EXHIBIT 3



CODESP SUBSCRIBER SERVICE AGREEMENT

Please read, acknowledge and agree to the following service agreement terms.

<u>Terms:</u>

All terms of this agreement shall prevail over any terms and conditions to the contrary outlined in purchase orders or any other agreements or documentation provided by the agency named below in order to obtain services from CODESP unless explicitly agreed to in writing by an authorized agent of CODESP.

Services Provided:

CODESP provides online employment selection materials and training presentations to customers who are employed at public agencies that have met all of the subscriber terms. Once the registration process is completed and payment is received your agency will gain access to the secure areas of the website associated with your subscription type.

Modified subscribers will gain access to all content currently posted to the subscribers area of the site including the Interview Builder and posted supplemental application forms and situational, performance, and writing exercises. Additional services include live and recorded webinars, live training (may be subject to an additional fee), a job description builder, sample job analysis questionnaires, an online testing option (subject to an additional fee) and online Links and Resources related to public-sector Human Resources.

Full subscribers will gain access to the CATS (CODESP Automated Test System) Request Form to order test materials in addition to all content noted above. Full subscribers may request multiple-choice test packets along with custom supplemental application forms and situational, performance, and writing exercises. Please refer to the **Test Material Requests** and **New Test Material Development** sections of this agreement for further details regarding these requests.

Payment for Services:

A Purchase Order may be submitted to initiate services, but payment must be received within 45 days after the PO is received. Payment or proof of payment (such as a Purchase Order) for all services must be made in advance of services being provided. Please refer to our current fee schedule for the most current pricing and options. PayPal payment requires an additional service fee.

Service Options:

- Full year: A full year payment is for services from July 1 June 30 in the same fiscal year.
- Less Than Full Year: A less than full year payment is for any services initiated after July of the current fiscal year. If joining after July, an agency may choose one of the following options:
 - Pay the full year rate for the current year with no additional commitment.
 - Pay a prorated amount for services for the months remaining in the current fiscal year with a contractual obligation to continue the following year.
 - The prorated fee shall be one-twelfth (1/12) of the full year fee multiplied by the number of months remaining in the fiscal year. Any months in which services will be rendered will be included in this calculation.
 - By agreeing to this option, the agency agrees to pay for a full year of service the fiscal year following the fiscal year in which services are originated. The fee for the following year will be in accordance with the posted fee schedule for the following year which shall

be made available by no later than February of the preceding fiscal year. In the event that the posted fee schedule for the following year indicates a fee increase in excess of ten (10) percent from the previous year, the agency will have the right to option out of the following full year of service. This agreement may be amended to remove the requirement for an additional year of service under special circumstances wherein an agency policy is provided that supports a limitation set by the governing body of the agency limiting the agency's ability to agree to a multi-year contractual obligation upon consent of the CODESP administration.

Refunds:

Refunds for subscription fees will not be made.

Refunds for fees associated with additional services such as Online Testing will only be made in cases where circumstances arise which prohibit the intended use of such services (e.g. technology issues). Refunds of these costs will be issued in the form of credit for future services and may be applied to future use of additional services or standard subscription fees.

Continuation of Services:

To continue a subscription in good standing, agencies shall pay the subscription fee no later than July 1 or communicate their intent to rejoin through e-mail or other correspondence. Unless the subscription fee is received by September 1, the intent to rejoin becomes null and void, and agency access will be disabled.

Please note that the following terms apply at the start of each fiscal year. Failure to adhere to the following may result in access to the secure areas of the CODESP website being temporarily disabled.

- Payment must be received within 45 days of receipt of a Purchase Order
- A signed copy of the Agency Security Agreement and Service Agreement for the current fiscal year must be received within 45 days of the start of the new fiscal year

Test Material Requests:

Multiple-choice test materials from the online item bank are requested by completing a CATS Request Form.

Other test materials such as interviews (Interview Builder), supplemental application forms, writing, situational, and performance exercises (under Test Materials) can be accessed from the secure areas of the website. If customized materials are needed, the customer will complete a CATS Request Form and provide current job information and access to job experts as needed to fulfill such a request.

When submitting requests for test materials, customers must provide a job description and other pertinent information needed to guide CODESP staff in selecting job-related materials. The customer will allow at least 10 business days for the request to be fulfilled. If new test materials need to be developed, the customer acknowledges that these requests take longer to fulfill and will work with CODESP staff on an appropriate timeline for fulfilling the request.

Access to the secure areas of the website and all test materials is restricted to authorized employees who are responsible for accessing test materials and implementing the selection process. Authorization is determined by the customer's Human Resources administrator and subject to approval by CODESP administration. The number of users is based on the size of the agency and approved by CODESP. Generally, no more than 10 users per agency may have access to the secure areas of the website. Exceptions to the restriction on the number of users may be authorized for agencies with an employee count of over 3,000.

A maximum of five test material requests can be submitted by the subscriber per month, unless otherwise approved by CODESP administration. CODESP provides unlimited access to the products and services accessible from the secure areas of the website that do not require completing a CATS Request Form. Unlimited test products include all questions in the Interview Builder and posted sample test materials such as supplemental application forms and writing, situational, and performance exercises.

New Test Material Development:

CODESP will expand test material job families when resources are available. Job experts are to be provided by the customer whenever possible. CODESP maintains final edit approval on test materials entered into the CATS system. Adding job families and items to the item bank is at the discretion of CODESP. A list of Multiple-Choice Item Banks currently available for public agency customers is available under **Join CODESP** / **Frequently Asked Questions**. The list is subject to revision and the job families listed do not contain test items for all possible classifications that may fall under a specific job family.

CODESP requires the following to develop new test materials:

- A job expert provided by the customer to assist CODESP staff in the development, edit, and final review of the new materials.
- Technical documents/manuals or other appropriate source material provided by the customer when they are not readily available to CODESP.
- At least 15 business days for development, review, and edits of new test materials. The 15 day period begins after the job expert and/or technical materials are provided to CODESP.

CODESP will not:

- Recreate state licensure, Microsoft certification, or similar examinations that require formal certificates.
- Enter copyrighted materials into our item bank.
- Create test materials for sworn police or fire personnel.
- Create test materials for positions where the type of assessment method requested is inappropriate. For example, multiple-choice tests for senior management or highly technical positions like engineer.

Use of Test Materials:

The final selection of which test materials to use is the responsibility of the agency. A local job analysis is highly recommended to determine test content which is appropriate for your agency's specific position/classification for which you are testing. All test materials should be reviewed by a local job expert prior to use in order to ensure validity.

The use of test materials by a customer agency to test or assess candidates for another agency which is not a customer is strictly prohibited.

The charging of any test administration or related fees to a candidate for any job for taking a test that includes any CODESP materials is strictly prohibited unless otherwise approved by CODESP administration.

Retention of Test Materials:

Upon termination of a CODESP subscription, the agency shall immediately cease and desist the use of all CODESP test materials and shall cease administering any and all tests that contain CODESP test materials. The agency shall destroy all CODESP test materials, both paper and electronic, except those used to document existing test records. The agency shall inform CODESP at the time of the discontinuation of service of any test materials that are being maintained in order to document existing test records. The agency shall delete CODESP test materials from electronic storage devices, databases, test management systems, and/or item banks that may be accessible by unauthorized individuals, agencies, or vendors.

Legal Acknowledgements:

The terms of this Service Agreement may change prior to the start of each fiscal year as solely determined by the CODESP Board of Directors. A copy of this Service Agreement will be sent to customers in advance of the new fiscal year. Customers must agree to the terms of the current Service Agreement in order to continue services.

To the extent allowable by California law, the agency named below shall defend, indemnify, and hold harmless CODESP, its board members, officers, employees, and agents from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the use of materials or services provided by CODESP unless such liability, loss, expense, or claims is due to CODESP's sole negligence.

CODESP agrees to defend, indemnify, and hold harmless the agency named below, its board members, officers, employees, and agents from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising solely out of negligent activities of CODESP or those of any of its officers, employees, and agents, whether such act or omission is authorized by this Agreement or not. The provisions of this Indemnification do not apply to any damage or losses caused by the negligence of the Agency or any of its board members, officers, employees, and/or agents.

The agency named below understands and acknowledges that it is solely responsible for its employment decisions including, but not limited to, all uses of CODESP materials including, but not limited to, test materials, rating criteria, training materials, statistical reports, and cutoff scores. The agency named below also acknowledges that it is solely responsible for ensuring its employment practices comply with all applicable federal, state, and local laws, regulations, and professional guidelines. It is the exclusive responsibility of the agency named below to ensure that the knowledge, skills, and abilities and/or competencies measured by CODESP test materials are valid job requirements.

By entering into this Service Agreement the agency acknowledges that so far as it pertains to the agency and CODESP, that CODESP is the sole owner of the intellectual property that the agency will have access to under this Agreement, described herein as "content" or "materials," as well as any other intellectual property the agency will have access to under this Agreement. CODESP hereby grants to the agency a non-transferable and non-exclusive license to the materials and content for the purposes described herein. This license shall be in effect only as long as the agency remains as a party in good standing to this Agreement and only while the agency is current in its financial obligations to CODESP. The agency acknowledges that any use of the intellectual property owned by CODESP in violation of this license will constitute an intentional infringement of CODESP's copyright interest in such property. The agency agrees that copyright infringement under this Agreement includes obtaining CODSEP materials while a subscriber and continuing to use such materials after the end of the subscription. The agency agrees that should it infringe upon CODSEP's intellectual property rights that the agency will pay for CODSEP's attorney fees and costs incurred by CODSEP in any ensuing litigation.

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions will not be affected thereby.

○ I agree with the terms and conditions as stated in this document.

I do not agree with the terms and conditions.

Agency:			_
Signature of Authorized Agency Representative:		Date:	
Printed Name:	Title:		_
Signature of HR Administrator (if different from al	pove):		Date:
Printed Name:	Title:		_
Please agree, complete, sign and e-mail a scanned copy to <u>codesp@codesp.com.</u> If you are unable to send a scanned copy via e-mail, please fax a signed copy to: 714-374-8225			