



Form GSOP 1-PIN (04/98)

STATE OF CALIFORNIA  
 Department of General Services - Office of Procurement  
**PURCHASE ORDER**

Purchase Order No. Rev. Date  
 61897 12/ 5/2007

Supplier No.	Solicitation No.	Delivery Date	FOB Point	Invoice Terms
800847	56587	As Specified	Destination	N45

MOODY'S K M V  
 405 HOWARD STREET  
 SUITE 300  
 SAN FRANCISCO, CA 94105  
 Attn: NEAL CLARK

*S* OFFICE OF STATEWIDE  
*h* HEALTH PLANNING & DEVELOP  
*i* 818 K STREET, RM B-10  
*p* SACRAMENTO, CA 95814

*C* STATEWIDE HEALTH A-34  
*h* PLANNING & DEVELOPMENT  
*a* 1600-9TH STREET, RM 450  
*r* SACRAMENTO, CA 95814  
*o*  
*g*  
*e*

Agency Billing	Agency Purchase Estimate	Purchase Estimate	Revision
88400	PE400-8191	66925	0

Phone: 773-714-4990

Agency Contact	Phone	Date Received
MOODY'S KMV	916-654-1497	

Item No.	Quantity	Unit	Commodity Code	Description	Unit Price	Extension
<p><u>TERMS AND CONDITIONS:</u></p> <p>THE ATTACHED DOCUMENTS ARE PART OF THIS AGREEMENT:            EXHIBIT A: STATEMENT OF WORK            EXHIBIT B: BUDGET DETAIL AND PAYMENT PROVISIONS</p> <p>THE FOLLOWING DOCUMENTS ARE INCORPORATED INTO THIS AGREEMENT AND MAY BE VIEWED AT THE WEBSITE LISTED.</p> <p>IT General Provisions, GSPD-401IT Revised and Effective 4/12/2007  <a href="http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf">http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf</a></p> <p>Information Technology Software License Special Provisions (Effective 01/21/2003)  <a href="http://www.documents.dgs.ca.gov/pd/modellang/softwarepecial012103.pdf">http://www.documents.dgs.ca.gov/pd/modellang/softwarepecial012103.pdf</a></p>						
1	1	EA	7090-000-0003-7	SOFTWARE LICENSE Moody's Risk Analyst and Full System Maintenance Upgrade from Financial Analyst Program	35,801.7600	35,801.76
<p>Term: One (1) Year from Date of Fulfillment</p>						
<p>Total Value:</p>						35,801.76

Sales and/or use tax to be extra unless noted above

Buyer  DIANA MERCADO	Phone 916-375-4430	BOC Number
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**PURCHASE ORDER CONTINUATION**

Form GSOP 2-PIN (04/98)

<i>Purchase Order No.</i>	<i>Revision</i>	<i>Date</i>	<i>Supplier No.</i>	<i>Supplier Name</i>
61897		12/ 5/2007	800847	MOODY'S K M V

<i>Item No.</i>	<i>Quantity</i>	<i>Unit</i>	<i>Commodity Code</i>	<i>Description</i>	<i>Unit Price</i>	<i>Extension</i>
<p><u>FOB DESTINATION:</u></p> <p>For the purpose of this award, only FOB Destination will be accepted.</p> <p><u>CHANGE ORDERS:</u></p> <p>This Purchase Order may be amended, modified, or terminated at any time by mutual agreement of the parties in writing. Change orders amending, modifying or terminating the Purchase Order, including any modifications of the compensation payable, may be issued only by the State Procurement Officer. All such change orders shall be in writing and issued only upon written concurrence of the supplier. Termination, as that term is used in this section, does not include termination for default of the supplier.</p> <p><u>STATE CONTRACTS AND PROCUREMENT REGISTRATION:</u></p> <p>This Purchase Order has been registered into the State Contracts and Procurement Registration System (<a href="https://www.scprs.dgs.ca.gov">https://www.scprs.dgs.ca.gov</a>). The Registration Number is: 41401207273747</p>						

## EXHIBIT A

### OFFICE OF STATEWIDE HEALTH PLANNING & DEVELOPMENT

#### STATEMENT OF WORK

This Statement of Work ("Agreement") reflects the services to be provided by Moody's KVM Company, hereinafter referred to as the "Contractor," for the Office of Statewide Health Planning & Development, hereinafter referred to as the "OSHPD".

#### SCOPE OF WORK

1. The Contractor agrees to provide the OSHPD, Cal-Mortgage Loan Insurance Division, a software license for 17 users and 1 "tester" (total of 18) of Moody's RiskAnalyst, Financials Package, using the Hospital Template (HOSP117). RiskAnalyst is financial analysis software used to review the details of an organization's financial statement, and compare with other similar organizations to assist in determining the financial viability of an organization. We require regular industry standard updates for industry comparison on our projects.
2. The Contractor will provide annual support, maintenance, and upgrades to the financial analytical system as set forth under "Contractor's Responsibilities" together with any available updated features during the term of the contract.
3. The work will be performed at the offices of Moody's KVM Company at 405 Howard Street, Suite 300, San Francisco, CA 94105. If the parties so agree, Contractor may provide services at the offices of Cal-Mortgage Loan Insurance at 300 Capitol Mall, Suite 1500, Sacramento, California.

#### PERIOD OF PERFORMANCE

The term of this Agreement is for twelve (12) months effective upon the Agreement start date or the date the Purchase Order is signed, whichever is later.

## **CONTRACTOR RESPONSIBILITIES**

1. The Contractor will provide the software maintenance and support services listed in Sections 2 through 8 to the OSPHD for the Covered Software while the annual maintenance fee for the Current Release of the particular Covered Software is in effect and paid in full. "Current Release" means the then-current unmodified, unimproved release of the Covered Software made generally available by the Contractor to similarly situated customers. The Contractor shall not be obligated to provide maintenance or support services for any customizations or modifications to the Current Release as part of the Maintenance Fee. The Contractor may provide maintenance and support services for the version of the Covered Software immediately preceding the Current Release at its discretion.
2. The Contractor will use reasonable efforts to correct any failure in the Covered Software to substantially comply with its Documentation ("Errors"), provided such Errors are identified by the OSPHD in writing, are replicable by the Contractor, and confirmed by the Contractor to arise directly from the unmodified Covered Software. In particular, the Contractor will use reasonable efforts to proceed as described below:
3. If an Error causes the Covered Software to be wholly inoperative, or so severely impaired that the OSHPD is unable to use the Covered Software to perform any of its intended functions in accordance with the Documentation supplied by the Contractor, ("Severity 1 Error"), The Contractor will: (a) within one (1) business day after receiving notice of a Severity 1 Error from the OSHPD, assign at least one qualified technician to dedicate full time within the Contractor's normal business hours to provide a correction or procedural workaround sufficient to reduce or eliminate the effect of the Severity 1 Error; and (b) within five (5) business days after receiving notice of a Severity 1 Error from the OSHPD, provide an error correction or procedural workaround sufficient to alleviate any material adverse effect of the Severity 1 Error on the operation of the Covered Software.
4. If an Error causes the Covered Software to fail to function in material accordance with its Documentation so that one or more material functions are severely impaired but the Covered Software is still operational with respect to other functions ("Severity 2 Error"), The Contractor will, within ten (10) business days after receiving notice of a Severity 2 Error from the OSHPD, provide an error correction sufficient to alleviate any material adverse effect of the Severity 2 Error on the operation of the Covered Software.
5. If an Error reported by the OSHPD causes inconvenience, but does not materially and adversely affect the functionality of the Covered Software

("Severity 3 Error"), The Contractor will endeavor to include a correction of such Severity 3 Error by the next Upgrade of the Covered Software.

6. THE CONTRACTOR will be available for telephone consultation during the hours and at the contacts provided on the Contractor support site (<http://support.moodyskmv.com>).
7. The Contractor shall provide Upgrades to the standard version of the major Covered Software at no additional cost to the OSHPD. "Upgrades" shall mean updated, upgraded, or revised versions of the Covered Software which may include Error corrections and other enhancements that the Contractor, at its sole discretion, makes available to the OSHPD at no additional charge. Upgrades shall not include any new releases which contain substantially new or different functionality, which the Contractor licenses as separate products or which the Contractor creates at the request of a specific Client.
8. The Contractor shall provide to the OSHPD an "RMA Statements Studies Data" Disk and associated documentation when applicable.

### **OSHPD'S RESPONSIBILITIES**

1. The OSHPD shall designate in writing to the Contractor up to three (3) appropriate and knowledgeable persons to serve as the OSHPD liaisons with the Contractor and through whom all contacts and questions shall be presented to the Contractor. The OSHPD liaison persons may be changed by the OSHPD by providing written or email notice to the Contractor.
2. In the event that the OSHPD makes any unauthorized modifications, enhancements or improvements to the Covered Software, The Contractor shall be relieved of its obligations to provide support and maintenance services for any portion of the Covered Software which has been affected, directly or indirectly, by such changes, modifications, enhancements or improvements.

### **POINTS OF CONTACT**

The project representatives during the term of this agreement will be:

State Agency: OSHPD	Contractor: Moody's KMV Company
Name: <b>Jeff Tjelmeland, AGPA</b>	Name: <b>Neal Clark, Vice President</b>
Phone: (916) 323-3939	Phone: (773) 714-4990
Fax: (916) 445-2837	Fax: (773) 714-4992
Email: <a href="mailto:jtjelmel@oshpd.ca.gov">jtjelmel@oshpd.ca.gov</a>	Email: <a href="mailto:neal.clark@mkmv.com">neal.clark@mkmv.com</a>

Direct all inquiries concerning the terms and conditions of this agreement to:

State: OSHPD	Contractor: Moody's KMV Company
Section: Cal-Mortgage Loan Insurance	Section/Unit: N/A
Attention: Merrilee Malcomb Contract Administrator	Attention: <b>General Counsel</b>
Address: 300 Capitol Mall, Ste. 1500 Sacramento, CA 95814	Address: 405 Howard Street, Suite 300 San Francisco, CA 94105
Phone: (916) 327-5860	Phone: (415) 874-6000
Fax: (916) 324-6389	Fax: (415) 874-6820
Email: <a href="mailto:mmalcomb@oshpd.ca.gov">mmalcomb@oshpd.ca.gov</a>	Email: <a href="mailto:legal@mkmv.com">legal@mkmv.com</a>

EXHIBIT B

**BUDGET DETAIL AND PAYMENT PROVISIONS**

1. **Invoicing and Payment**

A. For the product satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for the product provided in accordance with the rate specified herein and made a part of this Agreement. The acquisition of the Moody's KMV RiskAnalyst, Financials package, with Hospital Template (HOSP117) software license for 17 users and 1 tester (total 18), and related annual support and maintenance services, shall not exceed a total price of \$ **\$35,801.76**.

B. The invoice shall include the Agreement Number and shall be submitted in triplicate to:

Office of Statewide Health Planning and Development  
Cal-Mortgage Loan Insurance Division  
Attention: Accounting  
1600 Ninth Street, Room 450  
Sacramento, CA 95814

C. Final payment shall be paid upon review and acceptance of the Software by the Cal-Mortgage Loan Insurance Division of OSHPD.

D. The cost of the product is detailed as follows:

**Moody's KMV RiskAnalyst**

Moody's KMV RiskAnalyst, Financials Package with Hospital Template (HOSP117) License for 18 users	\$46,030.00
Less: 75% credit for previously paid fees (15 users for MFA Version 3):	<u>-21,375.00</u>
Net Cost for License:	\$24,655.00
Annual Support and Maintenance Fee	\$9,206.00
Subtotal	\$33,861.00
Tax (7.75% on \$24,655 license fee only)	1,910.76
Shipping and Handling	<u>30.00</u>
<b>Total</b>	<b>\$35,801.76</b>

E. Pro-rated credit will be applied to total from any payments made on current year Annual Support and Maintenance Fee.

2. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.