will not during the performance of the Contract, employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

ANTITRUST
By entering into this Contract, the Contractor conveys, sells, assigns and transfers to the County all rights, title, and interest in and to all causes of action the Contractor may now have or hereafter acquire under the antitrust laws of the United States or the Commonwealth of Virginia, relating to the goods or services purchased or acquired by the County under said Contract.

RELATION TO COUNTY
The Contractor will be legally considered as an independent contractor and neither the Contractor nor its employees will, under any circumstances, be considered employees, servants or agents of the County. The County will not be legally responsible for any negligence or other wrongdoing by the Contractor, its employees, servants or agents. The County will not withhold payments to the Contractor for any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to the Contractor. Further, the County will not provide to the Contractor any insurance coverage or other benefits, including Workers' Compensation, normally provided by the County for its employees.

ARLINGTON COUNTY PURCHASING RESOLUTION
The Contract is governed by the applicable provisions of the Arlington County Purchasing Resolution. The time limit for final written decision by the County Manager in the event of a contractual dispute, as that term is defined in the Purchasing Resolution, is fifteen (15) days. Procedures for contractual disputes, administrative appeals, and protests are available upon request from the Office of the Purchasing Agent.

ARBITRATION
It is expressly agreed that nothing under the Contract shall be subject to arbitration, and any references to arbitration are expressly deleted from the Contract.

PATENTS AND ROYALTIES
The Contractor covenants to save, defend, hold harmless, and indemnify the County, and all of its officers, officials, departments, agencies, agents, and employees (collectively the "County") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, for or on account of any trademark, copyright, patented or unpatented invention, process, or article manufactured or used in the performance of this Contract, including its use by the County. If the Contractor uses any design, device, or materials covered by letters patent or copyright, it is
mutually agreed and understood, without exception, that the Contract price includes all royalties or costs arising from the use of such design, device, or materials in any way involved with the work.

CONFIDENTIALITY AND RETURN OF RECORDS
The Contractor agrees that all findings, memoranda, correspondence, documents or records of any type, whether written or oral, and all documents generated by the Contractor or its subcontractors as a result of the County's request for services under this Contract, are confidential records ("Record" or "Records"), and neither the Records nor their contents shall be released by the Contractor, its subcontractors, or other third parties; nor shall their contents be disclosed to any person other than the Project Officer or designee. The Contractor agrees that all oral or written inquiries from any person or entity regarding the status of any Record generated as a result of the existence of this Contract shall be referred to the Project Officer or designee for response. At the County's request, the Contractor shall deliver all Records to the Project Officer, including "hard copies" of computer records, and at the County's request, shall destroy all computer records created as a result of the County's request for services under this Contract.

The Contractor agrees to include the provisions of this section as part of any Contract or Agreement the Contractor enters into with subcontractors or other third parties for work related to work pursuant to this Agreement.

No termination of this Agreement shall have the effect of rescinding, terminating or otherwise invalidating this section.

PAYMENT OF SUBCONTRACTORS
The Contractor is obligated to take one of the two following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by any subcontractor under this Contract:

a. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

b. Notify the County and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

The Contractor is obligated to pay interest to the subcontractor on all amounts owed by the Contractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in b., above. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to the above provisions may not be construed to be an obligation of
the County. A Contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

AUDIT
The Contractor agrees to retain all books, records and other documents related to this procurement for at least five (5) years after final payment, or until audited by the County, whichever is sooner. The County or its authorized agents shall have full access to and the right to examine any of the above documents during this period. If the Contractor wishes to destroy or dispose of records (including confidential records to which the County does not have ready access) after the County's audit but within five (5) years after final payment, the Contractor shall notify the County at least thirty (30) days prior to such disposal, and if the County objects, shall not dispose of the records.

PROJECT STAFF
The County will, throughout the Contract Term and any renewal term, have the right of reasonable rejection and approval of staff or subcontractors assigned to the project by the Contractor. If the County reasonably rejects staff or subcontractors, the Contractor must provide replacement staff or subcontractors satisfactory to the County in a timely manner and at no additional cost to the County. The day-to-day supervision and control of the Contractor's employees shall be solely the responsibility of the Contractor.

SUPERVISION BY CONTRACTOR
The Contractor shall at all times enforce strict discipline and good order among the workers performing under this Contract, and shall not employ on the work any person not reasonably proficient in the work assigned.

REPORT STANDARDS
Reports or written material prepared by the Contractor in response to the requirements of this Contract shall, unless otherwise provided for in the Contract, meet standards of professional writing established for the type of report or written material provided, shall be thoroughly researched for accuracy of content, shall be grammatically correct and not contain spelling errors, shall be submitted in a format approved in advance by the Project Officer, and shall be submitted for advance review and comment by the Project Officer. The cost of correcting grammatical errors, correcting report data, or other revisions required to bring the report or written material into compliance with the Contract requirements shall be borne by the Contractor.

When submitting documents to the County, The Contractor shall comply with the following guidelines:

• All submittals and copies shall be printed on at least 30% recycled-content and/or tree free paper;
• All copies shall be double-sided;
• Report covers or binders shall be recyclable, made from recycled materials, and/or easily removable to allow for recycling of report pages (reports with glued bindings that meet all other requirements are acceptable);
• The use of plastic covers or dividers should be avoided; and
• Unnecessary attachments or documents not specifically asked for should not be submitted, and superfluous use of paper (e.g. separate title sheets or
chapter dividers) should be avoided.

ADJUSTMENTS FOR CHANGE IN SCOPE
The County may order changes in the work within the general scope of the work consisting of additions, deletions or other revisions. No claim may be made by the Contractor that the scope of the project or of the Contractor's services has been changed requiring adjustments to the amount of compensation due the Contractor unless such adjustments have been made by a written amendment to the Contract signed by the County and the Contractor. If the Contractor believes that any particular work is not within the scope of the project or is a material change or otherwise will call for more compensation to the Contractor, the Contractor must immediately notify the Project Officer in writing of this belief. Within ten (10) days after any change or event which the Contractor believes calls for more compensation, the Contractor must provide to the Project Officer a proposal which sets forth the amount of additional compensation claimed, together with the basis therefor and supportive documentation for the amount. The Contractor will not be compensated for performing any work unless a proposal complying with this paragraph has been submitted in the time specified above and a written amendment has been signed by the County and the Contractor and a County purchase order is issued covering the cost of the services to be provided under the amendment. If the Project Officer believes that the work is within the scope of the Contract as written, the Contractor will be ordered to continue work.

NONAPPROPRIATION
All funds for payments by the County under this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County. In the event of nonappropriation of funds by the County Board of Arlington County for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County Board of Arlington County shall not be obligated under this Contract beyond the date of termination.

TERMINATION FOR DEFAULT
The Contract will remain in force for the full period specified and until the County determines that all requirements and conditions have been satisfactorily met and the County has accepted the Work, and thereafter until the Contractor has met all requirements and conditions relating to the Work under the Contract Documents following the Initial Contract Term and all Subsequent Contract Terms, including warranty and guarantee periods. However, the County will have the right to terminate this Contract sooner if the Contractor has failed to perform satisfactorily the Work required, as determined by the County in its discretion.

In the event the County decides to terminate this Contract for failure to perform satisfactorily, the County will give the Contractor at least fifteen
(15) days written notice before the termination takes effect. Such fifteen (15) day period will begin upon the mailing of notice by the County. If the Contractor fails to cure the default within the fifteen (15) days specified in the notice and the Contract is terminated for the Contractor's failure to provide satisfactory Contract performance, the Contractor will be entitled to receive compensation for all Contract services satisfactorily performed by the Contractor and allocable to the Contract and accepted by the County prior to such termination. However, an amount equal to all additional costs required to be expended by the County to complete the work covered by the Contract, including costs of delay in completing the project, shall be either subtracted from any amount due the Contractor or charged to the Contractor in the event the County terminates the Contract.

Except as otherwise directed by the County, or in the case of termination for default (in which event the Contractor may be entitled to cure, at the option of the County), the Contractor shall stop work on the date of receipt of notice of the termination or other date specified in the notice, place no further orders or subcontracts for materials, services, or facilities except as are necessary for the completion of such portion of the work not terminated, and terminate all vendors and subcontracts and settle all outstanding liabilities and claims.

In the event any termination for default shall be found to be improper or invalid by any court of competent jurisdiction, then such termination shall be deemed to have been a termination for convenience.

TERMINATION FOR THE CONVENIENCE OF THE COUNTY
The performance of work under this Contract may be terminated by the Purchasing Agent in whole or in part whenever the Purchasing Agent shall determine that such termination is in the County's best interest. Any such termination shall be effected by the delivery to the Contractor of a written notice of termination at least fifteen (15) days before the date of termination, specifying the extent to which performance of the work under this Contract is terminated and the date upon which such termination becomes effective.

After receipt of a notice of termination and except as otherwise directed the Contractor shall stop all work on the date of receipt of the notice of termination or other date specified in the notice; place no further orders or subcontracts for materials, services or facilities except as are necessary for the completion of such portion of the work not terminated; immediately transfer all documentation and paperwork for terminated work to the County; and terminate all vendors and subcontracts and settle all outstanding liabilities and claims.

REQUIREMENTS CONTRACT (ESTIMATED QUANTITIES)
During the Contract Term, the Contractor will furnish all of the items or services described in the Contract Documents. The Contractor understands and agrees that this is a requirements contract and the County will have no obligation to the Contractor if no items or services are required. Any quantities which are included in the Contract Documents are the present expectations of those who are planning for the County for the period of the contract. The amount is only an estimate and the Contractor understands and agrees that the County is under no obligation to the Contractor to buy any
amount as a result of having provided this estimate or of having had any normal or otherwise measurable requirement in the past. The Contractor further understands that the County may require services in excess of the estimated annual Contract amount and that such excess shall not give rise to any claim for compensation other than at the unit prices in this Contract.

NONEXCLUSIVITY OF REMEDIES
All remedies available to the County under this contract are cumulative and no such remedy shall be exclusive of any other remedy available to the County at law or in equity.

AMENDMENTS
This Contract shall not be amended except by written amendment executed by persons duly authorized to bind the Contractor and the County.

SEVERABILITY
The sections, paragraphs, sentences, clauses and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Contract shall be declared invalid by the valid judgment or decree of a court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Contract.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

AUTHORIZED SIGNATURE: 
NAME AND TITLE: RICHARD D. WARREN, JR. PURCHASING AGENT
DATE: 8/31/06

AA DAYCARE, INC.

AUTHORIZED SIGNATURE: 
NAME AND TITLE: Adam Szuszcik/Secretary
DATE: 08/31/2006

TAXPAYER ID NUMBER, SSN/EIN: 54-1798964
1. The Contractor shall design and operate a high quality child day care program appropriate to the needs and development of children from 8 weeks of age and a minimum weight of 10 pounds through 5 years of age. The program shall satisfy, in all respects, the Minimum Standards for Licensed Child Day Care Centers in the Commonwealth of Virginia and Arlington County Code, Chapter 52 (Child Day Care Centers). The Contractor shall also strive to meet standards higher than those required under applicable law. If the Contractor questions whether a child can be properly cared for at the Center because of a significant medical or behavioral problem, the Contractor may require the child's parents to present competent medical or other relevant professional evidence that the child can be properly and safely cared for in a day care center without additional service equipment, care, or personnel and without undue danger to the child or others. Upon presentation of such evidence, the Contractor shall accept the child into the program.

2. The Contractor will operate the Center in accordance with the program and curriculum to be submitted by the Contractor prior to the effective date of this Agreement. The Contractor is responsible for retaining and compensating the Center's director, teachers, aides and administrative staff, who shall be employees of the Contractor. Qualifications of the personnel and the number appointed shall satisfy, at a minimum, the Commonwealth of Virginia and County requirements for day care personnel.

EXCERPT: Arlington County Code, Chapter 52-29 Child care centers., (H) "Group size, child-adult ratio."

<table>
<thead>
<tr>
<th>Age</th>
<th>Maximum Size of Group</th>
<th>Child-Adult Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 2</td>
<td>9</td>
<td>3 - 1</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>5 - 1</td>
</tr>
<tr>
<td>3</td>
<td>16</td>
<td>8 - 1</td>
</tr>
<tr>
<td>4 to 5</td>
<td>20</td>
<td>10 - 1</td>
</tr>
</tbody>
</table>

3. The Contractor shall recruit and enroll children of County employees in the Center. The County will assist by notifying County employees and facilitating the distribution of information about the Center to County employees.

4. The Contractor may enroll a maximum of 40 children whose parent(s) are not employed by the County. Waiting lists shall be established for relevant age groups when all spaces for that age group are filled. Spaces becoming open shall be filled on a first-come, first-served basis from the waiting lists; however, all children of County employees shall always be offered available space from a waiting list before a space may be offered to the children of others, regardless of when the name was placed on the waiting list.

5. The Contractor shall provide a nutritional and well balanced lunch and two snacks per day for all children except those who are eating baby food, infant formula, or are on special diets that conforms to the U.S. Department of Agriculture's Child & Adult Care Food Program guidelines.
The Contractor retains the right to determine if meals will be prepared on site or brought to the site. The Contractor shall ensure that all meals, including those prepared by others, are prepared, served and transported according to all applicable laws and regulations.

6. The Contractor also agrees to encourage involvement of parents by communicating regularly with parents, sponsoring family events and encouraging parental visits during Center operating hours.

7. The Contractor shall obtain and comply with all permits from all state and local agencies that regulate the provision of child day care services. The County warrants that the Facility will meet appropriate building codes at the time of making it available to the Contractor.

8. The Contractor shall be responsible for establishing and maintaining good relations with the Astoria condominium association and other nearby civic associations; and agrees to work with these groups to resolve all issues related to noise, traffic, Facility appearance, parking and any other issues which may affect the immediate neighborhood.

9. The Center shall open for children no later than 7:00 am, Monday through Friday and close no earlier than 5:00 pm. The Center may be closed for all holidays observed by the County, or when the Arlington County Public Schools close for weather conditions, or when other emergency situations arise.

10. The Contractor agrees that in the selection of clients for the center it will not discriminate on the basis of race, sex, religion, national origin or other illegal basis.

11. The Contractor may install any furniture, equipment and trade fixtures on or about the Facility needed in the conduct of its business; and, those items shall remain the property of the Contractor. All Contractor’s property shall be removed no later than on the date of expiration of this Agreement. In the event any damage is done to the Facility in the removal or installation of said items, the Contractor shall promptly repair said damage or reimburse the County for cost of such repairs.

12. The Contractor may use the Facility, and its contents, for the purpose of providing the services required by this Agreement. Unless the County has given its prior written approval, the Contractor may not allow or permit the use of the Facility or equipment provided by the County by any other entity or person, or use it for any other purposes than for those permitted or required to carry out the performance of the work required by this Agreement.

13. The County will not be responsible for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by the Contractor or by any person who may at any time be using, occupying, or visiting the Facility or be in, on, or about the same, whether such loss, injury, death or damage is caused by, in any way result from, or arise out of any act, omission or negligence of the Contractor or of any occupant, visitor or user of any portions of the Facility, or shall result from or be caused by any portions of the Facility, or shall result from or be caused by any other matter or thing whether the same kind as or of a different kind than the matters or things above set forth. The Contractor covenants to save, defend,
hold harmless, and indemnify the County, and all of its officers, departments, agencies, agents, and employees (collectively the "County") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the Contractor's negligent performance or nonperformance of its work called for by the Contract Documents, or in any way related to the operation of the Facility.

14. Notwithstanding anything to the contrary which may be implied in this Agreement, the Contractor agrees that all relationships with the County shall be severed and the Facility shall be vacated completely by the Contractor within fifteen days after the cancellation, termination or expiration of this Agreement between the County and the Contractor, except that the Contractor shall still be responsible under the indemnification clause above. Nothing herein shall be construed to affect any of the County's rights under the Agreement.

15. The Contractor agrees to provide financial or other meaningful incentives to its employees to encourage them to use alternative methods of transportation to the Facility other than their own private vehicles in order to maximize the availability of parking spaces at the Facility for parents and reduce traffic congestion in the area.

16. The County shall be responsible for the interior and exterior structural maintenance of the Facility, including the heating and air conditioning systems; electrical and lighting systems; plumbing systems, interior painting and exterior grounds. The Contractor shall be responsible for payment of all water, sewer, telephone, electrical, gas, security, pest control, trash removal and custodial services. It is the responsibility of the Contractor to immediately notify the Project Officer or his/her designee of any repair required to the Facility or equipment provided by the County, whether structural or mechanical. The Contractor shall be liable for all costs and damages incurred by the County due to the failure of the Contractor to promptly notify the County.

17. The Contractor shall be responsible for the purchase and maintenance of all program equipment (e.g., toys, paints, etc.) required in addition to or as replacement of the equipment currently in the inventory.

18. The Contractor shall be responsible for the payment of any and all taxes imposed on the Contractor by Arlington County or other governmental agencies.

19. The Contractor shall make no interior or exterior changes or alterations to the Facility without prior written approval from the County Manager of Arlington County or his designee. All permanent improvements, betterments and additions made to the Facility shall, at the expiration of this Agreement, or upon the termination of this Agreement, be and remain as part of the Facility free from any encumbrance at the time of such termination.

20. In the event the Contractor fails to pay, when due, any fees herein required to be paid by the Contractor to the County or other person or entity, or any other item of expense becoming due from the Contractor under this Agreement or to obtain any policy of insurance or to pay any item of insurance premiums required by the terms of this Agreement to be obtained or paid by the Contractor; or in the event the Contractor...
fails to comply with any of the other covenants or conditions of this Agreement, then the failure of the Contractor to comply with such obligations shall constitute an event of default. The County shall give written notice of said default to the Contractor as provided below. For defaults as to failure to pay money, a 5% late fee will be applied if any payment due the County is made more than 5 business days after it is due. After 30 days a late fee will include interest from the date payment was due through actual payment date at a rate of interest equal to the rate then payable by the U.S. Treasury Department on thirty (30) day Treasury Notes. Late fees will apply whether or not notice of default was given.

Except as to defaults for failure to pay money, the notice of default shall give the Contractor fifteen (15) days from the receipt of said notice to correct or cure said default.

In the event the Contractor is in default and the default remains uncured by the Contractor for 30 days, the contract may be terminated at the County's sole discretion, and the County shall be entitled to immediate possession of the Facility.

In the event the County takes possession of the Facility after the default of the Contractor, all structural improvements and betterments shall remain the property of the County. The Contractor, by complying with the notice requirements of this Item, may similarly require the County to correct any defaults by the County of its obligations under this Agreement. Nothing in this Item shall be construed to limit or restrict the rights of the County to exercise or seek any other legal or equitable remedies, or to exercise any other rights including the County's absolute rights of cancellation or termination, it has under this Agreement.

21. The Contractor shall maintain such financial records and other records as may be prescribed by the County or by applicable Federal, State and County laws, rules and regulations for at least five (5) years after final payment, or until audited by the County, whichever is sooner. These records shall be made available for examination, transcription and audit by the County, its designees, and other authorized bodies.

22. Contractor shall provide budget, outreach, staff, enrollment and Facility operation data, as well as annual financial reports to County representatives upon request.

23. If the Contractor shall at any time have an audit of its business, it shall furnish the County a copy of such audit at no cost to the County.

24. Contractor may solicit outside sources of revenues to augment the Center's budget, such as the USDA food program, or any other appropriate revenue source identified by the Contractor or the County.

25. The County will provide the following equipment at the Facility:

- Heating, ventilating and air conditioning equipment suitable, in the County's opinion, for the Facility;
- An operating kitchen including garbage disposal, sink and other standard kitchen equipment;
• Cases, storage shelving and other permanent, fixed cabinets determined by the County to be adequate for the Facility's needs and in accordance with reasonable standards for child day care facilities;

• Cribs, feeding tables, chairs, cots, large toys, and office equipment.

• Permanent playground equipment as designed by the County and in accordance with reasonable standards for day care facilities; and

• Bathroom facilities adequate to meet the requirements of the maximum number of children and staff and in accordance with local and state regulatory agency requirements.

• Delivery of a waste container and once per week waste removal service.

At the date of termination of this contract, all of the equipment provided by the County shall be in its original condition, normal wear and tear excepted.

26. The following are the maximum weekly tuition fees which the Contractor may charge for the care of the children or dependents of County employees (on probation, part-time, permanent and temporary) and the children or dependents of non-County employees. The definition of "dependent" shall be as determined for federal income tax purposes. The definition of "County employees" shall include those employees of the Commonwealth of Virginia who work for the Constitutional Officers and the Courts of Arlington County and any departments or offices of the County.

<table>
<thead>
<tr>
<th></th>
<th>County Employees</th>
<th>Non-Employees</th>
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<tr>
<td>Infant Group</td>
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<td>$300.00</td>
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<td>$170.00</td>
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<tr>
<td>Two Days</td>
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</table>
EXHIBIT B

INSURANCE REQUIREMENTS

1. General

1.1 The Contractor shall not start Work under this Contract until the Contractor has obtained at its own expense all of the insurance called for hereunder and such insurance has been approved by the County; nor shall the Contractor allow any subcontractor to start Work on any subcontract until all insurance required of the subcontractor has been so obtained and approved by the Contractor. Approval of insurance required of the Contractor will be granted only after submission to the County Purchasing Agent of an original, signed certificate of insurance or, alternately, at the County's request, certified copies of the required insurance policies.

1.2 The Contractor shall require all subcontractors to maintain during the term of this agreement, Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation and Employers' Liability insurance, in the same manner as specified for the Contractor. The Contractor shall furnish subcontractors' certificates of insurance to the County immediately upon request.

1.3 All insurance policies required hereunder shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation, non-renewal, material change, or reduction in coverage until thirty (30) days prior written notice has been given to the Purchasing Agent, Arlington County, Virginia."

Therefore, the words "endeavor to" and "but failure to mail such notice shall impose no obligation of liability of any kind upon the company, its agents or representatives" are to be eliminated from the cancellation provision of standard ACORD certificates of insurance.

1.4 No acceptance and/or approval of any insurance by the County shall be construed as relieving or excusing the Contractor, or the surety, or its bond, from any liability or obligation imposed upon either or both of them by the provisions of the Contract Documents.

1.5 Arlington County, its officers, elected and appointed officials, and employees, are to be named as additional insureds under all coverages except Workers' Compensation, Professional Liability, and Automobile Liability, and the certificate of insurance, or the certified policy, if requested, must so state. Coverage afforded under this paragraph shall be primary as respects the County, its elected and appointed officials, agents and employees. The following definition of the term "County" applies to all policies issued under the Contract:

"The County Board of Arlington County and any affiliated or subsidiary Board, Authority, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, Authority, Committee, or Independent Agency is either a Body Politic created by the County Board of Arlington County, Virginia, or one in which controlling interest is vested in Arlington County; and Arlington County Constitutional Officers."
1.6 The Contractor shall provide insurance as specified in the Insurance Checklist found on the last page of the bid or proposal form.

1.7 The Contractor covenants to save, defend, hold harmless, and indemnify the County, and all of its elected and appointed officials, officers, employees, agents, departments, agencies, boards, and commissions (collectively the "County") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the Contractor's intentional, negligent, or grossly negligent acts or omissions in performance or nonperformance of its Work called for by the Contract Documents. This indemnification shall survive the termination of this contract.

This indemnification shall continue in full force and effect until the Contractor completes all of the Work required under the Contract, except that indemnification shall continue for all claims involving products or completed operations after final acceptance of the Work by the County for which the County gives notice to the Contractor after the County's final acceptance of the Work.

1.8 The Contractor shall be responsible for the Work performed under the Contract Documents and every part thereof, and for all materials, tools, equipment, appliances, and property of any description used in connection with the Work. The Contractor assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the Work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract, or in connection in any way whatsoever with the contracted Work, until final acceptance of the Work by the County.

1.9 Insurance coverage required in these specifications shall be in force throughout the Contract Term. If the Contractor fails to provide acceptable evidence of current insurance within seven (7) days of written notice at any time during the Contract Term, the County shall have the absolute right to terminate the Contract without any further obligation to the Contractor, and the Contractor shall be liable to the County for the entire additional cost of procuring performance and the cost of performing the incomplete portion of the Contract at time of termination.

1.10 Contractual and other liability insurance provided under this Contract shall not contain a supervision, inspection or engineering services exclusion that would preclude the County from supervising or inspecting the project as to the end result. The Contractor shall assume all on-the-job responsibilities as to the control of persons directly employed by it and of the subcontractors and any persons employed by the subcontractor.

1.11 Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the County. The Contractor shall be as fully responsible to the County for the acts and omissions of the subcontractors and of persons employed by them as it is for acts and omissions of persons directly employed by it.
1.12 Precaution shall be exercised by the Contractor at all times for the protection of persons, (including employees) and property. All existing structures, utilities, roads, services, trees and shrubbery shall be protected against damage or interruption of service at all times by the Contractor and its subcontracts during the term of the Contract, and the Contractor shall be held responsible for any damage to property occurring by reason of its operation on the property.

1.13 If the Contractor does not meet the insurance requirements of the specifications, alternate insurance coverage, satisfactory to the Purchasing Agent, may be considered. Written requests for consideration of alternate coverages must be received by the County Purchasing Agent at least ten (10) working days prior to the date set for receipt of bids or proposals. If the County denies the request for alternate coverages, the specified coverages will be required to be submitted. If the County permits alternate coverage, an amendment to the Insurance Requirements will be prepared and distributed prior to the time and date set for receipt of bids or proposals.

1.14 All required insurance coverages must be acquired from insurers authorized to do business in the Commonwealth of Virginia and acceptable to the County. The insurers must also have a policyholders' rating of "A-" or better, and a financial size of "Class VII" or better in the latest edition of Best's Insurance Reports, unless the County grants specific approval for an exception, in the same manner as described in 1.13 above.

1.15 The County may consider deductible amounts as part of its review of the financial stability of the Contractor. All deductibles shall be assumed by the Contractor.

2 Contractor's Insurance - Occurrence Basis:

2.1 The Contractor shall purchase the following insurance coverages, including the terms, provisions and limits shown in the Insurance Checklist.

2.1.1 Commercial General Liability - Such Commercial General Liability policy shall include any or all of the following as indicated on the Checklist:

i. General aggregate limit is to apply per project;

ii. Premises/Operations;

iii. Actions of Independent Contractors;

iv. Products/Completed Operations to be maintained for two (2) years after completion of the Work;

v. Contractual Liability including protection for the Contractor from claims arising out of liability assumed under this Contract;

vi. Personal Injury Liability including coverage for offenses related to employment.

vii. Explosion, Collapse, or Underground (XCU) hazards;
2.1.2 Business Automobile Liability including coverage for any owned, hired, or non-owned motor vehicles, Uninsured Motorists insurance, and automobile contractual liability.

2.1.3 Workers' Compensation - statutory benefits as required by Virginia law or the U.S. Longshoremen's and Harbor Workers' Compensation Act, or other laws as required by labor union agreements, including standard Other States coverage; Employers' Liability coverage.

2.1.4 Employee Dishonesty-The Contractor shall purchase Employee Dishonesty insurance which will pay for loss to the County's property or money, caused by the fraudulent or dishonest acts of the Contractor's employees, and agents, whether acting alone or in collusion with others, at the limit stated in the Checklist.

3 Commercial General or other Liability Insurance - Claims-made Basis:

3.1 If Commercial General or other liability insurance purchased by the Contractor has been issued on a claims-made basis, the Contractor must comply with the following additional conditions. The limits of liability and the extensions to be included as described in the Insurance Checklist remain the same. The Contractor must either:

i. Agree to provide certificates of insurance evidencing the above coverages for a period of two (2) years after final payment for the Contract. Such certificates shall evidence a retroactive date, no later than the beginning of the Contractors or subcontractors' Work under this Contract, or

ii. Purchase an extended (minimum two [2] years) reporting period endorsement for the policy or policies in force during the term of this Contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.

4. Alternative Coverages - Self Insurance

4.1 Notwithstanding any of the above, the Contractor may satisfy its obligations under this section by means of self insurance for all or any part of the insurance required, provided that the alternative coverages are acceptable to the County.