

**AMENDMENT NO. 1
TO CONTRACT SERVICES AGREEMENT**

THIS AMENDMENT NO. 1 TO THE AGREEMENT FOR CONTRACT SERVICES (“Amendment No. 1”) by and between the CITY OF CARSON, a California municipal corporation (“City”) and UC ADVANTAGE, INC., a California corporation (“Consultant”) is dated the 1st day of October, 2022.

RECITALS

A. On May 12, 2021, City and Employers Group Service Corp., a California corporation (“Employers Group”), entered into an Agreement for Contract Services (“Agreement”), whereby Employers Group agreed to provide unemployment insurance claims administration services for 3 years for a total not-to-exceed contract sum of \$8,700.00 per year.

B. Employers Group desires and intends to assign all of its rights, interests, duties and obligations under the Agreement to Consultant (UC Advantage, Inc.), and Consultant sees fit to assume the same. To that end, Employers Group provided City with an email on June 14, 2022, expressing Employers Group’s intent to transfer its rights and responsibilities under the Agreement to Consultant. Consultant has not yet formally agreed to assume the Agreement nor the rights, interests, duties and obligations thereunder.

C. Section 4.3 of the Agreement provides that “neither this Agreement nor any interests herein may be assigned or transferred, voluntarily or by operation of law, without prior written approval of City.” Accordingly, neither Employers Group’s assignment of its rights, interests, duties and obligations under the Agreement to Consultant, nor Consultant’s assumption of the same, may be effectuated without City approval. However, the City is amenable to the requested assignment and assumption, as is Consultant. Therefore, the City and Consultant now see fit to enter into this Amendment No. 1 to add an exception to Section 4.3 of the Agreement to authorize a transfer and assignment of Employer Group’s rights, interests, duties and obligations under the Agreement to Consultant, and Employers Group acknowledges and consents to same.

D. Based on the foregoing, City and Consultant now desire and intend to amend the Agreement to authorize the assignment of the Agreement from Employers Group to Consultant, and the assumption of the Agreement by Consultant, and to thereby authorize and require the performance of the services under the Agreement by Consultant commencing as of said date, but only provided that Consultant formally agrees to assume the Agreement and the rights, interests, duties and obligations, thereunder, by entering into an appropriate assignment and assumption agreement with Employer’s Group (“Assignment and Assumption Agreement”). Accordingly, this Amendment No. 1 will not got into effect until such time that the Assignment and Assumption Agreement is duly approved and executed.

TERMS

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by reference.

2. Contract Changes. The Agreement is amended as provided herein (new text is identified in ***bold italics***, deleted text in ~~strikethrough~~):

A. Section 4.1, “Representative of Consultant,” is hereby amended to read in its entirety as follows:

“William C. Stephens ***is hereby designated as being the representative of Employers Group Services, Inc. authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith from the date of the Agreement through the date this Agreement is assigned to and assumed by UC Advantage, Inc., a California corporation.*** Jason E. Hayek, President is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith, ***effective the date this Agreement is assigned to and assumed by UC Advantage, Inc., a California corporation.*** All personnel of Consultant and any authorized agents shall be under the exclusive direction of the representative of Consultant. Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant’s staff and subcontractors, and shall keep City informed of any changes.”

B. Section 4.3, “Prohibition Against Subcontracting or Assignment,” is hereby amended to read in its entirety as follows:

“Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of the City. Any such prohibited assignment or transfer shall be void. ***Notwithstanding the foregoing, and as a sole exception thereto, City approves of the assignment and transfer of the Consultant’s rights, interests, duties, and obligations under this Agreement from “Employers Group Services, Inc.,” a California Corporation, to “UC Advantage, Inc.” a California Corporation, as requested and agreed to by said parties.***”

C. The Agreement is hereby amended to change the name of the Consultant such that the term “Consultant,” and all references to “Employers Group Services, Inc., a California Corporation,” as used in the Agreement, shall be construed to mean and refer to “UC Advantage, Inc., a California Corporation.”

D. Section IV. of Exhibit A, “Scope of Services,” is hereby amended to read in its entirety as follows:

“Consultant will utilize the following personnel to accomplish the Services ***for the period of May 12, 2021 through the date this Agreement is assigned to and assumed by UC Advantage, Inc., a California corporation:***

A. Marquita Smith (Claims Administrator)

B. Madison Apodaca (Claims Manager)

C. William C. Stephens (Client Service Director)

D. Hearing representatives assigned by the Consultant on a case-by-case basis. To the extent hearing representatives are Consultant's independent contractors and not employees, Consultant is fully responsible for ensuring that work performed by such independent contractors are in compliance with this Agreement."

E. A new Section V. is hereby added to Exhibit A, "Scope of Services," to read in its entirety as follows:

"Consultant will utilize the following personnel to accomplish the Services, effective the date this Agreement is assigned to and assumed by UC Advantage, Inc., a California corporation:

A. Christina Swedberg, UI Claims Analyst & Hearing Coordinator

B. Valerie Chitty, Director of Operations

C. Ashley Widdison, Tax Specialist & Account Support

D. Erica Howe, Power of Attorney Manager

E. Melissa Barker, VP, Executive Operations & Power of Attorney

F. Gary Acosta, Director of IT

G. Jason Hynek, CEO & Account Executive"

3. Effective Date of Amendment No. 1. City and Consultant agree that this Amendment No. 1 will not go into effect until such time that the Assignment and Assumption Agreement is duly approved and executed. If the Assignment and Assumption Agreement is not executed by December 31, 2022, this Amendment No. 1 will be void *ab initio* and will be deemed as though it was never entered into in the first place.

4. Continuing Effect of Agreement. Except as amended by this Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 1, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment No. 1 to the Agreement.

5. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 1, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment No. 1, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

6. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

7. Authority. The persons executing this Amendment No. 1 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 1 on behalf of said party, (iii) by so executing this Amendment No. 1, such party is formally bound to the provisions of this Amendment No. 1, and (iv) the entering into this Amendment No. 1 does not violate any provision of any other agreement to which said party is bound.

[signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

Lula Davis-Holmes, Mayor

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[ndp, rjl]

CONSULTANT:

UC Advantage, Inc., a California corporation

By:_____
Name: Jason E. Haynek & CEO
Title: President

By:_____
Name:
Title:

Address: 15 Enterprise, Suite 420
Aliso Viejo, CA 92656

ACKNOWLEDGED AND CONSENTED TO:

Employers Group Services, Inc., a California corporation:

By: _____
Name: Mark Wilbur
Title: President & CEO

By: _____
Name: William C. Stephens
Title: Secretary

Address: 400 North Continental Blvd. Suite 300
El Segundo, CA 90245

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	_____
<input type="checkbox"/>	CORPORATE OFFICER	_____
<input type="checkbox"/>	PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL	TITLE OR TYPE OF DOCUMENT _____
<input type="checkbox"/>	ATTORNEY-IN-FACT	_____
<input type="checkbox"/>	TRUSTEE(S)	NUMBER OF PAGES _____
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/>	OTHER _____	DATE OF DOCUMENT _____
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____ _____		SIGNER(S) OTHER THAN NAMED ABOVE _____

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<input type="checkbox"/>	PARTNER(S) <input type="checkbox"/> LIMITED	
	<input type="checkbox"/> GENERAL	
<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	NUMBER OF PAGES
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	
<input type="checkbox"/>	OTHER _____	
SIGNER IS REPRESENTING:		DATE OF DOCUMENT
(NAME OF PERSON(S) OR ENTITY(IES))		

		SIGNER(S) OTHER THAN NAMED ABOVE