

**Arizona Department of Transportation
Motor Vehicle Division
Ignition Interlock Service Provider
Authorization Agreement**

Name of Applicant:

Name of Manufacturer:

Business Address:

Mailing Address:

Telephone Number:

(Name of Ignition Interlock Service Provider) hereby requests the written authorization of the Arizona Department of Transportation (“the Department”) to conduct ignition interlock services in this state. If the Ignition Interlock Service Provider (“IISP”) (or a person acting on its behalf) conducts any IISP activities beyond those specifically authorized by the Department, or violates the law or the terms of this Agreement, the Department reserves the right, in its sole discretion, to take any appropriate actions permitted by law against the IISP, up to and including the imposition of civil penalties and/or the cancellation of the IISP’s authorization(s) under the provisions of Arizona Revised Statutes (A.R.S.) Title 28, Chapter 4, Article 5 and Arizona Administrative Code (A.A.C.) Title 17, Chapter 5, Articles 6 and 7. The Department may also exercise its contractual remedies hereunder by terminating or declining to renew this Agreement in its entirety.

The IISP understands and agrees that it is an independent business entity solely responsible for its own commercial survival. No agent or employee of the IISP shall be deemed to be an agent or employee of the Department, or the State of Arizona, for any reason or purpose. Within the parameters of this Agreement, the IISP is responsible for the control of its daily business affairs and the manner and means by which its business is transacted and services provided to its customers. Therefore, the IISP shall be solely and entirely responsible for its acts and omissions, and the acts and omissions of its employees, agents or subcontractors throughout the duration of this Agreement.

Now, therefore, in consideration of the covenants contained herein, the Department and the IISP do hereby mutually agree to the following definitions, terms and conditions:

1.0 DEFINITION OF TERMS

- 1.1 “Alcohol concentration” means the weight amount of alcohol contained in a unit volume of breath or air, measured in grams of ethanol/210 liters of breath or air and expressed as grams/210 liters.
- 1.2 “Alveolar breath sample” means the last portion of a prolonged, uninterrupted exhalation from which breath alcohol concentrations can be determined.

- 1.3 “Breath alcohol test” means analysis of a sample of the participant’s expired alveolar breath to determine alcohol concentration.
- 1.4 “Bump starting” means a method of starting a motor vehicle with an internal combustion engine by engaging the manual transmission while the vehicle is in motion.
- 1.5 “Calibration” means the testing, adjustment, or systematic standardization of an ignition interlock device to determine and verify its accuracy.
- 1.6 “Certified ignition interlock device,” “ignition interlock device,” or “device” means a device that is based on alcohol specific electrochemical fuel sensor technology that meets the National Highway Traffic Safety Administration specifications; that connects a breath analyzer to a motor vehicle's ignition system; that is constantly available to monitor the alcohol concentration in the breath of any person attempting to start the motor vehicle by using its ignition system; that deters starting the vehicle by use of its ignition system unless the person attempting to start the vehicle provides an appropriate breath sample for the device; and determines whether the alcohol concentration in the person's breath is below a preset level.
- 1.7 “Circumvent” or “circumvention” means the attempted or successful bypass of the proper functioning of a certified ignition interlock device, including, but not limited to:
 - 1.7.1 Operating a vehicle without a properly functioning device;
 - 1.7.2 Bump starting the vehicle;
 - 1.7.3 Introducing a sample other than a deep-lung sample from the person driving the vehicle;
 - 1.7.4 Intentionally introducing a contaminated or filtered breath sample;
 - 1.7.5 Intentionally disrupting or blocking a digital image identification device;
 - 1.7.6 Continuing to operate a vehicle with the device after the device detects excess breath alcohol; or
 - 1.7.7 When a person, who is required to maintain a functioning certified interlock device is starting or operating the motor vehicle, permits another individual to breathe into the device for the purpose of providing a breath alcohol sample to start the motor vehicle or for the rolling retest.
- 1.8 “Data storage system” means a computerized recording of all events monitored by an ignition interlock device, which may be reproduced in the form of specific reports.
- 1.9 “Department” or “ADOT” means the Arizona Department of Transportation, including its Motor Vehicle Division.
- 1.10 “Drive cycle” means either the period of time from when a vehicle’s ignition is initially turned on to the next time the ignition is turned off, or the period of time from when an initial breath

alcohol test is performed and failed, to the time such test is successfully taken and the ignition is turned off.

- 1.11 "Early recall" means that a participant's ignition interlock device recorded one tampering or circumvention event, or any ignition interlock malfunction, that requires the participant to return to a service center within 72 hours.
- 1.12 "Established place of business" means a commercial business location that is:
 - 1.12.1 Approved by the Department;
 - 1.12.2 Located in Arizona;
 - 1.12.3 Not used as a residence; and
 - 1.12.4 Where an IISP or its agents or subcontractors provide authorized ignition interlock services.
- 1.13 "Ignition interlock service provider" or "IISP" means a person who is an authorized representative of a manufacturer and is under contract with the department to install or oversee the installation of certified ignition interlock devices by the IISP's authorized agents or subcontractors and to provide services to the public related to ignition interlock devices.
- 1.14 "Manufacturer" means a person or organization that is located in the United States, that is responsible for the design, construction, and production of the ignition interlock device and that is certified by the Department to offer ignition interlock devices for installation in motor vehicles in this state.
- 1.15 "Missed rolling retest" means the participant refused or failed to provide a valid and substantiated breath sample in response to a requested rolling retest within the time period prescribed in R17-5-615(E).
- 1.16 "Mobile services" means ignition interlock services provided by an IISP or its agents or subcontractors at a publicly accessible location, other than the IISP's service center, that meets the requirements of R17-5-618.
- 1.17 "Participant" means a person who is ordered by an Arizona court or the Department to equip each motor vehicle operated by the person with a functioning certified ignition interlock device, and who becomes a customer of an IISP for the installation and servicing of the device.
- 1.18 "Permanent lockout" means a feature of the ignition interlock device in which a motor vehicle will not start until the ignition interlock device is reset by a service provider.
- 1.19 "Real-time" or "real-time reporting" means the instant transmission of unfiltered ignition interlock violations as defined in R17-5-601, and data as prescribed in R-17-5-610, including photos, to the manufacturer's website for viewing by the Department without delay, as electronic or digital service permits.

- 1.20 “Rolling retest” means a breath alcohol test that is required of the participant at random intervals after the motor vehicle is started and that is in addition to the initial test required to start the motor vehicle.
- 1.21 “Service center” means an established place of business approved by the Department from which an IISP or its agents or subcontractors provide ignition interlock services to participants from one or more counties.
- 1.22 “Set point” means an alcohol concentration of 0.020 g/210 liters of breath. The accuracy of an ignition interlock device shall be 0.020 g/210 liters plus or minus 0.010 g/210 liters.
- 1.23 “Tampering” means an overt or conscious attempt to physically disable or otherwise disconnect the ignition interlock device from its power source that enables the operator to start the motor vehicle’s engine without taking and passing the requisite breath test.
- 1.24 “Technician” means a person who is properly trained and certified by an IISP to calibrate, install, inspect, remove or service ignition interlock devices.
- 1.25 “Temporary lockout” means a feature of the ignition interlock device which will not allow a motor vehicle to start for the time periods specified in this Agreement after a breath test result indicating an alcohol concentration above the set point.
- 1.26 “Violation” (when referencing acts or omissions on the part of an ignition interlock program participant) includes, but is not limited to, any of the following activities performed by a participant which an IISP shall promptly report to the Department:
- 1.26.1 Circumventing the device;
 - 1.26.2 Tampering with the device;
 - 1.26.3 Failing to provide proof of compliance or inspection of the device;
 - 1.26.4 Attempting to operate the vehicle with an alcohol concentration of 0.08 BrAC or more if the participant is at least twenty-one (21) years of age;
 - 1.26.5 Attempting to operate the vehicle with an alcohol concentration value in excess of the set point if the participant is under 21 years of age;
 - 1.26.6 Refusing or failing to provide any set of three consecutive valid and substantiated breath samples in response to a requested rolling retest within an eighteen (18) minute timeframe during a drive cycle; or
 - 1.26.7 Disconnecting or removing a device, except:
 - 1.26.7.1 On repair of the vehicle, if the participant provided to the IISP, technician, or service center advanced notice of the repair and the anticipated completion date; or

1.26.7.2 On moving the device from one motor vehicle to another motor vehicle if replacement of the device is accomplished within seventy-two (72) hours of device removal.

1.27 “Violation reset” means the unplanned servicing and inspection of a certified ignition interlock device and the downloading of information from its data storage system as a result of an early recall that requires the manufacturer to unlock the device.

2.0 DUTIES OF THE IGNITION INTERLOCK SERVICE PROVIDER

2.1 The IISP shall procure and maintain the bond coverages as prescribed below in section 8.0 of this Agreement.

2.2 The IISP’s implementation plan, as required by A.R.S. § 28-1468(I)(5) and A.A.C. R17-5-619 is incorporated herein by reference as part of this Agreement.

2.3 The IISP shall collect and remit all applicable fees and taxes to the appropriate government entity or entities.

2.4 The IISP shall have the manufacturer’s approval for use of a particular certified device. An IISP may not continue to calibrate, install, inspect, remove, or service devices if they have been notified by the manufacturer to discontinue such business activities.

2.5 The IISP shall submit proof satisfactory to the Department that it is authorized by the manufacturer to use the manufacturer’s device, as well as documentation listing any known brand names associated with the device, and whether the manufacturer is a subsidiary of another corporation.

2.6 The IISP shall also submit documentation satisfactory to the Department which verifies the corporate status of the IISP.

2.6.1. As applicable, a current copy of the IISP’s Articles of Incorporation, limited liability company charter, or organizational documents filed with the Arizona Corporation Commission (ACC); a copy of the minutes filed with the ACC from the most recent board of directors meeting; a copy of the Articles of Organization filed with the ACC; a copy of a valid partnership filing and official acknowledgement or other certificate of existence or trade name certificate or similar certification or authorization to do business in this state, issued by the Arizona Secretary of State’s Office.

2.7 INSTALLATION REQUIREMENTS

2.7.1 The IISP shall ensure written instructions for the installation of ignition interlock devices, which service centers employees must follow are provided to all service centers. A copy of these instructions shall be disseminated to and kept on-site by all service centers.

2.7.2 All device installations shall be made in a professional manner in accordance with acceptable industry standards and best practices.

- 2.7.3 If the vehicle is equipped with a remote start device, the certified ignition interlock device shall be installed in a way which ensures that the remote start function is bypassed or disabled so that a valid breath test is performed before the vehicle may be started.
- 2.7.4 Ignition interlock devices shall not and cannot be installed on commercial vehicles as defined in A.R.S. § 28-601.
- 2.7.5 The IISP shall perform training on the use of the device for program participants and any other persons who will operate the motor vehicle(s) with an installed ignition interlock device.
- 2.7.6 The IISP must provide participants with Department-supplied informational brochures on interlock program requirements.
- 2.7.7 The IISP shall provide to the service centers a reference and problem solving guide to be provided to participants at the time of installation.
- 2.7.8 The IISP shall collect a fee of \$20 for each device installed or transferred and remit those fees electronically to the Department on a monthly basis through a payment account created by the IISP on ServiceArizona.com.
- 2.7.9 The IISP shall not charge a client to replace a defective ignition interlock device.
- 2.7.10 The IISP shall inform all participants of the fees and requirements for compliance checks and calibrations prior to the installation of any device, and shall train participants on how to properly use the device.
- 2.7.11 All participants shall provide a signed statement on a form prescribed by the department to the IISP that they have been trained on how to use the device and have been given the Department informational brochures required by section 2.7.6 of this Agreement. The IISP shall provide a copy to the participant and keep such signed statements on file for review by the Department as requested for at least three years.

2.8 SERVICE AND CALIBRATION REQUIREMENTS

- 2.8.1 Vehicles equipped with an ignition interlock device shall be brought into a service center for servicing and calibration within every seventy-seven to ninety (77-90) days.
- 2.8.2 The ignition interlock device shall be calibrated for accuracy by using a wet bath simulator or dry gas alcohol standard with an alcohol reference value equal to the device set point.
- 2.8.3 The calibration process shall consist of the following procedures:
 - 2.8.3.1 Prior to introducing a reference sample into a device, a three-second purge shall be expelled from the wet bath simulator;

- 2.8.3.2 There shall be an “as found” check to introduce the sample into the device without adjustment for accuracy. The test shall be conducted prior to any adjustment for accuracy and the results shall be recorded on the data logger; and
- 2.8.3.3 The accuracy check shall consist of two consecutive reference checks with the result of each individual check being within the device set point. The time period from the first accuracy check to the second consecutive accuracy check shall not exceed ten minutes.
- 2.8.4 Any ignition interlock device not passing the calibration tests/standards shall be removed from service and the serial number of the device kept on record for three years. A device removed from service for this reason may be placed back in service only if it is repaired by the manufacturer to meet the standards enumerated in R17-5-603 and all repairs are documented and kept in the manufacturer’s records for three years.
- 2.8.5 Wet bath simulators shall:
 - 2.8.5.1 Use a mercury, glass or digital thermometer. These thermometers shall read 34 plus or minus .2 degrees Centigrade during analysis and be certified annually using a National Institute of Standards and Technology (“NIST”) traceable digital reference thermometer;
 - 2.8.5.2 Be found on the current NHTSA conforming products list of calibrating units for breath alcohol testers;
 - 2.8.5.3 Be stored in an environment where the solution (opened and unopened) and simulators are not subject to temperatures greater than 94.1 degrees Fahrenheit and lower than 32 degrees Fahrenheit; and
 - 2.8.5.4 Use alcohol reference solutions prepared and tested in a laboratory such that their reference value is shown to be traceable to the National Institute of Standards and Technology. The bottles containing simulator solution shall be tamper proof and labeled with the following: lot or batch number, value of the reference sample in g/210L, and date of preparation or the expiration date.
- 2.8.6 Dry gas alcohol standard tanks shall:
 - 2.8.6.1 Be certified to a known reference value and traceable to the NIST Traceable Reference Material ethanol standards. The reference value shall be adjusted for any pressure changes due to elevation for which the dry gas is being used;
 - 2.8.6.2 Be stored in an environment where the gas tank is not subject to temperatures greater than 125 degrees Fahrenheit and cylinders are not stored near highly flammable solvents, combustible waste material and similar substances; and
 - 2.8.6.3 Have a label which clearly states the following: Components and concentration of the reference value of the gas, the expiration date, and the lot or batch number.

- 2.8.7 Each service center using a dry gas alcohol standard shall have the certificate of analysis from the dry gas standard manufacturer.
- 2.8.8 Ignition interlock devices or related equipment may not be shipped to participants' residences under any circumstances.
- 2.8.9 Each device shall be provided with disposable mouthpieces. The IISP shall keep an adequate inventory of disposable mouthpieces and make them available to the program participants.
- 2.8.10 The IISP shall affix to each device or device's cord an easily visible and legible warning label. The label shall:
- 2.8.10.1 Be a minimum size of two inches by one inch;
 - 2.8.10.2 Be printed in a minimum of nine-point font;
 - 2.8.10.3 Be printed on an orange background in Arial font, or a font of substantially similar size and legibility; and
 - 2.8.10.4 Contain the words in black lettering: "**Warning!** Any person tampering with, circumventing, or otherwise misusing this Ignition Interlock Device, is guilty of a Class 1 misdemeanor."
- 2.8.11 The warning label shall remain in place throughout the time of ignition interlock device use, including any vehicle relocations or service removals of the device.
- 2.8.12 During posted normal interlock business hours, a service center technician shall be available to answer all questions and resolve any mechanical problems relating to the device in the motor vehicle or replace an inoperable or malfunctioning ignition interlock device.
- 2.8.13 For events occurring outside of normal business hours, the manufacturer or IISP shall provide to all participants a 24-hour toll-free phone number. The phone shall be answered by a live person at all times. All service inquiries shall be responded to within twenty-four (24) hours of the initial contact. Within forty-eight (48) hours of initial contact, repair or replacement of the ignition interlock device shall be completed.
- 2.8.14 The ignition interlock device, camera, and its connection to the vehicle shall be checked for evidence of tampering or circumvention during each service and calibration appointment. The IISP shall document or photograph any evidence of tampering or circumvention and submit the documentation to the Department, as required by State statute, administrative rule or this Agreement.
- 2.8.15 Records documenting all calibrations, downloads, and any other services performed on an ignition interlock device, including service of a violation reset, shall be maintained and stored locally either at the service center or the manufacturer's corporate office. Retention of the record of installation, calibrations, downloads, and service shall be maintained for a minimum of three years.

2.8.16 Upon request, the IISP shall provide to a participant a printout of any calibration check.

2.8.17 When an IISP is performing ignition interlock services on a participant's vehicle, it is the IISP's responsibility to take appropriate measures for the care and security of the vehicle.

2.9 FACILITY AND PERSONNEL REQUIREMENTS

2.9.1 The IISP must maintain at least one readily accessible service center in each county in this state, and each service center must be staffed by a technician or technicians who can, individually or collectively, perform all service center functions.

2.9.2 At least one service center in each county must be adequately staffed and equipped to provide all ignition interlock device support services. Mobile services based out of a service center are permitted, except that a tow truck may not be used for mobile services. A service center shall not provide services for more than one ignition interlock service provider.

2.9.3 The IISP must have client information and financial records maintained at a commercial business location in this state that is not a residence and that has posted business hours where the Department may access the records. On termination or expiration of the contract, the IISP must provide access to all client information to the Department for a period of three years.

2.9.4 The IISP must clearly post all client fees for installation, removal, and inspection in a conspicuous place visible to the public within each service center location, and if a fee is required by State law the IISP shall cite the appropriate statutory reference and amount with the fee.

2.9.5 For each service center maintained, the IISP must post its ignition interlock office hours in a conspicuous place clearly visible to the public within that service center and be open to the public during such posted hours.

2.9.6 For each service center maintained, the IISP shall conspicuously display all technician certificates issued by the manufacturer or IISP. The certificates shall indicate the devices the technician is certified to service and the functions the technician is certified to perform.

2.9.7 To open a service center or move an existing service center, the IISP shall complete a service center application and submit the application to the Department on a form prescribed by the Department. If the application is approved, the Department will issue a copy of the authorization, appropriately endorsed.

2.9.7.1 This copy of the authorization must be conspicuously displayed in a place clearly visible to the public.

2.9.8 No person included on a technician application shall have:

2.9.8.1 Made a misrepresentation or misstatement in the application to conceal a matter that would cause the application to be denied;

- 2.9.8.2 Been convicted of any felony criminal act in any jurisdiction or any foreign country within five years before the date of the application;
 - 2.9.8.3 An active ignition interlock requirement; or
 - 2.9.8.4 Been involved in any activity that the Director of the Department determines to be inappropriate in relation to the authority granted.
- 2.9.9 The IISP shall conduct an annual criminal record check and a certified driver's license record check on all persons listed on the service center or technician application. The results shall be made available upon request to the Department. Such checks for newly hired personnel shall be conducted within 30 days prior to each individual's start date. The Department reserves the right to review the IISP's records in this regard.
- 2.9.10 In the event that the IISP discovers a person listed on the service center or technician application was convicted of any act enumerated in section 2.9.8, the IISP has 24 hours to notify the Department of the criminal history and two business days to remove that person from any device installation, calibration, servicing, monitoring, or removal, as well as access to any data storage systems.
- 2.9.11 Ignition interlock device installations, removals, service, or maintenance shall be conducted only by individuals who have been trained by the manufacturer or IISP to administer those functions. The IISP shall provide proof to the Department that each technician has been properly trained in all of the functions that technician performs.
- 2.9.12 The IISP must comply with and submit satisfactory proof of compliance to the Department as to all county and municipal zoning regulations for commercial businesses. The IISP must also provide a copy of its corresponding business license to the Department.

2.10 REPORTING REQUIREMENTS

- 2.10.1 The IISP must electronically transmit reports to both the manufacturer in real-time and daily to the Department in a format determined by the Department that includes the following:
- 2.10.1.1 Driver activity;
 - 2.10.1.2 Bypass approval;
 - 2.10.1.3 Compliance checks;
 - 2.10.1.4 Participant violations;
 - 2.10.1.5 Unique identifying numbers for each device; and
 - 2.10.1.6 Unique employee numbers identifying the person who installed or removed an ignition interlock device.

2.10.2 If an IISP is found to have falsified or manipulated device data in any way, the Department may take any action or seek any remedy it deems necessary and appropriate, as set forth below in Section 6.0.

3.0 AUDIT AND INSPECTION

3.1 The IISP shall permit and fully cooperate with any unannounced or scheduled on-site inspections and audits of its business location(s), service center location(s), or any other location where records relating to this Agreement are held, by authorized representatives of the Department any time during normal business hours. All records necessary to verify any part of the IISP's authorized ignition interlock functions are subject to audit and inspection. The IISP shall grant the Department timely, prompt, complete and unrestricted access to such records, as well as to all IISP (or IISP subcontractor) personnel performing the activities authorized hereunder.

4.0 CHANGES IN OWNERSHIP, NAME, OR ADDRESS

4.1 At least thirty (30) calendar days prior to any sale, merger, or transfer of the IISP's business name, goodwill, stock, shares, partnership interests, other business equity or business assets, the existing IISP shall deliver written notification thereof to the Department, and the new prospective owner(s) must first meet all of the eligibility criteria necessary to obtain the Department's prior written approval pursuant to A.R.S. § 28-1468. Without such express approval, no authorization(s) issued under this Agreement shall be represented as being able to be sold, transferred or otherwise continued in effect. If the proposed change in ownership is approved by the Department, a new Ignition Interlock Service Provider Authorization Agreement shall be signed between the new owner and the Department before the provision of services can be commenced under or by the new ownership or business entity.

4.2 The requirements for requesting a name change for an Ignition Interlock Service Provider are as follows:

4.2.1. A request for a name change that does not otherwise alter the business organizational structure of the IISP shall be made in writing by the IISP on a form prescribed by the Department and shall be filed with the Department at least thirty (30) calendar days before the effective date of the name change.

4.2.2. Any subsequent change to a pending application for IISP authorization on file with the Department that does not affect the prospective IISP's name or business organizational structure (*e.g.*, phone number, business hours, contact person, *etc.*), shall be submitted by the IISP in writing within ten (10) working days of such change.

4.3 All name change requests must be submitted by the IISP on the form prescribed by the Department with the following information provided:

4.3.1. As applicable, a current copy of the IISP's Articles of Incorporation, limited liability company charter, or organizational documents filed with the Arizona Corporation Commission (ACC); a copy of the minutes filed with the ACC from the most recent board of directors meeting; a copy of the Articles of Organization filed with the ACC; a copy of a valid partnership filing and official acknowledgement or other certificate of

existence or trade name certificate or similar certification or authorization to do business in this state, issued by the Arizona Secretary of State's Office.

4.4 The IISP shall notify the Department at least 30 calendar days prior to a potential change in its principal place of business. As part of this required notification, the IISP shall also provide a written statement to the Department disclosing the temporary telephone and fax numbers where the IISP may be contacted until the contemplated move is completed.

5.0 BANKING/FINANCIAL

5.1 The IISP authorizes the Department to initiate an automatic electronic payment process for all fees required by A.R.S. §28-1462 and A.R.S. §28-1465 utilizing the Service Arizona Secure Gateway. Each electronic payment will be automatically processed on the 10th of the month in the amount of \$20.00 for each reported install from the prior month, or as determined by the Department for civil penalties in accordance with R17-5-616.

5.2 The IISP understands and agrees that the Service Arizona Secure Gateway will be the method used for depositing fees payable to the Department.

5.3 Upon the Department's discovery that the IISP has an electronic payment that has been dishonored or returned for any reason, the Department will assess an administrative fee in accordance with A.R.S. § 28-372 and Arizona Administrative Code ("A.A.C.") R17-1-203.

5.4 The IISP shall keep its entire password and log-in details for the Service Arizona Secure Gateway confidential and shall report any suspected breach immediately to the Department.

5.5 Upon the Department's discovery that the IISP has submitted an electronic payment that has been dishonored or returned for any reason attributable to the IISP, this shall be deemed a material breach of this Agreement and the Department may take corrective action against the IISP, including administrative probation for a specified time period and/or additional sanctions up to and including suspension or cancellation of this agreement.

5.6 The IISP shall be responsible and liable for all uncollected funds owed to the Department, including any and all monies that the IISP fails to collect or remit due to employee or subcontractor error. Immediately after the IISP becomes aware that monies were not collected or remitted, such monies must no later than the 10th of the following month via certified funds or credit card.

5.7 The IISP's business account shall have funds immediately available whenever an electronic payment is processed utilizing the Service Arizona Secure Gateway, and the IISP is responsible for verifying a bank's hours of operation for processing of deposits.

5.8 Any IISP's electronic payments utilizing the Service Arizona Secure Gateway that are dishonored or returned to the Department shall also be deemed a material breach of this Agreement and

may result in a suspension of the IISP's authorization under this agreement, or any greater or lesser degree of corrective action that the Department deems appropriate. If the IISP's authorization is suspended, the IISP will not be eligible to reinstate its status as an authorized ignition interlock service provider with the Department unless and until all back-payments, arrearages or past-due payments are received in full by the Department. As a further condition of reinstatement, the IISP must provide the Department with a written proposal which, in the Department Director or his/her designated representative's sole judgment, sufficiently describes the steps that the IISP will take to prevent a re-occurrence of the same or similar problem in the future.

- 5.9 If the IISP's authorization remains suspended for a continuous period of thirty-one (31) calendar days or more, or if the IISP submits two (2) or more returned or dishonored payments in any twelve (12)-month period, the Department may impose any appropriate sanctions permitted by law, up to and including cancellation of this agreement.
- 5.10 Within the scope of its control over the Service Arizona Secure Gateway's functionality and availability to the IISP, the Department will make a reasonable effort to provide and regularly maintain the Service Arizona Secure Gateway service and operations. The Department does not guarantee the availability of the Gateway and cannot be held responsible for any downtime or difficulties in accessing the Gateway. In the event of such downtime, the deposit will be made the next business day after the 10th of the month once the portal becomes available.
- 5.11 The Department reserves the right to temporarily or permanently withdraw or modify any part of the Service Arizona Secure Gateway in order to enhance, re-design or perform maintenance work on the Gateway, or when there are administrative, legal or technical reasons to do so. The Department also reserves the right to require the IISP to change its portal log-in details or sign-on credentials whether for security or any other reason.

6.0 BREACH AND REMEDIES

- 6.1 The Department considers any failure on the part of the IISP or a person acting on its behalf to comply with the terms of this Agreement, Arizona statute, or Department administrative rules a material breach of contract. In the event of such non-compliance and breach, the Department reserves the right to take any action and seek any remedy it deems necessary and appropriate, up to and including the cancellation of the IISP's authorization(s) and/or the termination or non-renewal of this Agreement.
- 6.2 All written disciplinary actions taken against the IISP will be permanently maintained in the IISP's Department file in accordance with the ADOT retention schedule.
- 6.3 The Department will generally follow a progressive disciplinary process; however, the decision on what level of appropriate discipline to impose remains in the sole discretion of the Director or his/her designated representative based on the severity of violation(s), frequency of violation(s) and past IISP disciplinary history.

6.4 Potential corrective actions may include, but are not limited to, the following:

- 6.4.1 Verbal Warning: A verbal warning or counseling from the Department management is an informal disciplinary action resulting from what the Department deems to be a relatively minor IISP infraction of Department policies, procedures, training materials, operation manuals, guidelines or other directives that the Department provides in writing to the IISP throughout the course of this Agreement. Following a verbal warning, the IISP will be responsible for reviewing its office procedures to address the circumstances that resulted in the violation to ensure future compliance.
- 6.4.2 Letter of Concern: A Letter of Concern is issued as a disciplinary action for infractions that the Department considers more serious than those for which a verbal warning is issued but less serious than those for which probation is imposed. The IISP is required to submit a written plan of action to the Department describing in detail what is being done to ensure the prevention of future violations.
- 6.4.3 Probation: Depending on the nature of the violation(s) committed and any prior disciplinary actions, the IISP may be placed on administrative probation for a period to be determined by the Department. During the probationary period, the IISP may continue to operate or process transactions but will be closely monitored to ensure compliance. Periodic reviews will be completed with the IISP throughout the duration of the probation.

As a condition of reinstatement after a term of probation, the Company must provide ADOT MVD with a written proposal, which, in the ADOT MVD Director or his/her designated representative's sole judgment, sufficiently describes the steps that the IISP is taking or will take to prevent a re-occurrence of the same or similar problem in the future.

No additional IISP services will be authorized by the Department during a term of probation.

- 6.4.3.1 Any subsequent violation(s) by the IISP or a person acting on its behalf occurring during a probationary period may result in further disciplinary action, up to and including an extension of the probationary period, or the suspension or cancellation of the IISP's authorization(s) and/or the termination or non-renewal of this Agreement.
- 6.4.4 If the Director has reasonable cause to believe that a party to an IISP authorization agreement is violating any provision of state statute, administrative rule, or this Agreement the Director will immediately issue and serve a cease and desist order by mail to the IISP's last known address.
- 6.4.4.1 On receipt of the cease and desist order, the IISP must immediately cease and desist from further engaging in any activity that is not authorized in state statute, administrative rule, or this Agreement, and that is specified in the cease and desist order.

6.4.4.2 On failure of the IISP to comply with the cease and desist order, the Director will immediately cancel the Agreement with the IISP, and the IISP may request a hearing pursuant to 17 A.A.C. 1, Article 5.

6.4.5 Cancellation: A cancellation is a formal disciplinary action resulting in the potential termination of the IISP's Authorization Agreement in its entirety. Unless cause for a pre-hearing or summary suspension exists (in which case the IISP may be instructed to immediately cease all authorized activities, a cancellation of an IISP's authorization(s) is normally effective only when ordered by an Administrative Law Judge after the IISP has been given an opportunity for a hearing.

6.5 Any IISP owner or principal whose Agreement has been terminated as a result of the IISP's authorization(s) being cancelled is not eligible to re-apply for authorization from the Department until thirty-six (36) months after the date of termination.

6.6 Any failure on the part of the Department to declare the Agreement terminated by a default or breach of covenant by the IISP shall not operate to bar, breach, impair, or limit the Department's right to terminate the Agreement upon any subsequent default or breach of covenant by the IISP. Nor shall the Department's acceptance of any fees for any period as herein provided after a breach by the IISP, constitute a waiver of any rights of the Department to terminate or decline to renew the Agreement.

7.0 INDEMNIFICATION

To the fullest extent permitted by law, the IISP shall defend, indemnify, and hold harmless the State of Arizona, ADOT and its officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the IISP or any of its owners, principals, employees, agents, subcontractors, or installers. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by the IISP from and against any and all claims. It is agreed that the IISP will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, ADOT and its officials, agents, and employees for losses arising from the work performed by the IISP.

Any bond or insurance provided by the IISP shall not limit the IISP's liability assumed under the indemnification provision of this Contract as it relates to the IISP's negligence or the negligence of any of its installers.

8.0 BOND REQUIREMENTS

- 8.1 Before providing any services under this Agreement, the IISP shall obtain an ignition interlock bond from a surety company authorized by the Arizona Department of Insurance to conduct general surety business in Arizona. The ignition interlock bond shall:
 - 8.1.1 Be in the amount of at least \$200,000;
 - 8.1.2 Be on the Department's approved bond form; and
 - 8.1.3 Be maintained for as long as the IISP has an approved Authorization Agreement with the Department to calibrate, install, inspect, remove, or service ignition interlock devices under Arizona law.
- 8.2 The IISP shall submit its original completed ignition interlock bond to the Arizona Department of Transportation, Motor Vehicle Division Ignition Interlock Program, 1801 W. Jefferson St., MD530M, Phoenix, AZ 85007.
- 8.3 An IISP that has more than one ignition interlock device certified by the Department is only required to have one bond, but that bond shall be continuously in effect as long as the IISP is under an Agreement with the Department.
- 8.4 A failure on the part of the IISP to have a current and valid bond in place at all times for the duration of this Agreement shall constitute a material breach of contract and may subject the IISP to corrective actions and/or other remedies prescribed in the Agreement, including the issuance of a cease and desist order.
- 8.5 If issued by the Department, a cease and desist order will immediately prohibit the IISP from continuing to perform any authorized services under this Agreement until such time as the IISP submits, and ADOT accepts and approves, the necessary replacement bond.

9.0 NON-DISCRIMINATION

The IISP shall comply with all applicable federal, state and local laws regarding and prohibiting discrimination, including those set forth in this Agreement.

10.0 TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

- 10.1 The IISP and its employees, agents, and subcontractors shall fully comply with Title VI of the Civil Rights Act of 1964 ("Title VI"), and with all federal and state statutes, executive orders and implementing regulations relating to nondiscrimination in providing any service or performing any activity authorized under this Agreement.
- 10.2 The IISP, while offering, providing or advertising services or performing an activity under this Agreement, **shall not:**
 - 10.2.1 Discriminate on the basis of race, color, national origin, age, sex, or disability;
 - 10.2.2 Deny individuals or groups any service or benefit of the functions that the Provider has undertaken to perform under this Agreement;

- 10.2.3 Exclude individuals or groups from participation in or receipt of any of the services that the Provider has undertaken to perform under this Agreement;
 - 10.2.4 Provide services or benefits to individuals or groups in a manner or with accessibility inferior to those provided to other persons; or
 - 10.2.5 Segregate or disparately treat individuals or groups in any manner related to the receipt or availability of, or the fee charged for, any service, function or benefit that the Provider has undertaken to perform under this Authorization Agreement.
- 10.3 The IISP, while offering, providing or advertising services or performing an activity under this Agreement, **shall**:
- 10.3.1 Take reasonable steps to ensure that Limited English Proficient (non-English speaking) customers have meaningful access to the services or activities performed under this Agreement by offering and delivering the Provider's services in languages other than English at no additional cost to the customer;
 - 10.3.2 Provide public notification of its compliance with Title VI by displaying ADOT's Title VI "Notice to the Public" poster;
 - 10.3.3 Promptly report any customer complaints alleging discrimination to the ADOT Civil Rights office for processing and investigation, immediately upon receipt of such complaint(s);
 - 10.3.4 Provide access to its facilities, books, records, accounts, and other sources of information as may be determined or requested by ADOT to be pertinent, in order to ascertain Provider's compliance with Title VI; and
 - 10.3.5 Inform and formally train all Provider officers, principals, employees and contractors on the requirements to comply with Title VI.
- 10.4 During the performance of this Agreement, the IISP, for itself, its owners, principals, employees, agents and subcontractors agrees to comply with the Title VI requirements set forth in the materials displayed and linked from the Department's website, as follows:

<http://azdot.gov/docs/default-source/business/title-vi-assurances-appendix-a.pdf?sfvrsn=2>

<http://azdot.gov/docs/default-source/business/title-vi-assurances-appendix-e.pdf?sfvrsn=2>

11.0 COMPLIANCE

- 11.1 The IISP shall comply with all of the terms set forth in this Agreement, together with all applicable federal, state, and local statutes and regulations. The IISP shall also comply with all Department policies, procedures, training materials, operation manuals, guidelines, and all other directives that the Department provides in writing to the IISP throughout the course of this Agreement. All IISP principals, employees, agents and subcontractors are held to the same compliance standards, and any failure to comply on the part of any person acting on the IISP's behalf will be deemed a failure on the part of the IISP.
- 11.2 The IISP warrants compliance with all federal immigration laws and regulations relating to its principals, employees, agents and subcontractors, and additionally warrants compliance with

A.R.S. § 23-214, Subsection A (which reads: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility through the E-Verify Program.”). This E-Verify requirement also applies to any IISP subcontractors utilized to perform the activities authorized hereunder.

- 11.3 Failure to comply with immigration laws and regulations shall be deemed a material breach of contract, and may subject the IISP to the termination or non-renewal of its Authorization Agreement.
- 11.4 The Department retains the legal right to inspect the employment documents of any person who performs work under this Agreement to ensure that the IISP or its subcontractor(s) is/are complying with the above-referenced and applicable immigration laws and regulations.
- 11.5 Failure to comply with an ADOT audit process to randomly verify the employment records of the IISP and any contractor or subcontractor shall also be deemed a material breach of this Agreement, and the IISP may be subject to criminal and civil penalties, as well as contractual penalties up to and including termination of the Agreement.

12.0 NOTIFICATION

- 12.1 The IISP shall be the contact person for problem resolution and notification of procedural changes, and this contact person must keep the Department informed in writing of his or her current address and a phone number where he or she may be contacted in the event of an emergency, including an after-hours emergency. The IISP shall notify the Department in writing within five business days of any change in its list of directors, principals, principal stakeholders, officers, or office management.
- 12.2 All notices or demands upon either party shall be in writing and shall be delivered in person, faxed, e-mailed, or sent by mail addressed as follows:

Arizona Department of Transportation	Name of Manufacturer:
Motor Vehicle Division	Name of IISP:
Ignition Interlock Program	Mailing Address:
1801 W. Jefferson Street	Phone/Fax #/E-mail address:
P.O. Box 2100, Mail Drop 530M	
Phoenix, Arizona 85001	
Fax: 602.712.4722	
E-mail: Ignitioninterlock@azdot.gov	
- 12.3 The IISP shall submit a complete and accurate schedule of its hours of operation at all locations to the Department upon commencement of this Agreement, as well as monthly, and shall also notify the Department three business days prior to making any change to its scheduled hours of operation. A change to the IISP’s scheduled hours of operation without prior notification to the Department may constitute grounds for possible corrective action against the IISP.
- 12.4 The IISP shall immediately notify the Department if it has reason to believe that an owner, principal employee, agent or subcontractor or any other representative of the IISP has acted in violation of the law and/or the terms of this Agreement, including but not limited to a suspected misuse of records or information on the part of such person(s).

13.0 AMENDMENT AND MODIFICATION OF AGREEMENT

- 13.1 The IISP shall accept any amendment or modification of this Agreement promulgated by the Department for reasonable cause, if set forth in writing and deemed necessary by the Department. The IISP may submit a written request to the Department if there are any changes it desires be made to the Agreement, and such a request may be approved or denied at the Department's sole discretion.
- 13.2 Upon the amendment of any applicable law, rule or regulation, this Agreement shall automatically be modified to reflect such lawful amendment, including citations to legal authorities. Any resulting modification of terms shall be incorporated herein and the IISP remains subject to all other provisions of the Agreement.

14.0 DURATION OF AGREEMENT

- 14.1 This Agreement (which supersedes any previous agreement that may have been entered into between the parties) shall commence upon approval by the Director, or the Director's designee, and after execution by both parties.
- 14.2 This Agreement shall thereafter continue in effect for a term of three (3) years, unless previously terminated or canceled as provided herein. Upon expiration of the 3-year period, the IISP may reapply for Agreement for another 3 years.

15.0 TERMINATION

- 15.1 Either party may terminate this Agreement for cause or convenience upon thirty (30) days prior written notice to the party.
- 15.2 This Agreement is also subject to cancellation by the Governor of Arizona pursuant to A.R.S. § 38-511.
- 15.3 Upon any termination or expiration of this Agreement, the IISP shall take those transitional measures set forth as outlined in its approved implementation plan.

16.0 AGREEMENT ADMINISTRATION

- 16.1 Following execution of this Agreement, the IISP shall contact the Department's Ignition Interlock Program for guidance or direction in matters of agreement interpretation, or the resolution of any problems or disputes regarding the terms, conditions or scope of the Agreement. Only the Department's Ignition Interlock Program or its designated representatives are authorized to change or amend the specific terms, conditions or provisions of this Agreement.

17.0 PROVIDER CERTIFICATION

I hereby request approval of this Ignition Interlock Service Provider Authorization Agreement, which I have read in its entirety, and with the knowledge and understanding that the IISP must abide by its provisions at all times. I certify that all of the application information previously furnished by the IISP, as well as all additional information set forth herein by the IISP, is true and accurate, and that any records or information obtained by the IISP hereunder will be used solely

for the purposes specified in this Authorization Agreement, and for no other purposes. I further certify that I have the authority to execute this written Agreement.

Name of Manufacturer _____

IISP Signature

IISP Name Printed

Date

FOR MVD USE ONLY

Received this date _____ *Signed* _____

AUTHORIZATION

On behalf of the Arizona Department of Transportation, Motor Vehicle Division, the Ignition Interlock Service Provider authorization requested by {Name of Provider} pursuant to this Agreement is hereby approved.

DATED THIS _____ **DAY OF** _____, **20**_____

Eric R. Jorgensen

Director, Motor Vehicle Division

Arizona Department of Transportation