



Division of Financial and Business Services
Disbursement Control
INDEPENDENT CONTRACTOR AGREEMENT

Last Name: First Name: M.I.:
And/Or Company Name (If applicable):
USC Vendor # (Optional): Source of Funds: Sponsored Project Unrestricted

Note: If Independent Contractor is already established to do business at USC (e.g. already has a USC Vendor Number), skip Section 1 and proceed to Section 2.

Section 1: New Independent Contractor Information

SSN or Federal Tax ID: Telephone: Fax (optional):
Email (optional): Website (optional):
Contractors is a: US Citizen A Non-Resident A Resident Alien (Green Card Holder)
Independent Contractor's Mailing Address (No PO Box): Remittance Address for Independent Contractor:

Permanent Place of Business: Within CA Outside of CA
Six digit NAICS Code (www.naics.com/search.htm):

Table with 6 columns: Woman, Handicapped, Disabled Veteran, Veteran, Foreign, Minority (identify below). Rows include Native American, Asian-Pacific American, Subcontinent-Asian American, Hispanic American, and Black American.

Section 2: Scope of Work

Note: Independent Contractors may either provide attachments for the Scope of Work or provide the information in the space provided below.

Project Title:
Project Start Date: Completion Date:
Service Performed: Within CA Outside of CA
Provide an explicit description of services to be performed: (attach additional sheets for more space)

Describe deliverables (what will be the tangible results?): (attach additional sheets for more space)

Will reports be required? Yes No If yes, attach or identify requirements below:
How often? To whom? In what format?

required, when due, with respect to any and all compensation earned by Contractor under this Agreement. USC will not withhold any employment taxes from compensation it pays Contractor. USC will report the amount it pays Contractor on IRS Form 1099 to the extent required to do so under applicable Internal Revenue Code provisions and state or local law.

- 7.5 **CALIFORNIA NONRESIDENTS.** Payments made to service Contractors that do not have a permanent place of business in the state of California or that are not qualified through the Office of the Secretary of the State to do business in California are subject to **seven percent (7%) state income tax withholding** (California Revenue and Taxation Code Section 18662). Types of income subject to withholding include, but are not limited to, payments for services performed in California and payments of leases, rents and royalties for property (real or personal) located in California. No withholding is required on payments for goods. California non-residents that are exempt must complete California Withholding Exemption Certificate, Form 590 (www.usc.edu/disbursement) in order to exempt California non-residents from this seven percent income tax withholding. This Certificate needs to be submitted with the first invoice to USC. The California Franchise Tax Board may reduce the withholding if the seven percent will result in substantial over-withholding or waive the withholding if the payee has a current history of filing California returns and/or making estimated payments when due. For more information or to request a waiver or reduced withholding rate, contact:

Non Resident Withholding Section MS F F-265 California Franchise Tax Board	
P.O. Box 651	Telephone: (916) 845-4900
Sacramento, CA 95812-0651	Fax: (916) 845-4831

- 7.6 **AUTO INSURANCE.** An Independent Contractor performing work at or for USC will be required to maintain the following auto insurance coverage at the Independent Contractor's own expense.

- Contractors driving his/her company car at or for USC (e.g. a non-personal car) will be required to have coverage for Bodily Injury and Property Damage with the combined single limits of \$1,000,000 each occurrence.

It is the Contractor's responsibility to ensure that the required insurance remains in effect for the entire duration of the awarded contract. If requested by USC, it will be the Contractor's full responsibility to provide USC with evidence of the required insurances. Independent Contractor's performing construction, maintenance, or architectural work have additional insurance requirements and should contact Purchasing Services.

- 7.7 **EQUIPMENT AND TOOLS.** Contractor is responsible for the purchase and maintenance of Contractor's own equipment.

- 7.8 **USC EXPENDITURE POLICIES.** Contractor acknowledges that Contractor is eligible for reimbursements (e.g. travel, meals, supplies, etc.) only if specified in Section 4 of this Agreement. Contractor further agrees that reimbursable amounts are only up to the limits identified in Section 4 or USC's Expenditure Policies (Forms and Documents: www.usc.edu/disbursement), whichever are lower.

- 7.9 **INVOICING INSTRUCTIONS.** Contractor agrees that invoices, if applicable, will be submitted to the department engaging the Independent Contractor. Invoices should contain, at a minimum, the following information: 1) date the invoice; 2) Bill to the University of Southern California; 3) Purchase Order Number (if applicable), 4) Description of work performed, 5) dates of service, and 6) payment amount.

- 7.10 **MANNER, TIME, AND LOCATION.** If and when Contractor chooses to accept a Project with USC, Contractor will be required to complete the assigned Project within the period specified in this Agreement's Scope of Work (Section 2). Contractor agrees to provide reports detailing the Project, if required in Section 2 of this Agreement. USC reserves the right to take remedial measures to successfully complete the Project and may charge Contractor if Contractor fails to successfully complete the Project in a timely manner.

- 7.11 **TERMINATION.** USC may terminate this Agreement at any time without cause on thirty (30) days written notice. In the case of a material breach of this Agreement by one Party, the other Party shall have the right to terminate this Agreement with no advance notice if, after providing the breaching Party with notice of the breach, the breaching Party fails to cure the breach within three (3) days after receipt of the notice of breach. If Contractor is engaged pursuant to a sponsored project, then USC may terminate this Agreement as directed under the provision of the sponsored project.

- 7.12 **PROPRIETARY INFORMATION.** During the term of this Agreement, Contractor may have access to USC's internal records, systems and methods of operating its business, trade secrets, customer lists, price lists, contract information and other confidential or proprietary information. Contractor agrees that all such information is the exclusive property of USC, irrespective of whether such information was created or prepared by the Contractor or others. Contractor further agrees that Contractor will not, at any time, in any

manner, directly or indirectly, disclose such information to any person or entity, or use such information other than in furtherance of the purposes of USC. Upon termination of this Agreement, Contractor will deliver to USC all property of USC, including any written memorial of, or documents relating to, the information described above, in whatever manner maintained or stored. The Parties agree that this Paragraph shall survive the termination of this Agreement.

- 7.13 **INTELLECTUAL PROPERTY.** Contractor expressly acknowledges and agrees that all discoveries, inventions, processes, designs, plans, and trade secrets, whether of a technical nature or not, made or developed by Contractor alone or in conjunction with any other person or entity while accomplishing the Project ("Intellectual Property"), shall be the sole and exclusive property of USC and USC may use and reuse Intellectual Property, in whole or in part, in all media, whether now or later existing, throughout the universe, in perpetuity, including but not limited to the exclusive right to reproduce, perform and exploit the Intellectual Property, and all information regarding Intellectual Property, concurrent with the discovery or development of the Intellectual Property. If the Intellectual Property or the results and proceeds thereof constitute "works of authorship" within the scope of the U.S. Copyright Law, the foregoing shall be deemed "works for hire" and USC shall be considered the sole author and owner of all rights comprised in the copyright and/or patent thereof and shall have the exclusive right to seek patent and/or copyright protection in USC's name. In the event that any Intellectual Property does not constitute "works for hire," Contractor hereby assigns all rights thereto exclusively to USC for any and all purposes of USC. At all times during its term and after the termination of the Agreement, Contractor shall assist USC in obtaining and maintaining, for USC's benefit, copyrights and other relevant legal protections in such materials and Contractor shall execute and cause its subcontractors to execute such further instruments as USC may reasonably require as evidence of ownership of such rights. Contractor agrees that he/she will not use or disclose any Intellectual Property owned by USC without the express written permission of USC.
- 7.14 **INDEMNIFICATION.** Contractor indemnifies and hold harmless USC from and against any and all liabilities, losses, damages, claims or causes of action, and any related expenses including reasonable attorneys' fees that are caused, directly or indirectly, by or as a result of the performance by Contractor or his/her employees or agents of the Project, provided that nothing herein shall be construed to require Contractor to indemnify USC from or against the gross negligent acts of USC or its employees. Contractor is not an employee and will indemnify and hold harmless USC for any injuries or claims suffered by Contractor or his/her employees or agents that would otherwise be subject to the Worker's Compensation Act. USC reserves the right to withhold from the payment due and owing to the Contractor any damages that are caused, directly or indirectly, by or as a result of the performance by Contractor or his/her employees or agents of the Project.
- 7.15 **NOTICES.** Any notice under this Agreement must be in writing and shall be effective upon delivery by hand or three (3) business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to USC or to Contractor at the corresponding addresses indicated in Attachment A. Contractor shall be obligated to notify USC in writing of any change in his/her address. Notice of change of address shall be effective only when done in accordance with this Paragraph. All notices should be mailed to Disbursement Control.
- 7.16 **ADDITIONAL REQUIREMENTS.** Contractor will comply with all applicable requirements that may be communicated by USC, including but not limited to USC policies. If Contractor is performing work pursuant to a sponsored project, all documents and records of Contractor pertaining to the Project shall be available for review and inspection by USC, the sponsors of the Project, and relevant government agencies.
- 7.17 **CONFLICT OF INTEREST.** Contractor represents to the best of his/her knowledge, no actual or potential conflict of interest exists between Contractor's family, business or financial interests and Contractor's relationship with USC or Contractor's services relating to the Project. In the event of a change in status relating to potential or actual conflicts of interest, Contractor will notify USC immediately.
- 7.18 **INTEGRATION.** This Agreement fully supersedes any and all prior agreements or understandings between the Parties hereto or any of their respective affiliates with respect to the subject matter hereof, and no change in, modification of or addition, amendment or supplement to this Agreement shall be valid unless set forth in writing and signed and dated by both Parties hereto subsequent to the execution of this Agreement. This Agreement's terms and conditions shall prevail should any contradiction arise between this Agreement and any content attached by the Independent Contractor.
- 7.19 **AMENDMENTS; WAIVERS; SEVERABILITY.** This Agreement may not be amended except by a written Addendum, signed by each of the Parties (Attachment B). The Parties acknowledge that they are not relying on any statement that is not set forth in this Agreement. Failure to exercise any right under this Agreement shall not constitute a waiver of such right. If a court or arbitrator holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.
- 7.20 **ASSIGNMENT.** USC shall have the right to assign this Agreement to any related, affiliated or subsidiary entity. Contractor shall not assign any rights or obligations under this Agreement.

- 7.21 **ATTORNEYS' FEES.** In any legal action, arbitration, or other proceeding brought to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs.
- 7.22 **DISPUTE RESOLUTION; APPLICABLE LAW.** All disputes arising under or in connection with this Agreement shall be submitted to Judicial Arbitration and Mediation Services, Inc. ("JAMS") or successor organization for binding arbitration in Los Angeles County by a single arbitrator who shall be a former California Superior Court judge. The arbitrator shall be selected by JAMS in an impartial manner determined by it. Except as may be otherwise provided herein, the arbitration shall be conducted under the California Arbitration Act, Code of Civil Procedure § 1280 et seq. The Parties shall have the discovery rights provided in Code of Civil Procedure §§ 1283.05 and 1283.1. The arbitration hearing shall be commenced within 180 days of the filing of this application with JAMS by any Party hereto, and a decision shall be rendered by the arbitrator within thirty (30) days of the conclusion of the hearing. The arbitrator shall have complete authority to render any and all relief, legal and equitable, appropriate under California law, including the award of punitive damages where legally available and warranted. The arbitrator shall award costs of the proceeding, including reasonable attorney's fees, to the Party determined to have substantially prevailed. This Agreement shall be governed in all respects by the laws of the State of California.
- 7.23 **FORCE MAJEURE.** Neither Party shall be liable for any damages or other losses resulting from failure to perform its obligations under this Agreement where such failure is the result of a cause beyond the Party's reasonable control.
- 7.24 **CONTRACTOR ACKNOWLEDGMENT.** Contractor acknowledges that Contractor has read and understands this Agreement and has entered into it freely and voluntarily based on the Contractor's own judgment and not on any representations or promises other than those contained in this Agreement.
- 7.25 **LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT WILL EITHER PARTY BE RESPONSIBLE FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OR ANY KIND, INCLUDING DAMAGES FOR LOST GOODWILL, LOST PROFITS, LOST BUSINESS OR OTHER INDIRECT ECONOMIC DAMAGES, WHETHER SUCH CLAIM IS BASED ON CONTRACT, NEGLIGENCE, TORT (INCLUDING STRICT LIABILITY) OR OTHER LEGAL THEORY, AS A RESULT OF A BREACH OF ANY WARRANTY OR ANY OTHER TERM OF THIS AGREEMENT, AND REGARDLESS OF WHETHER A PARTY WAS ADVISED OR HAD REASON TO KNOW OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE.

Section 8: Agreement Signatures

This Agreement is considered executed when signed by all representatives. Note that a signature from the Department of Contracts and Grants is required on Attachment A, if Contractor is being paid on a Sponsored Project Account.

<p>Responsible USC Manager</p> <p>Signature:</p> <p>Print Name:</p> <p>Title:</p> <p>Date:</p>	<p>Independent Contractor</p> <p>Signature:</p> <p>Print Name:</p> <p>Title:</p> <p>Date:</p>
<p>USC Department of Disbursement Control</p> <p>Signature:</p> <p>Print Name:</p> <p>Title:</p> <p>Date:</p>	

REQUEST FOR AN INDEPENDENT CONTRACTOR ON A SPONSORED PROJECT ATTACHMENT A

If the Independent Contractor is providing services under a Sponsored Project, the applicable Principal Investigator on the Sponsored Project must complete and submit this Request for a Consultant on a Sponsored Project to the USC Department of Contracts and Grants. The Request must be signed by the Principal Investigator and attached to the Independent Contractor Agreement along with the Consultant's resume or curriculum vitae. A signature confirming approval from Contracts and Grants must be provided on the Agreement. USC Contracts and Grants: Building: UPC STO 330 Mail Code: 1147 or HSC CSC 219 Mail Code: 9074.

Principal Investigator Certification

In support of this request for services of a Consultant, I certify to the following:

1. The services to be performed by Consultant are necessary and cannot be performed by any individual currently employed by USC.
2. I have utilized a selection process and Consultant is the most qualified individual reasonably available to perform the required services.
3. The fee requested by Consultant is reasonable and customary for the services to be performed.
4. The sponsor has approved the services of Consultant in connection with the sponsored project.
5. Consultant is not an employee of USC and no USC employee has any relationship with or controlling proprietary interest in Contractor.
6. Consultant is an Independent Contractor according to the Checklist: Employee vs Independent Contractor Status (Forms and Documents: www.usc.edu/disbursement).

Principal Investigator (Sponsored Project Accounts only) Signature: Print Name: Title: Date: USC Account #: Grant/Contract #:	USC Department of Grants Allowability Signature: Print Name: Title: Date:
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