



PROFESSIONAL/CONSULTING SERVICES AGREEMENT

1. PARTIES

This Agreement is made and entered into as of _____
("Effective Date") by and between the City of Cupertino, a municipal corporation ("City"), and

("Contractor"), a corporation
for _____.

2. SERVICES

Contractor agrees to provide the services and perform the tasks ("Services") set forth in detail in Scope of Services, attached here and incorporated as **Exhibit A**.

3. TIME OF PERFORMANCE

3.1 This Agreement begins on the Effective Date and ends on _____
("Contract Time"), unless terminated earlier as provided herein. Contractor's Services shall begin on _____ and shall be completed by _____. The city has the option of four (4) one-year extensions.

3.2 Schedule of Performance. Contractor must deliver the Services in accordance with the Schedule of Performance, attached and incorporated here **Exhibit A**.

3.3 Time is of the essence for the performance of all the Services. Contractor must have sufficient time, resources, and qualified staff to deliver the Services on time.

4. COMPENSATION

4.1 Maximum Compensation. City will pay Contractor for satisfactory performance of the Services an amount that will be based on actual costs but that will be capped so as not to exceed \$_____ ("Contract Price"), based upon the scope of services in **Exhibit A** and the budget and rates included in **Exhibit A**, Compensation attached and incorporated here. The maximum compensation includes all expenses and reimbursements and will remain in place even if Contractor's actual costs exceed the capped amount. No extra work or payment is permitted without prior written approval of City.

4.2 Invoices and Payments. Monthly invoices must state a description of the deliverable completed and the amount due for the preceding month. Within thirty (30) days of completion of Services, Contractor must submit a requisition for final and complete payment of costs and pending claims for City approval. Failure to timely submit a complete and accurate payment requisition relieves City of any further payment or other obligations under the Agreement.

5. INDEPENDENT CONTRACTOR

5.1 Status. Contractor is an independent contractor and not an employee, partner, or joint venture of City. Contractor is solely responsible for the means and methods of performing the Services and for the persons hired to work under this Agreement. Contractor is not entitled to health benefits, worker's compensation or other benefits from the City.

5.2 Contractor's Qualifications. Contractor warrants on behalf of itself and its subcontractors that they have the qualifications and skills to perform the Services in a competent and professional manner and according to the highest standards and best practices in the industry.

5.3 Permits and Licenses. Contractor warrants on behalf of itself and its subcontractors that they are properly licensed, registered, and/or certified to perform the Services as required by law and have procured a City Business License.

5.4 Subcontractors. Only Contractor's employees are authorized to work under this Agreement. Prior written approval from City is required for any subcontractor, and the terms and conditions of this Agreement will apply to any approved subcontractor.

5.5 Tools, Materials and Equipment. Contractor will supply all tools, materials and equipment required to perform the Services under this Agreement.

5.6 Payment of Taxes. Contractor must pay income taxes on the money earned under this Agreement. Upon City's request, Contractor will provide proof of payment and will indemnify City for violations pursuant to the indemnification provision of this Agreement.

6. PROPRIETARY/CONFIDENTIAL INFORMATION

In performing this Agreement, Contractor may have access to private or confidential information owned or controlled by the City, which may contain proprietary or confidential details the disclosure of which to third parties may be damaging to City. Contractor shall hold in confidence all City information provided by City to Contractor and use it only to perform this Agreement. Contractor shall exercise the same standard of care to protect City information as a reasonably prudent contractor would use to protect its own proprietary data.

7. OWNERSHIP OF MATERIALS

7.1 Property Rights. Any interest (including copyright interests) of Contractor in any product, memoranda, study, report, map, plan, drawing, specification, data, record, document or other information or work, in any medium (collectively, "Work Product"), prepared by Contractor in connection with this Agreement will be the exclusive property of the City and shall not be shown to any third-party without prior written approval of City.

7.2 Copyright. To the extent permitted by Title 17 of U.S. Code, all Work Product arising out of this Agreement is considered "works for hire" and all copyrights to the Work Product will be the property of City. Alternatively, Contractor assigns to City all Work Product copyrights. Contractor may use copies of the Work Product for promotion only with City's written approval.

7.3 Patents and Licenses. Contractor must pay royalties or license fees required for authorized use of any third party intellectual property, including but not limited to patented, trademarked, or copyrighted intellectual property if incorporated into the Services or Work Product of this Agreement.

7.4 Re-Use of Work Product. Unless prohibited by law and without waiving any rights, City may use or modify the Work Product of Contractor or its sub-contractors prepared or created under this Agreement, to execute or implement any of the following:

- (a) The original Services for which Contractor was hired;
- (b) Completion of the original Services by others;
- (c) Subsequent additions to the original Services; and/or
- (d) Other City projects.

7.5 Deliverables and Format. Contractor must provide electronic and hard copies of the Work Product, on recycled paper and copied on both sides, except for one single-sided original.

8. RECORDS

Contractor must maintain complete and accurate accounting records relating to its performance in accordance with generally accepted accounting principles. The records must include detailed information of Contractor's performance, benchmarks and deliverables, which must be available to City for review and audit. The records and supporting documents must be kept separate from other records and must be maintained for four years from the date of City's final payment.

9. ASSIGNMENT

Contractor shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of City. Any attempt to do so will be null and void. Any changes related to the financial control or business nature of Contractor as a legal entity is considered an assignment of the Agreement and subject to City approval, which shall not be unreasonably withheld. Control means fifty percent (50%) or more of the voting power of the business entity.

10. PUBLICITY / SIGNS

Any publicity generated by Contractor for the project under this Agreement, during the term of this Agreement and for one year thereafter, will reference the City's contributions in making the project possible. The words "City of Cupertino" will be displayed in all pieces of publicity, including flyers, press releases, posters, brochures, public service announcements, interviews and newspaper articles. No signs may be posted, exhibited or displayed on or about City property, except signage required by law or this Contract, without prior written approval from the City.

11. INDEMNIFICATION

11.1 To the fullest extent allowed by law, and except for losses caused by the sole and active negligence or willful misconduct of City personnel, Contractor shall indemnify, defend and hold

harmless City, its City Council, boards and commissions, officers, officials, employees, agents, servants, volunteers and consultants ("Indemnitees"), through legal counsel acceptable to City, from and against any and all liability, damages, claims, actions, causes of action, demands, charges, losses, costs and expenses (including attorney fees, legal costs and expenses related to litigation and dispute resolution proceedings) of every nature, arising directly or indirectly from this Agreement or in any manner relating to any of the following:

- (a) Breach of contract, obligations, representations or warranties;
- (b) Negligent or willful acts or omissions committed during performance of the Services;
- (c) Personal injury, property damage, or economic loss resulting from the work or performance of Contractor or its subcontractors or sub-subcontractors;
- (d) Unauthorized use or disclosure of City's confidential and proprietary Information;
- (e) Claim of infringement or violation of a U.S. patent or copyright, trade secret, trademark, or service mark or other proprietary or intellectual property rights of any third party.

11.2 Contractor must pay the costs City incurs in enforcing this provision. Contractor must accept a tender of defense upon receiving notice from City of a third-party claim, in accordance with California Public Contract Code Section 9201. At City's request, Contractor will assist City in the defense of a claim, dispute or lawsuit arising out of this Agreement.

11.3 Contractor's duties under this section are not limited to the Contract Price, workers' compensation payments, or the insurance or bond amounts required in the Agreement. Nothing in the Agreement shall be construed to give rise to an implied right of indemnity in favor of Contractor against City or any Indemnitee.

11.4. Contractor's payments may be deducted or offset to cover any money the City lost due to a claim or counterclaim arising out of this Agreement, a purchase order, or other transaction.

12. INSURANCE

Contractor shall comply with the Insurance Requirements, attached and incorporated here as **Exhibit D**, and must maintain the insurance for the duration of the Agreement, or longer as required by City. City will not execute the Agreement until City approves receipt of satisfactory certificates of insurance and endorsements evidencing the type, amount, class of operations covered, and the effective and expiration dates of coverage. Failure to comply with this provision may result in City, at its sole discretion and without notice, purchasing insurance for Contractor and deducting the costs from Contractor's compensation or terminating the Agreement.

13. COMPLIANCE WITH LAWS

13.1 General Laws. Contractor shall comply with all local, state and federal laws and regulations applicable to this Agreement. Contractor will promptly notify City of changes in the law or other conditions that may affect the Project or Contractor's ability to perform. Contractor is responsible for verifying the employment authorization of employees performing the Services, as required by the Immigration Reform and Control Act.

13.2 Labor Laws. Contractor shall comply with all labor laws applicable to this Agreement. If the Scope of Services includes a “public works” component, Contractor is required to comply with prevailing wage laws under Labor Code Section 1720 and other labor laws.

13.3 Discrimination Laws. Contractor shall not discriminate on the basis of race, religious creed, color, ancestry, national origin, ethnicity, handicap, disability, marital status, pregnancy, age, sex, gender, sexual orientation, gender identity, Acquired-Immune Deficiency Syndrome (AIDS) or any other protected classification. Contractor shall comply with all anti-discrimination laws, including Government Code Sections 12900 and 11135, and Labor Code Sections 1735, 1777 and 3077.5. Consistent with City policy prohibiting harassment and discrimination, Contractor understands that harassment and discrimination directed toward a job applicant, an employee, a City employee, or any other person, by Contractor or its employees or sub-contractors will not be tolerated.

13.4 Conflicts of Interest. Contractor shall comply with all conflict of interest laws applicable to this Agreement and must avoid any conflict of interest. Contractor warrants that no public official, employee, or member of a City board or commission who might have been involved in the making of this Agreement, has or will receive a direct or indirect financial interest in this Agreement, in violation of California Government Code Section 1090 et seq. Contractor may be required to file a conflict of interest form if Contractor makes certain governmental decisions or serves in a staff capacity, as defined in Section 18700 of the California Code of Regulations. Contractor agrees to abide by the City’s rules governing gifts to public officials and employees.

13.5 Remedies. Any violation of Section 13 constitutes a material breach and may result in City suspending payments, requiring reimbursements or terminating this Agreement. City reserves all other rights and remedies available under the law and this Agreement, including the right to seek indemnification under Section 11 of this Agreement.

14. PROJECT COORDINATION

City Project Manager. The City assigns _____ as the City’s representative for all purposes under this Agreement, with authority to oversee the progress and performance of the Scope of Services. City reserves the right to substitute another Project manager at any time, and without prior notice to Contractor.

Contractor Project Manager. Subject to City approval, Contractor assigns _____ as its single Representative for all purposes under this Agreement, with authority to oversee the progress and performance of the Scope of Services. Contractor’s Project manager is responsible for coordinating and scheduling the Services in accordance with the Scope of Services and the Schedule of Performance. Contractor must regularly update the City’s Project Manager about the progress with the work or any delays, as required under the Scope of Services. City written approval is required prior to substituting a new Representative.

15. ABANDONMENT OF PROJECT

City may abandon or postpone the Project or parts therefor at any time. Contractor will be compensated for satisfactory Services performed through the date of abandonment, and will be

given reasonable time to assemble the work and close out the Services. With City's pre-approval in writing, the time spent in closing out the Services will be compensated up to a maximum of ten percent (10%) of the total time expended to date in the performance of the Services.

16. TERMINATION

City may terminate this Agreement for cause or without cause at any time. Contractor will be paid for satisfactory Services rendered through the date of termination, but final payment will not be made until Contractor closes out the Services and delivers the Work Product.

17. GOVERNING LAW, VENUE AND DISPUTE RESOLUTION

This Agreement is governed by the laws of the State of California. Any lawsuits filed related to this Agreement must be filed with the Superior Court for the County of Santa Clara, State of California. Contractor must comply with the claims filing requirements under the Government Code prior to filing a civil action in court. If a dispute arises, Contractor must continue to provide the Services pending resolution of the dispute. If the Parties elect arbitration, the arbitrator's award must be supported by law and substantial evidence and include detailed written findings of law and fact.

18. ATTORNEY FEES

If City initiates legal action, files a complaint or cross-complaint, or pursues arbitration, appeal, or other proceedings to enforce its rights or a judgment in connection with this Agreement, the prevailing party will be entitled to reasonable attorney fees and costs.

19. THIRD PARTY BENEFICIARIES

There are no intended third party beneficiaries of this Agreement.

20. WAIVER

Neither acceptance of the Services nor payment thereof shall constitute a waiver of any contract provision. City's waiver of a breach shall not constitute waiver of another provision or breach.

21. ENTIRE AGREEMENT

This Agreement represents the full and complete understanding of every kind or nature between the Parties, and supersedes any other agreement(s) and understanding(s), either oral or written, between the Parties. Any modification of this Agreement will be effective only if in writing and signed by each Party's authorized representative. No verbal agreement or implied covenant will be valid to amend or abridge this Agreement. If there is any inconsistency between the main Agreement and the attachments or exhibits thereto, the text of the main Agreement shall prevail.

22. INSERTED PROVISIONS

Each provision and clause required by law for this Agreement is deemed to be included and will be inferred herein. Either party may request an amendment to cure mistaken insertions or omissions of required provisions. The Parties will collaborate to implement this Section, as appropriate.

23. HEADINGS

The headings in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

24. SEVERABILITY/PARTIAL INVALIDITY

If any term or provision of this Agreement, or their application to a particular situation, is found by the court to be void, invalid, illegal or unenforceable, such term or provision shall remain in force and effect to the extent allowed by such ruling. All other terms and provisions of this Agreement or their application to specific situations shall remain in full force and effect. The Parties agree to work in good faith to amend this Agreement to carry out its intent.

25. SURVIVAL

All provisions which by their nature must continue after the Agreement expires or is terminated, including the Indemnification, Ownership of Materials/Work Product, Records, Governing Law and Attorney Fees, shall survive the Agreement and remain in full force and effect.

26. NOTICES

All notices, requests and approvals must be sent in writing to the persons below, which will be considered effective on the date of personal delivery or the date confirmed by a reputable overnight delivery service, on the fifth calendar day after deposit in the United States Mail, postage prepaid, registered or certified, or the next business day following electronic submission:

To City of Cupertino	To Contractor: _____
Attention: _____	_____
Email: _____	Attention: _____
	Email: _____

27. VALIDITY OF CONTRACT

This Agreement is valid and enforceable only if (a) it complies with the purchasing and contract provisions of Cupertino Municipal Code Chapters 3.22 and 3.23, as amended from time to time, (b) is signed by the City Manager or an authorized designee, and (c) is approved for form by the City Attorney's Office.

28. EXECUTION

The person executing this Agreement on behalf of Contractor represents and warrants that Contractor has full right, power, and authority to enter into and carry out all actions contemplated by this Agreement and that he or she is authorized to execute this Agreement, which constitutes a legally binding obligation of Contractor. This Agreement may be executed in counterparts, each one of which is deemed an original and all of which, taken together, constitute a single binding instrument.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed.

CONTRACTOR Pacific Office Automation **CITY OF CUPERTINO**
A Municipal Corporation

By [Signature]

By _____

Name Cory Giddings

Name Bill Mitchell

Title Branch Manager

Title Chief Technology Officer

Date 6/18/18

Date _____

Tax I.D. No.: 93-0665413

APPROVED AS TO FORM:

ROCIO V. FIERRO
Cupertino Acting City Attorney

ATTEST:

GRACE SCHMIDT
City Clerk



**PACIFIC OFFICE
AUTOMATION**
— PROBLEM SOLVED —

Bid Prepared for:
City of Cupertino
NASPO Contract #7-15-70-26

SHARP



PaperCut MF™
AUTHORISED
AUTHORISED SOLUTION CENTER



City of Cupertino
Multi-Function Copier Solicitation

Table of Contents

1. Price
2. Service Level Agreement & CPC
3. MFP Removal Plan
4. Hard Drive Removal Plan
5. Hard Drive Warranty
6. References
7. Dedicated Call Center
8. Service Calls
9. Service Response Time
10. Number of Technicians
11. Service Escalation
12. Copier Guarantee & Replacement
13. Parts Inventory
14. Contact Personnel & Team



Pacific Office Automation (POA) Process & Team Info

This response to The City of Cupertino's Copier Bid has been prepared by authorized representatives of Pacific Office Automation (POA) in an effort to provide sufficient information and be determined a responsive bidder. We thank you for the opportunity to be involved in this bid process and ultimately establish a mutually beneficial partnership between both parties.

Company Name: Pacific Office Automation

Address: 2210 O'Toole Ave, Suite 200, San Jose, CA 95131

Telephone: 925-398-4200

Fax: 925-924-0038

Federal Tax Identification: 93-0665413

POA Representative: Patrick Kirk

Title: Account Manager

Address: 2210 O'Toole Avenue, Suite 200, San Jose, CA 95131

Telephone: 408-375-4944

Email: Patrick.Kirk@pacificoffice.com

Dedicated Key Staff Members

1. Patrick Kirk – Account Manager
2. David Renteria – Field Sales Manager
3. Cory Giddings – Branch Manager
4. Damon Webb – Professional Services Manager
5. Dean Simmons – Software Solutions
6. John Boyd – Production & Graphic Specialist
7. Wendy Tran – Service Dispatcher
8. Juan Castaneda – Field Service Supervisor
9. Nicole Grammatico – Admin & Contracts Manager



Bid Question Responses

(1) Price: (See attached spread sheet provided by City of Cupertino)

(2) Service Level Agreement (SLA) & Cost per Copy:

- **1 Year Service Agreement covering All Parts, Labor, Service, Toner and Consumables.**
- **Service Level Agreement set for 1 year term with option to extend for added one-year terms, for 4 years.**
- **City of Cupertino has the right to cancel this Service Level Agreement with a 30 day written notice at any point throughout the SLA contract term.**
- (See attached spread sheet provided by City of Cupertino)

(3) MFP Removal Plan

Copiers identified to be removed and disposed of, by the City of Cupertino will be recycled by POA. When disposing of equipment and recycling, hard drives are wiped, removed and/or sanitized to meet the strictest measures conforming to DoD compliance standards and measures that are safe and deemed ethical for the environment. Prior to removing the Hard Drive from any device, POA will transfer any emails and printing information from each device prior to replacing with a new unit. This will allow our team to simplify the installation of the new equipment ensuring a seamless and simple setup process.

(4) Hard Drive Removal Plan

Prior to removing equipment, Hard Drives can be either sanitized (wiped of data) or removed. When sanitized, the hard drive is overwritten and securely wiped meeting DoD compliance for security standards. In the event that the City would prefer to physically have POA remove the hard drives, we can remove the HDD and hand to a City official that would be designated to destroy the Hard Drive. Additionally, Sharp's built-in End-of-Lease feature allows for the Hard Drive to be wiped at the end of said usage, in the event that it is traded-in or recycled.

(5) Hardware Warranty

Warranty on new equipment begins the moment the equipment leaves our warehouse on its way to be delivered to you. As long as a Service Level Agreement is active and in good standing your warranty continues and is a promise from POA that the equipment will be operational and in working order as it did when it first arrived the first day. Additionally, repaired, serviced and maintained at no added costs to the Cost Per Copy Service Level Agreement.



(6) References:

- **San Jose State University**
 - 1 Washington Square, San Jose, CA 95192
 - Sara Bonakdar
 - Sara.bonakdar@sjsu.edu
 - 408.924.1561
- **San Jose Sharks**
 - 525 W. Santa Clara Street, San Jose, CA 95113
 - Rich Perez
 - rperez@sapcenter.com
 - 408.427.2913
- **Berliner Cohen LLP**
 - 10 S. Almaden Blvd, San Jose, CA 95113
 - Marc Susbilla
 - marc.susbilla@berliner.com
 - 408.286.5800

Service, Service Calls & Support Team

(7) Dedicated Call Center for Service Calls

Despite the size and scope of POA, our Bay Area branch handles all decisions internally making the decision making process a breeze in the event that an issue needs to be escalated for a quick remedy. Our warehouse in Pleasanton stores all of our parts & inventory and our local dispatch team ensures that the team supporting you always is in close touch with you and your support team.

(8) Service Calls

Each machine will have a dedicated ID # located on a sticker on the front of the machine that will be used to identify the machine by serial number, physical location and model of equipment. The sticker will also include a phone number, e-mail and URL to visit for connecting with our service department. Whether you decide to call, email or visit our website, we will ensure the process is to your liking and can even customize the options for requesting service. When calling in, you immediately talk to a live person who will ask for your ID number and what supplies or service is required. With your ID number, we can tell what machine, location and the current supply level to ensure you get your supplies before you run out.



Placing Service Calls

There are a few ways in which you will be able to place a service call.

- ✓ Email us - dispatch44@PacificOffice.com
 - ✓ Fill out Online Form at <https://www.pacificoffice.com/support>
 - ✓ Call us at (888) 896-9029 or (925) 398-4200
- 1 When calling, the customer calls the dispatcher will ask for the 5-digit equipment ID #. If that isn't available we can use the customer name or phone to locate them in the database.
 - 2 Once the correct machine is verified by the customer/dispatcher, we also verify the location is correct, the caller's name and direct phone # which is typed in the operator field at that time.
 - 3 Following the confirmation of the caller a service call verification code will be given to the individual placing the call.
 - 4 The dispatcher will type a brief description of the problem in the comment field and also put their initials in that field to identify who took the service call.
 - 5 Most machines are already assigned to the proper tech via the territories worked out by each team. If a tech is absent it is the dispatcher's responsibility to page the call out to the back-up person.

(9) Service response time.

Pacific Office Automation guarantees a 4-hour average field response for the City of Cupertino. Our company goal is to be within two (2) hours from the time your service call was placed. POA acknowledges and agrees that service calls received after 3:00 PM must be assigned to the first service call the next day. On average our reports show that we are averaging a 2.9 hour response time for a technician to arrive onsite. At any time, City of Cupertino can contact us to prioritize a service technician to get a tech onsite ASAP in the case ever needed. Additionally, our technicians are dedicated to a territory bordered by zip codes, so your service team will always be in the same area you are at all times making sure that they have access to you and can respond to your needs with quick notice.

(10) Number of technicians assigned to provide copier services

Generally, the technicians are trained on a variety of copiers but mainly focus on segment specific machines. For example one technician will work on 20-55 ppm machine while another will focus on 60-100 ppm machines. This allows for the technician to be specialized in a specific segment and master those machines. Our Bay Area servicing branch currently has twenty five (25) technicians capable of handling and responding to service issues reported by City of Cupertino. POA is growing rapidly and consistently looking to increase our service force. The average experience and tenure at POA is 9.5 years. Of those 25 servicing technicians, 12 are located in the surrounding areas of Cupertino. As needed, POA will add expert technicians to ensure that all service needs are met with the proper personnel.



(11) Service escalation

POA acknowledges and agrees that service will be escalated to a senior specialized service technician and City of Cupertino designated account representative after three (3) failed attempts to fix a copier. The City representative is to contact the City of Cupertino to inform them of the escalation. In addition, POA offers the following Service Escalation Procedure. This procedure explains to the technical department the procedure to use when the machine they are working on is not fixed in a reasonable time or the same problem continues to occur.

1. If the Technician is unable to resolve the problem within two hours or has worked on the same machine twice for the same problem, the Technician is required to contact the Service Manager. The Service Manager will evaluate the situation, and if it cannot be resolved rapidly, a hotline to the manufacturer will be opened immediately.
2. The Service Manager will perform or confirm that all remedies the hotline suggests are accomplished as soon as possible. If the hot line indicates parts are needed these parts will be installed. The results will be fed back to the hotline for further diagnosing if the problem is not resolved.
3. The Technician will contact the Service Manager and provide them with the hotline case number and customer contact information plus all other pertinent information regarding the situation. This will be placed on the Service Manager's daily to do list and will be followed until it is resolved.
4. If the Technician feels that the copier will be out of service for more than eight (8) business hours after the call has been placed or requires off-site service, a loaner copier will be provided within eight (8) business hours.
5. The customer's machines will be brought into the shop and completely diagnosed, repaired and tested prior to returning it to the customer.
6. If a copier continues to experience the same symptoms, a permanent like or better replacement machine will be delivered to the customer at no additional charge.

(12) Guaranteed Copier Replacement

POA guarantees copier replacement if the technician fails to fix a reoccurring problem after ten (10) failed attempts. In addition, POA would recommend a quarterly meeting with POA personnel and City of Cupertino personnel to discuss and review benchmarks of performance on installation, billing and any failures to meet the service level agreements. If there is a machine with reoccurring problems, we will run a Service History Report to obtain Response Time per Call, Service Call Details, Parts Usage and Preventative Maintenance Detail. We will also have a certified technician report on the functionality of the machine. POA may also make a replacement suggestion based on a "3 and 30" report, in which a machine is requested service upon three (3) times in thirty (30) days. If it is determined that the machine is in need of replacement, POA will handle all pick-ups and installs for no additional charge to City of Cupertino.

POA handles all service obligations internally which allows for quick and easy turnaround times. As soon as an order is submitted by your representative, equipment will be prepared for install and shipped that same



day. Delivery of the machine will take place in 1-5 business days and installation will be done that day, on-site by the delivery driver.

(13) Parts | Locations | Inventory

POA maintains over 28,000 square feet of dedicated warehouse storage in the Bay Area with over \$8 Million dollars' worth of parts and equipment inventory ensuring that we have the necessary parts needed to service, respond and repair issues at any given time without delays. We offer the largest stock capacity of any document imaging company in the region. The technicians and the decision makers are literally next door and will provide best-in-class customer service and prompt response.

Through consistent and substantial investment in our infrastructure and workforce, POA is unmatched in regards to our service/support resources. In an industry rippled with downsizing and mergers, POA is extremely unique in regards to our constant investment in our service and support infrastructure. This infrastructure is one of the many competitive advantages that truly set us apart from any competitor in the Bay Area.

Technician Accessibility to Maintenance Parts

Our facilities carry \$8,000,000 in parts to ensure our technicians can fix virtually any problem that arise the same day. Each technician is issued an inventory of parts recommended by our manufactures for all systems the technician is responsible for repairing typically carrying with them in their vehicles over \$10,000 worth of parts inventory on hand. This provides our technicians the ability to solve problems and repair equipment on the first visit more frequently.

In addition each technician has the ability to customize their inventory to meet the needs of the customers in their territory. Technicians report their inventory weekly to the Weekly Parts Report. Parts are delivered on average of less than one (1) business day as a result of our substantial inventory and refined delivery process.

Our technicians have numerous options for quick access to maintenance parts.

- Local Warehouse: Primary supply warehouse in the Bay Area.
- Car Stock: Custom inventory provided to our service technicians based on their service territory

(14) Contact Personnel

POA currently services customers that range from business, government and service enterprises operating from a single location to entities that have a central headquarters and carry out global operations throughout thousands of offices. POA's One Contact / One Contract ensures that POA's partners are provided with consistent, qualified local account managers that provide efficient customer support and problem solving abilities.

Patrick Kirk will be your primary point of contact and responsible for managing your account and your overall business relationship with Pacific Office Automation. Patrick is supported by the entire POA service team and customer support team. More specifically, David Renteria also works with Patrick Kirk and is the Field Sales Manager for Cupertino and the local surrounding area.

**Patrick Kirk****Account Manager**

Phone Number:

408-375-4944

Email:

Patrick.Kirk@PacificOffice.com

Address:

2210 O'Toole Ave, Suite 200, San Jose, CA 95131

Responsibilities include:

- Manages POA's project & support team for City of Cupertino
- Maintains customer satisfaction
- Ensures proper communication
- Ensures equipment and software implementation
- Compliance with all aspects and projects outlined in this response

Patrick will be assisted in performing all work by the following individuals:

David Renteria**Field Sales Manager**

Responsibilities Include:

- Assists Patrick in day-to-day activities maintaining customer satisfaction
- Involved with clients as a second line of support in case Patrick is unavailable or out of the office
- Ensures Patrick and his team have all necessary tools to help client relationship

Nicole Grammatico**Branch Administrative Manager**

Responsibilities Include:

- Bills new orders, Manages financed orders, Supports Contracts

Marian Jurgensen**Order Processor/Delivery Manager**

Responsibilities Include:

- Processes new orders & Coordinates deliveries of all new, demo, rental, & loaner copiers
- Manages set-up team

Carolyn Miller**Supply Manager**

Responsibilities Include:

- Manages average usage per copier
- Carries out supply orders

Cory Giddings**Branch Manager**


Responsibilities Include:

- Oversees overall Branch Support Teams
- Field reviews of customer copiers
- Addresses customer service concerns

Juan Castaneda**Field Service Supervisor**

Responsibilities Include:

- Addresses customer service concerns
- Field Reviews of customer copiers
- Addresses customer service concerns

Sharp NASPO Pricing					
Pricing Reflects NASPO Contract #7-15-70-26 for Multifunction Copier Systems					
 CITY OF CUPERTINO					
Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-B455W	45 PPM B&W - Desktop B/W Document System	1	\$4,875.00	\$1,057.50	\$1,057.50
MX-CS14	600 sheet paper feeder (Max 3 Cassettes)	1	\$220.00	\$85.50	\$85.50
MX-FN32	Inner Finisher (30 sheet staple 300 sheet stack)	1	\$1,435.00	\$382.50	\$382.50
MX-FR59U	Data Security	1	\$575.00	\$267.30	\$267.30
MX-FWX1L	Internet Fax	1	\$570.00	\$135.00	\$135.00
AR-D5133NT	15 AMP Power Filter	1	\$150.00	\$101.70	\$101.70
Total (Quinlan 3)					\$2,029.50

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-4070V	40 PPM B&W / 40 PPM Full-Color Workgroup Document System	1	\$18,425.00	\$3,082.00	\$3,082.00
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
AR-D5133NT	15 AMP Power Filter (3050/3550/4050/3070/3570/4070 and 2630N)	1	\$150.00	\$91.80	\$91.80
Total (Blackberry Farm)					\$4,320.80

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-5070V	50 PPM B&W / 50 PPM Full-Color Workgroup Document System	1	\$20,625.00	\$3,352.50	\$3,352.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (McClellan Ranch)					\$4,421.20

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-5070V	50 PPM B&W / 50 PPM Full-Color Workgroup Document System	1	\$20,625.00	\$3,352.50	\$3,352.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (Senior Center - 1 smaller)					\$4,688.50

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-5070V	50 PPM B&W / 50 PPM Full-Color Workgroup Document System	2	\$20,625.00	\$3,352.50	\$6,705.00
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	2	\$2,000.00	\$540.00	\$1,080.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	2	\$2,000.00	\$427.00	\$854.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	2	\$575.00	\$267.30	\$534.60
MX-FX15	Facsimile Expansion Kit	2	\$1,360.00	\$225.00	\$450.00
MX-PN14B ***	3 Hole Punch Module for FN27N	2	\$735.00	\$180.00	\$360.00
MX-TR19N	Exit Tray Unit (right side)	2	\$160.00	\$67.50	\$135.00
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	2	\$175.00	\$101.70	\$203.40
Total (Service Center and Quinlan 2)					\$10,322.00

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-5070V	50 PPM B&W / 50 PPM Full-Color Workgroup Document System	1	\$20,625.00	\$3,352.50	\$3,352.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FX15	Facsimile Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
MX-TR19N	Exit Tray Unit (right side)	1	\$160.00	\$67.50	\$67.50
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (Sports Center)					\$4,893.70

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-6070V	60 PPM B&W / 60 PPM Full-Color Workgroup Document System	1	\$22,825.00	\$3,982.50	\$3,982.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (Planning 2)					\$5,498.50

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
-------	---------------------------------------	----------	------------	----------------	-------

MX-6070V	60 PPM B&W / 60 PPM Full-Color Workgroup Document System	1	\$22,825.00	\$3,982.50	\$3,982.50
MX-DE27N	3 x 550 Sheet Paper Feed Desk Unit	1	\$1,570.00	\$405.00	\$405.00
MX-FN30	3K Stacking Finisher (requires RB25N)	1	\$3,050.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
MX-LC17N	3,000 Sheet Large Capacity Tray Requires DE25N/DE26N/DE27N /DE28N (Not compatible with 60ABD or DE29)	1	\$1,570.00	\$405.00	\$405.00
MX-PN16B	3 Hole Punch Module for FN30/31	1	\$735.00	\$180.00	\$180.00
MX-RB25N	Paper Pass Unit Required with FN28/29/30/31	1	\$445.00	\$182.00	\$182.00
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (City Clerk 2)		\$5,950.50			

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-6070V	60 PPM B&W / 60 PPM Full-Color Workgroup Document System	1	\$22,825.00	\$3,982.50	\$3,982.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
MX-FX15	Facsimile Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
MX-TR19N	Exit Tray Unit (right side)	1	\$160.00	\$67.50	\$67.50
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (CAO)		\$5,791.00			

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-6070V	60 PPM B&W / 60 PPM Full-Color Workgroup Document System	1	\$22,825.00	\$3,982.50	\$3,982.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
MX-FX15	Facsimile Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
MX-RB25N	Paper Pass Unit Required with FN28/29/30/31 NOT NEEDED WITH INNER FINISHER	1	\$445.00	\$0.00	\$0.00
MX-TR19N	Exit Tray Unit (right side)	1	\$160.00	\$67.50	\$67.50
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (Admin Services)		\$5,791.00			

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-6070V	60 PPM B&W / 60 PPM Full-Color Workgroup Document System	1	\$22,825.00	\$3,982.50	\$3,982.50
MX-DE28N	550+2100 Sheet Tandem Paper Drawer	1	\$2,000.00	\$540.00	\$540.00
MX-FN27N	Inner Finisher 50 Sheet Stapler 500 Sheet Capacity	1	\$2,000.00	\$427.00	\$427.00
MX-FR52U	Data Security Kit (Commercial Version) (3070/3570/4070/5070/6070)	1	\$575.00	\$267.30	\$267.30
MX-FX15	Facsimile Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-LC17N	3,000 Sheet Large Capacity Tray Requires DE25N/DE26N/DE27N /DE28N (Not compatible with 60ABD or DE29)	1	\$1,570.00	\$405.00	\$405.00
MX-PN14B	3 Hole Punch Module for FN27N	1	\$735.00	\$180.00	\$180.00
MX-RB25N	Paper Pass Unit Required with FN28/29/30/31 NOT NEEDED WITH INNER FINISHER	1	\$445.00	\$0.00	\$0.00
MX-TR19N	Exit Tray Unit (right side)	1	\$160.00	\$67.50	\$67.50
AR-D5143NT	20 AMP Power Filter (5050/6050/5070/6070)	1	\$175.00	\$101.70	\$101.70
Total (City Clerk 1)		\$6,196.00			

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-6580N	65 PPM B&W / Color - High Speed Color Document System:	1	\$29,500.00	\$6,030.00	\$6,030.00
MX-LC13N	Large Capacity 2-Drawer Air Feed Tray (5,000 sheets - Letter, Letter-R, Legal or Ledger) Requires MX-RB14 May not be used with LC12/LCX3N	1	\$6,700.00	\$2,293.20	\$2,293.20
MX-FD10	Multi Folding Unit Requires FN21/FN22 Not Compatible with RB13	1	\$15,700.00	\$5,374.80	\$5,374.80
MX-FN22	100 Sheet Staple/20 Sheet Saddle Stitch Finisher (4,000-sheet output capacity) Requires RB12N + RB15	1	\$10,720.00	\$3,669.30	\$3,669.30
MX-RB12N	Paper pass unit for machine (required for MX-FN19, MX-FN20, MX-FN21 & MX-FN22)	1	\$550.00	\$223.20	\$223.20
MX-RB14	Relay Unit (Required for MX-LC13N)	1	\$1,140.00	\$390.60	\$390.60
MX-RB15	Curl Correction Unit (Required with MX-FN21 and MX-FN22 configurations)	1	\$1,140.00	\$390.60	\$390.60
MX-PN13B	Punch Unit (for MX-FN21 and MX-FN22)	1	\$945.00	\$337.50	\$337.50
MX-CF11	2 Tray Post Process Page Inserter (Used with MX-FN21 or MX-FN22) Requires FD10 or RB13	1	\$3,860.00	\$1,321.20	\$1,321.20
MX-FR55U	Data Security Kit	1	\$760.00	\$322.20	\$322.20
AR-D5133NT	15 AMP Power Filter FN21, FN22, LC13N	1	\$150.00	\$91.80	\$91.80
MX-E524ZNT	208-240V/20A Power Filter	1	\$275.00	\$137.70	\$137.70
Total (Quinlan 1)		\$20,582.10			

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-7580N	75 PPM B&W / Color - High Speed Color Document System:	1	\$34,500.00	\$6,592.50	\$6,592.50
MX-FD10	Multi Folding Unit Requires FN21/FN22 Not Compatible with RB13	1	\$15,700.00	\$5,374.00	\$5,374.00
MX-FN20	50 Sheet Staple/15 Sheet Saddle Stitch Finisher (4,000-sheet output capacity) Requires RB12N	1	\$4,725.00	\$1,800.00	\$1,800.00
MX-RB12N	Paper pass unit for machine (required for MX-FN19, MX-FN20, MX-FN21 & MX-FN22)	1	\$550.00	\$223.20	\$223.20
MX-PN12B	Punch Unit (for MX-FN19 and MX-FN20)	1	\$850.00	\$315.00	\$315.00
MX-FX15	Fax Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-FR55U	Data Security Kit	1	\$760.00	\$322.20	\$322.20
MX-E524ZNT	208-240V/20A Power Filter	1	\$275.00	\$137.70	\$137.70

Total	(Planning 1)	\$14,989.60
-------	--------------	-------------

Model	Description and Machine Compatibility	Quantity	MSRP Price	Discount Price	Total
MX-7580N	75 PPM B&W / Color - High Speed Color Document System:	1	\$34,500.00	\$6,592.50	\$6,592.50
MX-LC13N	Large Capacity 2-Drawer Air Feed Tray (5,000 sheets - Letter, Letter-R, Legal or Ledger) Requires MX-RB14 May	1	\$6,700.00	\$2,293.20	\$2,293.20
MX-FD10	Multi Folding Unit Requires FN21/FN22 Not Compatible with RB13	1	\$15,700.00	\$5,374.00	\$5,374.00
MX-FN22	100 Sheet Staple/20 Sheet Saddle Stitch Finisher (4,000-sheet output capacity) Requires RB12N + RB15	1	\$10,720.00	\$3,669.30	\$3,669.30
MX-RB12N	Paper pass unit for machine (required for MX-FN19, MX-FN20, MX-FN21 & MX-FN22)	1	\$550.00	\$223.20	\$223.20
MX-RB14	Relay Unit (Required for MX-LC13N)	1	\$1,140.00	\$390.60	\$390.60
MX-RB15	Curl Correction Unit (Required with MX-FN21 and MX-FN22 configurations)	1	\$1,140.00	\$390.60	\$390.60
MX-PN13B	Punch Unit (for MX-FN21 and MX-FN22)	1	\$945.00	\$337.50	\$337.50
MX-TR14	Right Side Exit Tray	1	\$190.00	\$64.80	\$64.80
MX-FX15	Fax Expansion Kit	1	\$1,360.00	\$225.00	\$225.00
MX-FR55U	Data Security Kit	1	\$760.00	\$322.20	\$322.20
AR-D5133NT	15 AMP Power Filter FN21, FN22, LC13N	1	\$150.00	\$91.80	\$91.80
MX-E524ZNT	208-240V/20A Power Filter	1	\$275.00	\$137.70	\$137.70
Total	(Senior Center 2)				\$20,112.40

Shpping Total	(Included)	\$0.00
Tax Total	Cupertino sales Tax 9%	\$10,435.57
Other* Total	Pre-tax Total	\$115,586.80
Grand Total		\$126,022.37

Define *	
----------	--

Vendor Name: Sharp Electronics Corporation

Model	Price per Image B&W	Price per Image Color
MX-CS14	0.0045	N/A
MX-4070V	0.0039	0.035
MX-DE28N	0.0039	0.035
MX-DE28N	0.0039	0.035
MX-6580N	0.0039	0.035
MX-7580N	0.0039	0.035

	B&W Average		Color Average Annual		Total
	Annual Meter	Total	Meter Total		
		958,132		329,068	1,287,200
PPI	\$	0.0039	\$	0.035	
	\$	3,737	\$	11,517	\$ 15,254
					\$9,746 Buffer
			Contract and PO		\$ 25,000
					based upon estimate

EXHIBIT D
Insurance Requirements
Design Professionals & Consultants Contracts

Consultant shall procure prior to commencement of Services and maintain for the duration of the contract, at its own cost and expense, the following insurance policies and coverage with companies doing business in California and acceptable to City.

INSURANCE POLICIES AND MINIMUMS REQUIRED

1. ***Commercial General Liability*** (CGL) for bodily injury, property damage, personal injury liability for premises operations, products and completed operations, contractual liability, and personal and advertising injury with limits no less than **\$2,000,000** per occurrence (ISO Form CG 00 01). If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO Form CG 25 03 or 25 04) or it shall be twice the required occurrence limit.
 - a. It shall be a requirement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be made available to the Additional Insured and shall be (i) the minimum coverage/limits specified in this agreement; or (ii) the broader coverage and maximum limits of coverage of any insurance policy, whichever is greater.
 - b. Additional Insured coverage under Consultant's policy shall be "primary and non-contributory," will not seek contribution from City's insurance/self-insurance, and shall be at least as broad as ISO Form CG 20 01 (04/13).
 - c. The limits of insurance required may be satisfied by a combination of primary and umbrella or excess insurance, provided each policy complies with the requirements set forth in this Contract. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect City as a named insured.
2. ***Automobile Liability***: ISO CA 00 01 covering any auto (including owned, hired, and non-owned autos) with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. ***Workers' Compensation***: As required by the State of California, with Statutory Limits and Employer's Liability Insurance of no less than **\$1,000,000** per occurrence for bodily injury or disease.
☐ *Not required. Consultant has provided written verification of no employees.*
4. ***Professional Liability*** for professional acts, errors and omissions, as appropriate to Consultant's profession, with limits no less than **\$2,000,000** per occurrence or **\$2,000,000** aggregate. If written on a claims made form:
 - a. The Retroactive Date must be shown and must be before the Effective Date of the Contract.
 - b. Insurance must be maintained for at least five (5) years after completion of the Services.
 - c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Contract Effective Date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services.

OTHER INSURANCE PROVISIONS

The aforementioned insurance shall be endorsed and have all the following conditions and provisions:

Additional Insured Status

The City of Cupertino, its City Council, officers, officials, employees, agents, servants and volunteers ("Additional Insureds") are to be covered as additional insureds on Consultant's CGL policy. General Liability coverage can be provided in the form of an endorsement to Consultant's insurance (at least as broad as ISO Form CG 20 10 (11/ 85) or both CG 20 10 and CG 20 37 forms, if later editions are used).

Primary Coverage

Coverage afforded to City/Additional Insureds shall be primary insurance. Any insurance or self-insurance maintained by City, its officers, officials, employees, or volunteers shall be excess of Consultant's insurance and shall not contribute to it.

Notice of Cancellation

Each insurance policy shall state that coverage shall not be canceled or allowed to expire, except with written notice to City 30 days in advance or 10 days in advance if due to non-payment of premiums.

Waiver of Subrogation

Consultant waives any right to subrogation against City/Additional Insureds for recovery of damages to the extent said losses are covered by the insurance policies required herein. Specifically, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of City for all work performed by Consultant, its employees, agents and subconsultants. This provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductible or self-insured retention must be declared to and approved by the City. At City's option, either: the insurer must reduce or eliminate the deductible or self-insured retentions as respects the City/Additional Insureds; or Consultant must show proof of ability to pay losses and costs related investigations, claim administration and defense expenses. The policy shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the insured or the City.

Acceptability of Insurers

Insurers must be licensed to do business in California with an A.M. Best Rating of A-VII, or better.

Verification of Coverage

Consultant must furnish acceptable insurance certificates and mandatory endorsements (or copies of the policies effecting the coverage required by this Contract), and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements prior to commencement of the Contract. City retains the right to demand verification of compliance at any time during the Contract term.

Subconsultants

Consultant shall require and verify that all subconsultants maintain insurance that meet the requirements of this Contract, including naming the City as an additional insured on subconsultant's insurance policies.

Higher Insurance Limits

If Consultant maintains broader coverage and/or higher limits than the minimums shown above, City shall be entitled to coverage for the higher insurance limits maintained by Consultant.

Adequacy of Coverage

City reserves the right to modify these insurance requirements/coverage based on the nature of the risk, prior experience, insurer or other special circumstances, with not less than ninety (90) days prior written notice.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/7/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER JD Fulwiler & Co. Insurance, Inc. 5727 SW Macadam Ave PO Box 69508 Portland OR 97239	CONTACT NAME: Holly Pfister PHONE (A/C, No. Ext): (503) 293-8325 FAX (A/C, No): (503) 293-5418 E-MAIL ADDRESS: hpfister@jdfulwiler.com														
INSURED Pacific Office Automation, Inc. 14747 NW Greenbrier Pkwy Beaverton OR 97006	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Liberty Mutual Fire Ins Co</td> <td style="text-align: center;">23035</td> </tr> <tr> <td>INSURER B: Liberty Insurance Corp.</td> <td style="text-align: center;">42404</td> </tr> <tr> <td>INSURER C: Travelers Casualty Insurance</td> <td style="text-align: center;">001704</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Liberty Mutual Fire Ins Co	23035	INSURER B: Liberty Insurance Corp.	42404	INSURER C: Travelers Casualty Insurance	001704	INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: Liberty Mutual Fire Ins Co	23035														
INSURER B: Liberty Insurance Corp.	42404														
INSURER C: Travelers Casualty Insurance	001704														
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES

CERTIFICATE NUMBER: 18/19 Gen Use

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input checked="" type="checkbox"/> Terrorism Included	X	Y	TB7Z61920018057	5/17/2018	5/17/2019	MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:						PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Total Aggregate \$ 15,000,000
A	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS	X	Y	AS2Z61920018047	5/17/2018	5/17/2019	PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR						EACH OCCURRENCE \$ 5,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 5,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			TH7Z61920018077	5/17/2018	5/17/2019	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> Y	N/A	WC2Z61920018087	10/1/2017	10/1/2018	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
			Y				E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Washington Stop Gap Liab			TB7Z61920018057	5/17/2018	5/17/2019	Limit 1,000,000
C	Professional Liability			105712268	12/1/2017	12/1/2018	Limit 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Cupertino, its City Council, Boards and Commissions, Officers, Officials, Employees, Agents, Servants, Volunteers and Consultants for Certificate No TB7Z61920018057
 10300 Torre Ave
 Cupertino, CA 95014

The insured scheduled above includes the Insured's officers, officials, employees and volunteers. This insurance shall be primary as respects the Insured shown in the schedule above, or if excess, shall stand

CERTIFICATE HOLDER**CANCELLATION**

City of Cupertino, A Municipal Corporation 10300 Torre Ave Cupertino, CA 95014	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Holly Pfister/HOLLY <i>Holly Pfister</i>
--	---

© 1988-2014 ACORD CORPORATION. All rights reserved.

COMMENTS/REMARKS

in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Insured scheduled above shall be in excess of this insurance and shall not be called upon to contribute with it. The insurance afforded by this policy shall not be canceled except after thirty days prior written notice by certified mail return receipt requested has been given to the Entity. The General Liability policy evidenced herein is Primary & Non-Contributory where required by written contract with the named insured. A Waiver of Subrogation is granted in favor of the additional insureds with respects to General Liability and Workers Compensation in accordance with the policy's provisions. Attached forms AC8407, AC8423, CG2010, CG2404 and WC000313 apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
City of Cupertino, its City Council, Boards and Commissions, Officers, Officials, Employees, Agents, Servants, Volunteers and Consultants for Certificate No TB7Z61920018057 10300 Torre Ave Cupertino, CA 95014	Per written contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

*The insured scheduled above includes the Insured's officers, officials, employees and volunteers. This insurance shall be primary as respects the Insured shown in the schedule above, or if excess, shall stand in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Insured scheduled above shall be in excess of this insurance and shall not be called upon to contribute with it. The insurance afforded by this policy shall not be canceled except after thirty days prior written notice by certified mail return receipt requested has been given to the Entity

Policy Number: AS2Z61920018047
Issued: 5/17/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED - NONCONTRIBUTING

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIERS COVERGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage form.

Schedule

Name of Person(s) or Organizations(s):

As Required by a written contract

Regarding Designated Contract or Project:

As Required by a written contract

Each person or organization shown in the Schedule of this endorsement is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

The following is added to the **Other Insurance Condition:**

If you have agreed that this policy will be primary and without right of contribution from any insurance in force for an Additional Insured for liability arising out of your operations and the agreement was executed prior to the "bodily injury" or "property damage", then this insurance will be primary and we will not seek contribution from such insurance.

Policy Number AS2-Z61-920018-047
Issued by Liberty Mutual Fire Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

- I. Newly Acquired or Formed Organizations
- II. Employees as Insureds
- III. Lessor - Additional Insured and Loss Payee
- IV. Supplementary Payments - Increased Limits
- V. Fellow Employee Coverage
- VI. Personal Property of Others
- VII. Additional Transportation Expense and Cost to Recover Stolen Auto
- VIII. Airbag Coverage
- IX. Tapes, Records and Discs Coverage
- X. Physical Damage Deductible - Single Deductible
- XI. Physical Damage Deductible - Glass
- XII. Physical Damage Deductible - Vehicle Tracking System
- XIII. Duties in Event of Accident, Claim, Suit or Loss
- XIV. Unintentional Failure to Disclose Hazards
- XV. Worldwide Liability Coverage - Hired and Nonowned Autos
- XVI. Hired Auto Physical Damage
- XVII. Auto Medical Payments Coverage Increased Limits
- XVIII. Drive Other Car Coverage - Broadened Coverage for Designated Individuals
- XIX. Rental Reimbursement Coverage
- XX. Notice of Cancellation or Nonrenewal
- XXI. Loan/Lease Payoff Coverage
- XXII. Limited Mexico Coverage
- XXIII. Waiver of Subrogation

I. NEWLY ACQUIRED OR FORMED ORGANIZATIONS

Throughout this policy, the words you and your also refer to any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership of more than 50 percent interest, provided:

- A. There is no similar insurance available to that organization;
- B. Unless you notify us to add coverage to your policy, the coverage under this provision is afforded only until:
 - 1. The 90th day after you acquire or form the organization; or
 - 2. The end of the policy period, whichever is earlier; and
- C. The coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

II. EMPLOYEES AS INSURED

Paragraph A.1. Who Is An Insured of SECTION II - LIABILITY COVERAGE is amended to add:

Your "employee" is an "insured" while using with your permission a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

III. LESSOR - ADDITIONAL INSURED AND LOSS PAYEE

A. Any "leased auto" will be considered an "auto" you own and not an "auto" you hire or borrow. The coverages provided under this section apply to any "leased auto" until the expiration date of this policy or until the lessor or his or her agent takes possession of the "leased auto" whichever occurs first.

B. For any "leased auto" that is a covered "auto" under SECTION II - LIABILITY COVERAGE, Paragraph A.1. Who Is An Insured provision is changed to include as an "insured" the lessor of the "leased auto". However, the lessor is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:

1. You.
2. Any of your "employees" or agents; or
3. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.

C. Loss Payee Clause

1. We will pay, as interests may appear, you and the lessor of the "leased auto" for "loss" to the covered "leased auto".
2. The insurance covers the interest of the lessor of the "leased auto" unless the "loss" results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor of a "leased auto", we will obtain his or her rights against any other party.

D. Cancellation

1. If we cancel the policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.
2. If you cancel the policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

E. The lessor is not liable for payment of your premiums.

F. For purposes of this endorsement, the following definitions apply:

"Leased auto" means an "auto" which you lease for a period of six months or longer for use in your business, including any "temporary substitute" of such "leased auto".

"Temporary substitute" means an "auto" that is furnished as a substitute for a covered "auto" when the covered "auto" is out of service because of its breakdown, repair, servicing, "loss" or destruction.

IV. SUPPLEMENTARY PAYMENTS - INCREASED LIMITS

Subparagraphs A.2.a.(2) and A.2.a.(4) of SECTION II - LIABILITY COVERAGE are deleted and replaced by the following:

- (2) Up to \$3,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including the actual loss of earnings up to \$500 a day because of time off from work.

V. FELLOW EMPLOYEE COVERAGE

- A. Exclusion B.5. of SECTION II - LIABILITY COVERAGE does not apply.
- B. For the purpose of Fellow Employee Coverage only, Paragraph B.5. of BUSINESS AUTO CONDITIONS is changed as follows:

This Fellow Employee Coverage is excess over any other collectible insurance.

VI. PERSONAL PROPERTY OF OTHERS

Exclusion 6. in SECTION II - LIABILITY COVERAGE for a covered "auto" is amended to add:

This exclusion does not apply to "property damage" or "covered pollution cost or expense" involving "personal property" of your "employees" or others while such property is carried by the covered "auto". The Limit of Insurance for this coverage is \$5,000 per "accident". Payment under this coverage does not increase the Limit of Insurance.

For the purpose of this section of this endorsement, "personal property" is defined as any property that is not used in the individual's trade or business or held for the production or collection of income.

VII. ADDITIONAL TRANSPORTATION EXPENSE AND COST TO RECOVER STOLEN AUTO

- A. Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

The amount we will pay is increased to \$50 per day and to a maximum limit of \$1,000.

- B. Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add the following:

If your business is shown in the Declarations as something other than an auto dealership, we will also pay up to \$1,000 for reasonable and necessary costs incurred by you to return a stolen covered "auto" from the place where it is recovered to its usual garaging location.

VIII. AIRBAG COVERAGE

Exclusion B.3.a. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

This exclusion does not apply to the accidental discharge of an airbag.

IX. TAPES, RECORDS AND DISCS COVERAGE

Exclusion B.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is deleted and replaced by the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment except when the tapes, records, discs or other similar audio, visual or data electronic devices:

- (1) Are your property or that of a family member; and
- (2) Are in a covered "auto" at the time of "loss".

The most we will pay for "loss" is \$200. No Physical Damage Coverage deductible applies to this coverage.

X. PHYSICAL DAMAGE DEDUCTIBLE - SINGLE DEDUCTIBLE

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is deleted and replaced by the following:

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

When two or more covered "autos" sustain "loss" in the same collision, the total of all the "loss" for all the involved covered "autos" will be reduced by a single deductible, which will be the largest of all the deductibles applying to all such covered "autos".

XI. PHYSICAL DAMAGE DEDUCTIBLE - GLASS

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

No deductible applies to "loss" to glass if you elect to patch or repair it rather than replace it.

XII. PHYSICAL DAMAGE DEDUCTIBLE - VEHICLE TRACKING SYSTEM

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

Any Comprehensive Coverage Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the vehicle is equipped with a vehicle tracking device such as a radio tracking device or a global positioning device and that device was the method of recovery of the vehicle.

XIII. DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

Subparagraphs A.2.a. and A.2.b. of SECTION IV- BUSINESS AUTO CONDITIONS are changed to:

- a. In the event of "accident", claim, "suit" or "loss", your insurance manager or any other person you designate must notify us as soon as reasonably possible of such "accident", claim, "suit" or "loss". Such notice must include:
 - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

Knowledge of an "accident", claim, "suit" or "loss" by your agent, servant or "employee" shall not be considered knowledge by you unless you, your insurance manager or any other person you designate has received notice of the "accident", claim, "suit" or "loss" from your agent, servant or "employee".

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

XIV. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Paragraph B.2. in SECTION IV - BUSINESS AUTO CONDITIONS is amended to add the following:

Any unintentional failure to disclose all exposures or hazards existing as of the effective date of the Business Auto Coverage Form or at any time during the policy period will not invalidate or adversely affect the coverage for such exposure or hazard. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after its discovery

XV. WORLDWIDE LIABILITY COVERAGE - HIRED AND NONOWNED AUTOS

Condition B.7. in SECTION IV - BUSINESS AUTO CONDITIONS is amended to include the following:

For "accidents" resulting from the use or operation of covered "autos" you do not own, the coverage territory means all parts of the world subject to the following provisions:

- a. If claim is made or "suit" is brought against an "insured" outside of the United States of America, its territories and possessions, Puerto Rico and Canada, we shall have the right, but not the duty to investigate, negotiate, and settle or defend such claim or "suit".

If we do not exercise that right, the "insured" shall have the duty to investigate, negotiate, and settle or defend the claim or "suit" and we will reimburse the "insured" for the expenses reasonably incurred in connection with the investigation, settlement or defense. Reimbursement will be paid in the currency of the United States of America at the rate of exchange prevailing on the date of reimbursement.

The "insured" shall provide us with such information we shall reasonably request regarding such claim or "suit" and its investigation, negotiation, and settlement or defense.

The "insured" shall not agree to any settlement of the claim or "suit" without our consent. We shall not unreasonably withhold consent.

- b. We are not licensed to write insurance outside of the United States of America, its territories or possessions, Puerto Rico and Canada.

We will not furnish certificates of insurance or other evidence of insurance you may need for the purpose of complying with the laws of other countries relating to auto insurance.

Failure to comply with the auto insurance laws of other countries may result in fines or penalties. This insurance does not apply to such fines or penalties.

XVI. HIRED AUTO PHYSICAL DAMAGE

If no deductibles are shown in the Declarations for Physical Damage Coverage for Hired or Borrowed Autos, the following will apply:

- A. We will pay for "loss" under Comprehensive and Collision coverages to a covered "auto" of the private passenger type hired without an operator for use in your business:
1. The most we will pay for coverage afforded by this endorsement is the lesser of:
 - a. The actual cost to repair or replace such covered "auto" with other property of like kind and quality; or
 - b. The actual cash value of such covered "auto" at the time of the "loss".
 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.
- B. For each covered "auto", our obligation to pay for, repair, return or replace the covered "auto" will be reduced by any deductible shown in the Declarations that applies to private passenger "autos" that you own. If no applicable deductible is shown in the Declarations, the deductible will be \$250.

If the Declarations show other deductibles for Physical Damage Coverages for Hired or Borrowed Autos, this Section XVI of this endorsement does not apply.

- C. Paragraph A.4.b. of SECTION III - PHYSICAL DAMAGE COVERAGE is replaced by:

b. Loss of Use Expenses

For Hired Auto Physical Damage provided by this endorsement, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a private passenger vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay under this coverage is \$30 per day, subject to a maximum of \$900.

XVII. AUTO MEDICAL PAYMENTS COVERAGE - INCREASED LIMITS

For any covered "loss", the Limit of Insurance for Auto Medical Payments will be double the limit shown in the Declarations if the "insured" was wearing a seat belt at the time of the "accident". This is the maximum amount we will pay for all covered medical expenses, regardless of the number of covered "autos", "insureds", premiums paid, claims made, or vehicles involved in the "accident".

If no limit of insurance for Auto Medical Payments is shown on the Declarations, this paragraph Section XVII of this endorsement does not apply.

XVIII. DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR DESIGNATED INDIVIDUALS

A. This endorsement amends only those coverages indicated with an "X" in the Drive Other Car section of the Schedule to this endorsement.

B. SECTION II - LIABILITY COVERAGE is amended as follows:

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Drive Other Car section of the Schedule to this endorsement or by his or her spouse while a resident of the same household except:

- a. Any "auto" owned by that individual or by any member of his or her household; or
- b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

2. The following is added to Who Is An Insured:

Any individual named in the Drive Other Car section of the Schedule to this endorsement and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph B.1. of this endorsement.

C. Auto Medical Payments, Uninsured Motorist, and Underinsured Motorist Coverages are amended as follows:

The following is added to Who Is An Insured:

Any individual named in the Drive Other Car section of the Schedule to this endorsement and his or her "family members" are "insured" while "occupying" or while a pedestrian when struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member".

D. SECTION III - PHYSICAL DAMAGE COVERAGE is changed as follows:

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any individual named in the Drive Other Car section of the Schedule to this endorsement or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household; or

2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

E. For purposes of this endorsement, SECTION V - DEFINITIONS is amended to add the following:

"Family member" means a person related to the individual named in the Drive Other Car section of the Schedule to this endorsement by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

XIX. RENTAL REIMBURSEMENT COVERAGE

- A. For any owned covered "auto" for which Collision and Comprehensive Coverages are provided, we will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered physical damage "loss" to an owned covered "auto". Such payment applies in addition to the otherwise applicable amount of physical damage coverage you have on a covered "auto". No deductibles apply to this coverage.
- B. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending with the earlier of the return or repair of the covered "auto", or the exhaustion of the coverage limit.
- C. Our payment is limited to the lesser of the following amounts:
 1. Necessary and actual expenses incurred; or
 2. \$30 per day with a maximum of \$900 in any one period.
- D. This coverage does not apply:
 1. While there are spare or reserve "autos" available to you for your operations; or
 2. If coverage is provided by another endorsement attached to this policy.
- E. If a covered "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under Paragraph A.4. Coverage Extensions of SECTION III – PHYSICAL DAMAGE COVERAGE of the Business Auto Coverage Form or Section VII of this endorsement.

XX. NOTICE OF CANCELLATION OR NONRENEWAL

- A. Paragraph A.2. of the COMMON POLICY CONDITIONS is changed to:
 2. We may cancel or non-renew this policy by mailing written notice of cancellation or non-renewal to the Named Insured, and to any name(s) and address(es) shown in the Cancellation and Non-renewal Schedule:
 - a. For reasons of non-payment, the greater of:
 - (1) 10 days; or
 - (2) The number of days specified in any other Cancellation Condition attached to this policy; or
 - b. For reasons other than non-payment, the greater of:

Policy Number AS2-Z61-920018-047
Issued by Liberty Mutual Fire Insurance Co.

- (1) 60 days;
- (2) The number of days shown in the Cancellation and Non-renewal Schedule; or
- (3) The number of days specified in any other Cancellation Condition attached to this policy,
prior to the effective date of the cancellation or non-renewal.

B. All other terms of Paragraph A. of the COMMON POLICY CONDITIONS, and any amendments thereto, remain in full force and effect.

XXI. LOAN/LEASE PAYOFF COVERAGE

The following is added to Paragraph C. Limit of Insurance of SECTION III - PHYSICAL DAMAGE COVERAGE:

In the event of a total "loss" to a covered "auto" of the private passenger type shown in the schedule or declarations for which Collision and Comprehensive Coverage apply, we will pay any unpaid amount due on the lease or loan for that covered "auto", less:

1. The amount paid under the PHYSICAL DAMAGE COVERAGE SECTION of the policy; and
2. Any:
 - a. Overdue lease/loan payments at the time of the "loss";
 - b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - c. Security deposits not returned by the lessor;
 - d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - e. Carry-over balances from previous loans or leases.

This coverage is limited to a maximum of \$1500 for each covered "auto".

XXII. LIMITED MEXICO COVERAGE

WARNING

AUTO ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY - NOT THE LAWS OF THE UNITED STATES OF AMERICA. THE REPUBLIC OF MEXICO CONSIDERS ANY AUTO ACCIDENT A CRIMINAL OFFENSE AS WELL AS A CIVIL MATTER.

IN SOME CASES THE COVERAGE PROVIDED UNDER THIS ENDORSEMENT MAY NOT BE RECOGNIZED BY THE MEXICAN AUTHORITIES AND WE MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. YOU SHOULD CONSIDER PURCHASING AUTO COVERAGE FROM A LICENSED MEXICAN INSURANCE COMPANY BEFORE DRIVING INTO MEXICO.

THIS ENDORSEMENT DOES NOT APPLY TO ACCIDENTS OR LOSSES WHICH OCCUR BEYOND 25 MILES FROM THE BOUNDARY OF THE UNITED STATES OF AMERICA.

A. Coverage

1. Paragraph B.7. of SECTION IV - BUSINESS AUTO CONDITIONS is amended by the addition of the following:

The coverage territory is extended to include Mexico but only if all of the following criteria are met:

- a. The "accidents" or "loss" occurs within 25 miles of the United States border; and
 - b. While on a trip into Mexico for 10 days or less.
2. For coverage provided by this section of the endorsement, Paragraph B.5. Other Insurance in SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

The insurance provided by this endorsement will be excess over any other collectible insurance.

B. Physical Damage Coverage is amended by the addition of the following:

If a "loss" to a covered "auto" occurs in Mexico, we will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven, we will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made.

C. Additional Exclusions

The following additional exclusions are added:

This insurance does not apply:

1. If the covered "auto" is not principally garaged and principally used in the United States.
2. To any "insured" who is not a resident of the United States.

XXIII. WAIVER OF SUBROGATION

Paragraph A.5. in SECTION IV - BUSINESS AUTO CONDITIONS does not apply to any person or organization where the Named Insured has agreed, by written contract executed prior to the date of "accident", to waive rights of recovery against such person or organization.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Where required by contract or written agreement prior to loss and allowed by law.

In the states of AZ, CO, ID and NM, the premium charge is 2% of the total manual premium, subject to minimum premium of \$100 per policy.

In the state of OR, the premium charge is 1% of the total manual premium, subject to a minimum premium of \$250 per policy.

Issued by Liberty Mutual Fire Insurance Company 16586

For attachment to Policy No. WC2-Z61-920018-087 Effective Date 10-1-2017 Premium \$

Issued to Pacific Office Automation Inc

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions**:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.