

Master Lease Number: 1335071

Master State & Local Government Lease Agreement

This Master State & Local Government Lease Agreement #1335071 (the "Master Lease") contains the terms of your agreement with us. Please read it carefully and ask us any questions you may have. The words **you, your and lessee** mean you, our customer. The words **we, us, our and the lessor**, mean Lenovo Financial Services

1. LEASE; DELIVERY AND ACCEPTANCE. You agree to lease the equipment ("Equipment"), and finance any software and/or services described in any schedule (collectively the "Products") that incorporates this Master Lease by reference. A schedule to this Master Lease ("Schedule") shall incorporate this Master Lease by reference by listing the Master Lease Number set forth above on the Schedule. Each Schedule that incorporates this Master Lease shall be governed by the terms and conditions of this Master Lease, as well as the terms and conditions set forth in such individual Schedule. Each Schedule shall constitute an agreement separate and distinct from this Master Lease and any other Schedule. In the event of a conflict between the provisions of this Master Lease and a Schedule, the provisions of the Schedule shall govern but only with respect to that Schedule. The termination of this Master Lease will not affect any Schedules executed before the effective date of such termination. If you have entered into any purchase agreement or purchase order ("Purchase Contract") with any Vendor (as set forth on the applicable Schedule), you assign to us your rights under such Purchase Contract, but none of your obligations (other than the obligation to pay for the Equipment if it is accepted by you as stated below and you timely deliver to us such documents and assurances as we request). If you have not entered into a Purchase Contract, you authorize us to enter into a Purchase Contract on your behalf. You will arrange for the delivery of the Products to you. When you receive the Equipment, you agree to inspect it to determine if it is in good working order. Each Schedule, upon the delivery to us of a signed Delivery and Acceptance Certificate, will be deemed irrevocably accepted by you and will continue for the number of months specified in the Schedule, unless earlier terminated in accordance with Section 16 of this Master Lease. The first Lease Payment (as specified in the applicable Schedule) is due on or after the date the Equipment is delivered to you. The remaining Lease Payments (as specified in the applicable Schedule) will be due on the day of each subsequent month (or such other time period specified in each Schedule) designated by us. You will make all payments required under such Schedule to us at such address as we may specify in writing. If any Lease Payment or other amount payable under any Schedule is not paid within 10 days of its due date, you will pay us a late charge equal to the greater of (i) 5% of each late payment, or (ii) \$5.00 for each late payment (or such lesser amount as is the maximum amount allowable under applicable law.)

You may, at the time of providing your end of lease notice to us, elect to substitute and return a similar piece of equipment at end of a Schedule in the event the specific piece of Equipment that has reached end of lease is not immediately available for return. In order to elect a like for like return, you must identify the Equipment being retained by serial number and the Equipment being returned shall be the same model, configured similarly, as the Equipment being retained. If the substituted Equipment was also leased by us, the Equipment retained past its original end of lease date must then be returned to us at or before the end of lease date for the substituted Equipment that was previously returned. If the substituted Equipment is not under a lease with us, then you shall at the time of return, provide us with a bill of sale for the substituted Equipment providing us with free and clear title to the substituted Equipment.

4. DATA SECURITY: Some or all of the items of Equipment returned to us at any time may contain sensitive information or data belonging to your organization, or your customer/clients/patients, that is stored, recorded, or in any way contained within or on the Equipment. You specifically agree that before the Products are shipped to or retrieved by us or our agents, or removed by a supplier, you will, at your sole cost and expense, permanently destroy, delete and remove all such information and data that is stored, recorded or in any way contained within or on the Products, to the extent that further recovery of any of such data and information is not possible. You have the sole responsibility to so destroy, delete, and remove all data and information stored in or on the Equipment. We have absolutely no liability for any data or information that you fail to so destroy, delete, and remove. All hard drives and other data retention components must function as originally installed after data removal.

5. TAXES AND FEES. You are responsible for all sales and use (unless you provide us with an acceptable Sales/Use Tax exemption form), personal property or other taxes relating to the use or ownership of the Products, now or hereafter imposed, or assessed by any state, federal, or local government or agency. You agree to pay when due, or reimburse us for, all taxes, fines or penalties imposed upon the Equipment and, if we elect, you agree to pay us estimated property taxes either with each lease payment or annually as invoiced by us. We will file all sales, use and personal property tax returns (unless we notify you otherwise in writing). We do not have to contest any taxes, fines or penalties; however, you may do so provided (a) you do so in your own name and at your own expense, (b) the contest will not result in any sort of lien being placed on the Products or otherwise jeopardize our rights in any of the Products, (c) you pay us for any taxes we remitted to the taxing authorities even though you be contesting the taxes and indemnify and hold us harmless for any expenses, including legal expenses, we incur as a result of such contest. If we file such personal property tax reports, you will pay property taxes as invoiced by us.

6. LOSS OR DAMAGE. As between you and us, you are responsible for any loss, theft, destruction of, or damage to, the Equipment (collectively, "Loss") from any cause at all, whether or not insured, until delivered to us at the end of the applicable Schedule. You are required to make all Lease Payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, at our option, you will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us the amounts specified in Section 10(b) of this Master Lease.

7. INSURANCE. You will provide and maintain at your expenses property insurance against the loss, theft or destruction of, or damage to, the Equipment for its full replacement value, naming us as loss payee; and (2) public liability and third party property insurance naming us as an additional insured. If you so request and if we give our prior written consent, in lieu of maintaining the insurance described in the preceding sentence, you may self-insure against such risks, provided that our interests are protected to the same extent as if the insurance required in clauses (1) and (2) above had been obtained by third party insurance carriers and provided further that such self insurance program is consistent with prudent business with respect to insuring such risk. You will give us certificates or other evidence of such insurance on the commencement date of this lease and at such times as we request. All insurance obtained from a third party insurer will be in a form, amount and with companies acceptable to us, and will provide that we be given 30 days advance notice of any cancellation or material change of such insurance.

2. NO WARRANTIES. We are leasing the Equipment to you "AS-IS". YOU ACKNOWLEDGE THAT WE DO NOT MANUFACTURE THE EQUIPMENT, WE DO NOT REPRESENT THE MANUFACTURER OR THE SUPPLIER, AND YOU HAVE SELECTED THE EQUIPMENT VENDOR BASED UPON YOUR OWN JUDGMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. YOU AGREE THAT REGARDLESS OF CAUSE, WE ARE NOT RESPONSIBLE FOR AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL, OR INDIRECT. YOU AGREE THAT NEITHER SUPPLIER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF SUPPLIER IS OUR AGENT OR HAS ANY AUTHORITY TO SPEAK FOR US OR TO BIND US IN ANY WAY. We transfer to you for the term of each Schedule any warranties made by the manufacturer or Supplier with respect to the Equipment leased pursuant to such Schedule.

3. EQUIPMENT LOCATION; USE AND REPAIR; RETURN. You may move the Products within the continental United States provided you give us written notification of the move within 30 days of the move, and you agree that you will be liable for any increase in any personal property taxes as a result of that relocation. For laptop computers, PDAs, and other mobile devices, the location listed on the Schedule is its base location ("Base Location") but these mobile devices may be temporarily located at other locations and you will notify us and be responsible for any tax increases should the Base Location change. At your own cost and expense, you will keep the Equipment eligible for any manufacturer's certification, in compliance with all applicable laws, and in good condition, except for ordinary wear and tear. You will not make any alterations, additions or replacements to the Equipment without our prior written consent. All alterations, additions or replacements will become part of the Equipment and our property at no cost or expense to us. We may inspect the Equipment at any reasonable time after advance notice to you. Unless you purchase the Equipment in accordance with the terms of the applicable Schedule, at the end of or upon termination of each Schedule you will immediately return the Equipment subject to each expired or terminated Schedule to us, in good condition and repair, subject to ordinary wear and tear, to any place in the United States that we tell you. You will pay all remaining unpaid lease payments, late charges, insurance charges, and our estimated property taxes on the Products (based upon the prior year's actual property tax), shipping and other expenses, and you will insure the Products for its full replacement value during shipping. Unless we request return to us, you must retain physical possession of the Products through the end of the initial or any renewal lease term of any Schedule.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What that means for you: When you open an account, we will ask for (i) if you are a legal entity, your name, address, and other information that will allow us to identify you; (ii) if you are an individual, your name, address and date of birth. We may also ask to see your driver's license or other identifying documents.

LESSOR: Lenovo Financial Services
10201 Centurion Parkway N. #100
Jacksonville, FL 32256

LESSEE: Monterey, County Of
Lessee Legal Name

Lessee "Doing Business As" Name
1590 Moffett Street
Street Address
Salinas, CA 93905
City, State, Zip

x Magalie Gilbert 8/5/19
Authorized Signature Date Signed
Magalie Gilbert
Print Name
Authorized signature
Print Title

x Eric A. Chatham 9/3/19
Authorized Signature Date Signed
x ERIC A. Chatham
Print Signer's Name and Title
x 94-6000524
Federal Tax ID

Reviewed as to fiscal provisions

[Signature]
Auditor-Controller
County of Monterey
9/10/19

[Signature]
Lenovo Enterprise SLG100 09012015 rev 01212016 Page 1 of 2
W.T. Skinner
Deputy Purchasing Agent
County of Monterey
9/27/19

8. PURCHASE OPTION; AUTOMATIC RENEWAL. If no Default has occurred and is continuing under this Master Lease or the relevant Schedule, you will have the option (other than \$1 purchase option leases) at the end of the initial or any renewal term of a Schedule to: (a) purchase all or a portion of the Products covered by such Schedule at the Purchase Option price shown on such Schedule, plus any applicable taxes; (b) return all of the Products or any portion of the Products not purchased or renewed by such Schedule by the Schedule termination date; or (c) elect a fixed term renewal of all or a portion of the Products at the fair market rental value of the Products. We will use our reasonable judgment to determine the Product's fair market rental value as configured, in place and installed ("Fair Market Rental Value"). You agree that the Fair Market Rental Value is the amount that may reasonably be expected for the installed Products in an exchange between a willing lessor and a willing Lessee, including costs to make the Products fully operational. If you do not agree with the determination of the fair market rental value, the fair market rental value (in use and in place) will be determined at your expense by an independent appraiser mutually acceptable to the Parties.

To exercise any of these options you must provide written notice to us at least 90 days but not more than 180 days before the end of the initial term of a Schedule that you will either return, purchase or renew the Schedule as set forth above. If you elect a partial return, purchase, or renewal of Products, you will identify the impacted Products by serial number in your end of lease notice. If you fail to provide this notice or if, having given such notice, you do not purchase, deliver the Products in accordance with the terms and conditions of this Lease and the applicable Schedule, or renew, the Schedule will automatically renew for successive month to month renewals until the end of the Schedule notice has been provided and acted upon. If you elect to exercise a return, purchase or renewal of some but not all Products, your notice must identify which Products are going to be returned, purchased or renewed. During any renewal term this notice period is reduced to 30 days prior to the end of the renewal term. We may cancel an automatic renewal term by sending you written notice 10 days prior to such renewal term.

If the Fair Market Value Purchase Option has been selected under any Schedule, we will use our reasonable judgment to determine the Product's fair market value as configured, in place and installed ("Fair Market Value"). You agree that the Fair Market Value is the amount that may reasonably be expected for the installed Products in an exchange between a willing buyer and a willing seller, including costs to make the Products fully operational. If you do not agree with our determination of the Product's Fair Market Value, the fair market value (in use and in place) will be determined at your expense by an independent appraiser mutually acceptable to both parties. Upon payment of the Purchase Option price, we will transfer our interest in the Products to you "AS-IS, WHERE IS" without any representation or warranty whatsoever and the applicable Schedule will terminate. To secure payment of all amounts due to us, to the extent permitted by law, you grant us a security interest in the Equipment (including any replacements, substitutions, additions, attachments and proceeds). You will keep the Equipment free of all liens and encumbrances. You authorize us to file financing statement(s) to protect our interest in the Equipment.

9. DEFAULT. Each of the following is a "Default" under this Master Lease and any Schedule: (a) you fail to pay any Lease Payment or any other payment within 30 days of its due date; (b) you do not perform any of your other obligations under this Master Lease or any Schedule or in any other agreement with us or with any of our affiliates and this failure continues for 30 days after we have notified you of it; (c) you become insolvent, you dissolve, you assign your assets for the benefit of your creditors, you sell, transfer or otherwise dispose of all or substantially all of your assets, or you enter (voluntarily or involuntarily) any bankruptcy or reorganization proceeding; or (d) any representation or warranty made by you under this Master Lease or in any instrument you have provided us proves to be incorrect in any material respect.

10. REMEDIES. If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate this Master Lease and/or any or all Schedules and any or all other agreements that we have entered into with you or withdraw any offer of credit; (b) subject to Section 16, we may require you to immediately pay us, as compensation for loss of our bargain and not as a penalty, a sum equal to (i) the present value of all unpaid Lease Payments for the remainder of the term plus, the present value of our anticipated residual value in the Products each discounted at 4% per year, plus (c) we may require you to deliver the Equipment to us as set forth in Section 3; (d) we or our agent may peacefully repossess the Equipment without court order and you will not make any claims against us for damages or trespass or any other reason; and (e) we may exercise any other right or remedy available at law or in equity. In the event of a dispute arising out of this Master Lease or any Schedules, the prevailing party shall be entitled to its reasonable collection costs and attorney fees and costs incurred in enforcing or defending this Master Lease or any Schedules. If we take possession of the Equipment, we may sell or otherwise dispose of it with or without notice, at a public or private sale, and apply the net proceeds (after we have deducted all costs related to the sale or disposition of the Equipment) to the amounts that you owe us. You will remain responsible for any amounts that are due after we have applied such net proceeds. You agree that if notice of sale is required by law to be given, 10 days notice shall constitute reasonable notice.

11. FINANCE LEASE STATUS. You agree that if Article 2A-Leases of the Uniform Commercial Code applies to a Schedule, such Schedules will be considered a "finance lease" as that term is defined in Article 2A. By signing each Schedule, you agree that either (a) you have reviewed, approved, and received a copy of the purchase contract or (b) that we have informed you of the identity of the Supplier, that you may have rights under the purchase contract, and that you may contact the supplier for a description of those rights. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A.**

12. ASSIGNMENT. YOU MAY NOT ASSIGN, SELL, TRANSFER OR SUBLEASE THE EQUIPMENT OR YOUR INTEREST IN THIS MASTER LEASE OR ANY SCHEDULE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD WITH US ACTING IN A COMMERCIALLY REASONABLE MANNER. We may, without notifying you, sell, assign, or transfer this Master Lease or any Schedules and our rights to the Equipment. You agree that the new owner will have the same rights and benefits that we have now under this Master Lease and any Schedule but not our obligations, which obligations we will remain responsible for. The rights of the new owner will not be subject to any claims, defenses or set-off that you may have against us or the supplier.

13. INDEMNIFICATION. To the extent not prohibited by applicable law, You are responsible for and agree to indemnify and hold us harmless from any (a) losses, damages, penalties claims, suits and actions (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to the manufacture, installation, ownership, use, lease, possession or delivery of the Products or any defects in the Products and (b) all reasonable costs and attorneys' fees incurred by us relating to any Claim. You agree to reimburse us for and if we request, to defend us against, any Claims, except Claims caused by our willful misconduct. You agree that your obligations under this section and the Taxes and Fees section of this Master Lease shall survive the termination of this Master Lease for Claims arising during the term of this Master Lease or any Schedule.

14. MISCELLANEOUS. You agree that the terms and conditions contained in this Master Lease and any Schedule make up the entire agreement between you and us regarding the lease of the Equipment. This Master Lease is not binding on us until we sign it. Any change in any of the terms and conditions of this Master Lease or any Schedule must be in writing and signed by us, either manually or by electronic transmission. You agree, however, that we are authorized, without notice to you, to supply missing information or correct obvious errors in this Master Lease. If we delay or fail to enforce any of our rights under this Master Lease or any Schedule, we will still be entitled to enforce those rights at a later time. All notices shall be given in writing by the party sending the notice and shall be effective when deposited in the U.S. Mail, addressed to the party receiving the notice at its address shown on the front of this Master Lease (or to any other address specified by that party in writing) with postage prepaid. All of our rights and indemnities will survive the termination of this Master Lease or any Schedule. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess will be applied to Lease Payments in inverse order of maturity, and any remaining excess will be refunded to you. If you do not perform any of your obligations under this Master Lease or any Schedule, we have the right, but not the obligation to take any action or pay any amounts that we believe are necessary to protect our interests. You agree to reimburse us immediately upon our demand for any such amounts that we pay.

IF A SIGNED COPY OF THIS MASTER LEASE OR A SCHEDULE IS DELIVERED TO US BY FACSIMILE TRANSMISSION, IT WILL BE BINDING ON YOU. HOWEVER, WE WILL NOT BE BOUND BY THIS MASTER LEASE OR A SCHEDULE UNTIL WE ACCEPT IT BY MANUALLY SIGNING IT OR BY PURCHASING THE EQUIPMENT SUBJECT TO THE APPLICABLE SCHEDULE, WHICHEVER OCCURS FIRST. YOU WAIVE NOTICE OF OUR ACCEPTANCE AND WAIVE YOUR RIGHT TO RECEIVE A COPY OF THE ACCEPTED MASTER LEASE. YOU AGREE THAT, NOTWITHSTANDING ANY RULE OF EVIDENCE TO THE CONTRARY, IN ANY HEARING, TRIAL OR PROCEEDING OF ANY KIND WITH RESPECT TO THIS MASTER LEASE, WE MAY PRODUCE A COPY OF THE MASTER LEASE TRANSMITTED TO US BY FACSIMILE TRANSMISSION THAT HAS BEEN MANUALLY SIGNED BY US AND SUCH COPY SHALL BE DEEMED TO BE THE ORIGINAL OF THIS MASTER LEASE. TO THE EXTENT (IF ANY) THAT ANY SCHEDULE TO THIS MASTER LEASE CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THE SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COPY OR COUNTERPART HEREOF EXCEPT THE COPY WITH OUR ORIGINAL SIGNATURE. IF YOU DELIVER THIS MASTER LEASE TO US BY FACSIMILE TRANSMISSION, YOU ACKNOWLEDGE THAT WE ARE RELYING ON YOUR REPRESENTATION THAT THIS MASTER LEASE HAS NOT BEEN CHANGED. If more than one Lessee has signed this Master Lease, each of you agrees that your liability is joint and several.

15. FUNDING INTENT. You reasonably believe that funds can be obtained to make all Lease Payments during the Term of any Schedule and hereby covenant that your chief executive or administrative officer or the administrative officer of yours charged with preparing the budget submitted to your governing body, as applicable, will provide for funding for such payments in your annual budget request submitted to your governing body. If your governing body elects not to appropriate funds for such payments, it shall evidence such nonappropriation by omitting funds for such payments due during the applicable fiscal period from the budget it adopts. You and we agree that your obligation to make Lease Payments under any Schedule will be your current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements. It is your intent to make Lease Payments for the full Term of any Schedule if funds are legally available therefore you represent, warrant and covenant to us that the use of the Equipment is essential to its proper, efficient and economic operation. You will provide us with an essential use covenant to us that, among other things, you shall use the Equipment only for its governmental purposes.

16. NONAPPROPRIATION OF FUNDS. In the event sufficient funds are not appropriated and budgeted by your governing body or are not otherwise available in any fiscal period for Lease Payments (or any other amount due hereunder) under a Schedule, and provided that you have exhausted all funds legally available for payment of the Lease Payments, then you shall immediately notify us of such occurrence and provide us with evidence of such non-appropriation acceptable to us (e.g., written certification by your legal counsel) and the Schedule shall terminate on the last day of the fiscal period for which funds for Lease Payments are available without penalty or expense to you of any kind whatsoever, except as to the portions of Lease Payments and those expenses associated with your surrender of the Equipment pursuant to Section 3 for which funds shall have been appropriated and budgeted or are otherwise available. Upon such termination, title to the Equipment shall vest with us. This Section 16 will not be construed so as to permit you to terminate any Schedule in order to acquire any other equipment or services or to allocate funds directly or indirectly to perform essentially the same application for which the Equipment is intended.

17. AUTHORITY AND AUTHORIZATION. You represent, warrant and covenant to us that: (a) You are a State or political subdivision thereof, as those terms are used in §103 of the Code; (b) You have the power and authority to enter into this Master Lease and Schedules; (c) this Master Lease and any Schedule have been duly authorized, executed and delivered by you and constitutes a valid, legal and binding agreement enforceable against you in accordance with its terms; (d) no further approval, consent or withholding of objections is required from any governmental authority with respect to this Master Lease or Schedules; (e) the entering into and performance of this Master Lease and Schedules will not violate any judgment, order, law or regulation applicable to you or result in the creation of any lien, charge, security interest or other encumbrance upon the Equipment or your assets; (f) there are no actions, suits or proceedings pending or threatened against or affecting you in any court or before any governmental commission, board or authority, that, if adversely determined, would have a material adverse effect on your ability to perform your obligations under this Master Lease or any Schedule; (g) the Equipment is tangible personal property and shall not become a fixture or real property under your use thereof; (h) you have complied with all bidding requirements and, where necessary, by due notification have presented the Master Lease, the Schedule and any ancillary documents for approval and adoption as a valid obligation on your part; (i) you will do or cause to be done all things necessary to preserve and keep the Master Lease and Schedules in full force and effect; and (j) it has sufficient appropriations or other funds available to pay all amounts due under the Schedules for the then current fiscal period. You shall be deemed to have reaffirmed the representations and warranties set forth in this Section 17 each time you execute a Schedule to this Master Lease. Contemporaneously with your execution of a Schedule to this Master Lease, you will complete, execute and provide us with an incumbency certificate (in form satisfactory to us) and an opinion of counsel (in form satisfactory to us) as to the matters set forth in clauses (a) through (h) of this Section 17.

18. GOVERNMENT USE. YOU REPRESENT, WARRANT AND COVENANT AS FOLLOWS: (A) YOU SHALL COMPLY WITH THE INFORMATION REPORTING REQUIREMENTS OF §149(e) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (CODE), INCLUDING BUT NOT LIMITED TO, THE EXECUTION (AND DELIVERY TO US) OF INFORMATION STATEMENTS REQUESTED BY US; (B) YOU SHALL NOT DO, CAUSE TO BE DONE OR FAIL TO DO ANY ACT IF SUCH ACT OR FAILURE TO ACT WILL CAUSE THIS MASTER LEASE, OR ANY SCHEDULE HEREUNDER, TO BE AN ARBITRAGE BOND WITHIN THE MEANING OF §148 OF THE CODE; (C) YOU SHALL NOT DO, CAUSE TO BE DONE OR FAIL TO DO ANY ACT IF SUCH ACT OR FAILURE TO ACT WILL CAUSE THIS MASTER LEASE, OR ANY SCHEDULE HEREUNDER, TO BE A PRIVATE ACTIVITY BOND WITHIN THE MEANING OF §141 OF THE CODE; (D) YOU SHALL NOT DO, CAUSE TO BE DONE OR FAIL TO DO ANY ACT IF SUCH ACT OR FAILURE TO ACT WILL CAUSE THE INTEREST PORTION OF THE LEASE PAYMENTS TO BE OR BECOME SUBJECT TO FEDERAL INCOME TAXATION UNDER THE CODE, EXCEPT AS SUCH INTEREST PORTION MAY BE TAKEN INTO ACCOUNT AS AN ADJUSTMENT IN DETERMINING THE ALTERNATIVE MINIMUM TAX AND ENVIRONMENTAL TAX IMPOSED ON CORPORATIONS; AND (E) YOU SHALL BE THE ONLY ENTITY TO OWN, USE OR OPERATE THE EQUIPMENT DURING THE TERM. YOU SHALL BE DEEMED TO HAVE REAFFIRMED THE REPRESENTATIONS, WARRANTIES AND COVENANTS SET FORTH IN THIS SECTION 18 EACH TIME IT EXECUTES ANY SCHEDULE, IF YOU BREACH ANY REPRESENTATION, WARRANTY OR COVENANT CONTAINED IN THIS MASTER LEASE AND, AS A RESULT OF SUCH BREACH, THE INTEREST PORTION OF ANY LEASE PAYMENT BECOMES INCLUDABLE IN GROSS INCOME OF ANY OWNER THEREOF FOR FEDERAL INCOME TAX PURPOSES, YOU SHALL PAY US PROMPTLY AFTER SUCH DETERMINATION OF TAXABILITY AND ON EACH LEASE PAYMENT DUE DATE THEREAFTER, AN ADDITIONAL AMOUNT DETERMINED BY US TO COMPENSATE US FOR THE LOSS OF SUCH EXCLUDABILITY (INCLUDING, BUT NOT LIMITED TO, COMPENSATION RELATING TO INTEREST EXPENSE, PENALTIES OR ADDITIONS TO TAX), WHICH DETERMINATION SHALL BE CONCLUSIVE ASSENT MANIFEST ERROR.

19. CHOICE OF LAW. This Master Lease shall be governed by the Internal laws (as opposed to conflicts of law provisions) of the State where the Equipment is located. If any provision of this Master Lease or any Equipment or Payment Schedule shall be prohibited by or invalid under that law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Master Lease or any Equipment or Payment Schedule. This Master Lease inures to the benefit of and is binding upon the permitted successors or assigns of yours and ours.

CERTIFICATION OF ESSENTIAL USE

RE: Schedule to Master State & Local Government Lease Agreement #1335071, dated Sept 3, 2019 (each individually, hereinafter the "Agreement") by and between Lenovo Financial Services ("Lessor") and Monterey, County Of ("Lessee")

Ladies and Gentlemen:

This letter confirms and affirms that the Equipment described in the Agreement identified above is/are essential to the function of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all such Equipment, which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. Specifically, such Equipment was selected by us to be used as follows (please include any specific department that may be its primary user):

ALL monterey County Departments.

Is the Equipment additional or new technology to the department, or does it constitute a continuation of your existing technology? Both

Our source of funds for payments due under the Agreement for the current fiscal year is Various

We expect and anticipate adequate funds to be available for all future payments of rent due after the current fiscal year for the following reasons: yes. Budgeted funding.

LESSEE: Monterey, County Of

By: 

(Authorized Signature)

ERIC A. CHATHAM, DIR ITD

(Name and Title - printed or typed)

Date: 9/25/19

Co. Dept. Number	Department Name	Contact Address
0812	LAFCO	132 W. Gabilan Street Ste 102, Salinas, CA
1050	CAO/ Fleet	168 W Alisal Street 3rd Floor, Salinas, CA
1050	CAO Training	168 W Alisal Street 3rd Floor, Salinas, CA
1050	CAO	168 W Alisal Street 3rd Floor, Salinas, CA
1080	Civil Rights Office	1441 Schilling Place North Bldg, Salinas, CA
1110	Auditor Controller	168 W Alisal Street 3rd Floor, Salinas, CA
1210	County Counsel	168 W Alisal Street 3rd Floor, Salinas, CA
1210	Counsel Risk Mgmt	168 W Alisal Street 3rd Floor, Salinas, CA
1410	Elections Dept	1441 Schilling Place, Salinas, CA
1520	Emergency Communications	1322 Natividad Road, Salinas, CA
1930	Information Technology Dept	1590 Moffett St, Salinas, CA
1930	Information Technology Dept / Radio Shop	1590 Moffett St, Salinas, CA
2240	District Attorney	142 West Alisal Street, Suite A, Salinas, CA
2240	District Attorney / Criminal Division	142 West Alisal Street, Suite A, Salinas, CA
2270	Public Defender	168 W. Alisal Street 2nd Floor, Salinas, CA
2300	Sherrifs Office	1414 Natividad Road, Salinas, CA
2550	Probation Dept	20 E. Alisal Street, Salinas CA
3000	Resource Mngt Agency - Building Services	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency - Architectural Services	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency- Planning Services	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency- Facilities	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency- Public Works	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency- Parks	1441 Schilling Place 2nd Floor, Salinas
3000	Resource Mngt Agency	1441 Schilling Place 2nd Floor, Salinas
5010	OET	1441 Schilling Place, Salinas, CA
6110	County Free Libraries	188 Seaside Drive, Marina CA
9300	Water Resources	893 Blanco Circle, Salinas CA

MONTEREY COUNTY



OFFICE OF THE COUNTY COUNSEL-RISK MANAGER

168 WEST ALISAL STREET, 3RD FLOOR, SALINAS, CALIFORNIA 93901-2439
(831) 755-5045 FAX: (831) 755-5283

LESLIE J. GIRARD
ACTING COUNTY COUNSEL-RISK MANAGER

KATHRYN REIMANN
DEPUTY COUNTY COUNSEL

September 25, 2019

Lenovo Financial Services
One Deerwood
10201 Centurion Parkway North, Suite #100
Jacksonville, FL 32256

Attention:

Re: Master State and Local Government Lease Agreement No. 1335071 (the "Lease")

Ladies and Gentlemen:

I am legal counsel for the County of Monterey ("Lessee"), and I am familiar with the above-referenced Lease, by and between the Lessee and your company.

Based upon my examination of the Lease, the information statement(s) required for purposes of Section 149(e) the Internal Revenue Code of 1986 as amended (the "Code"), and such other documents, records, and papers as I deem to be relevant and necessary as the basis for the opinion set forth below, it is my opinion that:

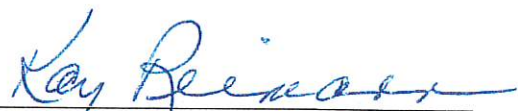
1. The Lessee is a State or political subdivision there, as those terms are used in Section 103 of the Code, and is authorized by the applicable Constitution and laws to enter into the transactions contemplated by the Lease and to carry out its obligations thereunder.
2. Lessee's obligations under the Lease is a State or local bond within the meaning of Section 103 of the Code.
3. The Lease and other related documents have been duly authorized, executed and delivered by Lessee, and constitute valid, legal and binding agreements enforceable against Lessee in accordance with its terms.
4. No further approval, consent, or withholding of objections is required from an Federal, State or local governmental authority with respect to entering into or the performance by the Lessee of the Lease and the transactions contemplated thereby.
5. The entering into and performance of the Lease and other related documents will not violate any judgment, order, law, or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument or agreement binding upon

Lessee, or result in the creation of any lien, charge, security interest or other encumbrance upon and assets of the Lessee or the Equipment (as defined in the Lease), other than those created by the Lease.

6. There are no actions, suits, or proceedings pending or threatened against or affecting the Lessee in any court or before any governmental commission, board, or authority that, if adversely determined, would have a material adverse effect on the ability of the Lessee to perform its obligations under the Lease.
7. The Equipment is tangible personal property and, when subject to use by the Lessee, will not be or become a fixture or real property under the laws of the state where the Equipment is being used by the Lessee.
8. All required public bidding procedures regarding an award to your company of the transactions contemplated under the Lease have been properly and completely followed by the Lessee.
9. The Lessee shall be the only entity to own, operated, and use the Equipment during the Term (as defined in the Lease).
10. The Lease does not constitute, and is not expected to become, an arbitrage bond within the meaning of Section 148 of the Code or a private activity bond within the meaning of Section 141 of the Code.

Sincerely,

LESLIE J. GIRARD
Acting County Counsel-Risk Manager

By: 
Kathryn Reimann
Deputy County Counsel

KR:sp
cc: E. Chatham, Director, ITD

INSURANCE INFORMATION REQUEST

Insurance Broker/Agent:

We have entered into an agreement (Master Lease No. **1335071**) with Lenovo Financial Services ("LFS") for the lease/finance of equipment listed below.

Equipment Reference: Any and all equipment and products leased under Schedules to Master Lease #**1335071**

Blanket coverage in excess of **\$500,000.00**

Please insure the equipment, and issue a written endorsement naming Lenovo Financial Services ISAOA as Additional Insured and Loss Payee and provide LFS with thirty (30) days' written notice of any material changes in coverage, cancellation or non-renewal. The policy should include the following endorsement:

The insurance under this policy shall be primary insurance and the company insurer shall be liable under this policy for the full amount of the loss up to and including the total limits of liability herein without right of contribution from any other insurance effected by Lenovo Financial Services under any policy with any insurance company covering a loss covered under this policy.

Please provide LFS with proof of insurance in the form of a certificate of insurance. The certificate should include proof of the following:

- Physical Damage (All Risk)
- Theft coverage
- Bodily Injury and Property Damage Liability with limits of no less than \$1,000,000.

Please email or fax the insurance certificate to sales.us@lenovofs.com or fax to (866) 327-0552.

Forward certificates of insurance to: Lenovo Financial Services, ISAOA
10201 Centurion Parkway North #100
Jacksonville, FL 32256

Broker/ Agent Name:

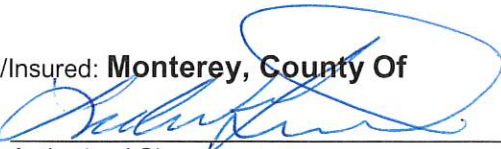
Address:

Contact Name:

Telephone: () - ext. Fax: () -

Lessee/Insured: **Monterey, County Of**

By:


Authorized Signature

Leslie J. Guarnod County Counsel - Risk Mgr.
Type/Print Name & Title

11/14/15
Date

**PLEASE SEND ONE COPY OF THE COMPLETED FORM TO YOUR BROKER
AND RETURN ONE COPY TO US.**



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/17/2019

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 have ADDITIONAL INSURED provisions or 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 MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104 CN102861479-STND-UMB-19-20	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:																				
	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A : Princeton Excess & Surplus Lines Ins Co</td> <td></td> <td>10786</td> </tr> <tr> <td>INSURER B :</td> <td></td> <td></td> </tr> <tr> <td>INSURER C :</td> <td></td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Princeton Excess & Surplus Lines Ins Co		10786	INSURER B :			INSURER C :			INSURER D :			INSURER E :			INSURER F :	
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INSURER F :																					
INSURED County of Monterey Attn: Charles J. McKee, Risk Manager 168 West Alisal Street, 3rd Floor Salinas, CA 93901																					

COVERAGES **CERTIFICATE NUMBER:** SEA-003634401-01 **REVISION NUMBER:** 6

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	ADDITIONAL INSURED	SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 1,500,000			N1-A3-RL-0000095-05	07/01/2019	07/01/2020	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Re: Desktop computers
The Certificate Holder is included as Additional Insured as respects: Excess Liability.

CERTIFICATE HOLDER

CANCELLATION

Lenovo Financial Services, ISAOA 10201 Centurion Parkway North, #101 Jacksonville, FL 32256	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE of Marsh Risk & Insurance Services Brian Cooney </p>
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**THE PRINCETON EXCESS AND SURPLUS LINES
INSURANCE COMPANY**

AMENDMENT OF DEFINITION OF INSURED

Named Insured County of Monterey	Date Issued: 07/24/2019 Endorsement Number
Policy Number N1-A3-RL-0000095-05	Endorsement Effective 07/01/2019

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies Insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated above.

The following is added to the definition of **Insured** in the Liability Conditions, Definitions and Exclusions section of the policy:

With respect to **Bodily Injury** and/or **Property Damage** under the General Liability Coverage Part, any person or organization with whom you have agreed in a written contract or written agreement to assume the Tort Liability for a specified activity or operation is an **Insured** with regards to such specified activity or operation. However, this insurance only applies with respect to liability for **Bodily Injury** or **Property Damage** caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.

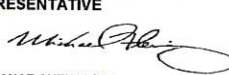
The following provisions also apply:

- (1) The written contract or written agreement must be in effect at the inception of the **Policy Period** or become effective during the **Policy Period**; and
- (2) The written contract or written agreement must be executed prior to the **Bodily Injury** or **Property Damage**.

Subject to the paragraphs above, any such person's or organization's status as an **Insured** ends when any of the following first occurs: this policy terminates; the written contract or written agreement terminates; or the specified activity or operation terminates.

Tort Liability means liability that would be imposed by law in the absence of any contract or agreement.

All other terms and conditions remain unchanged.

CERTIFICATE NUMBER PROP-2750	EVIDENCE OF PROPERTY COVERAGE	ISSUE DATE (MM/DD/YYYY) 10/15/2019						
THIS EVIDENCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS EVIDENCE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND ADDITIONAL INTEREST.								
CSAC Excess Insurance Authority (CSAC EIA) C/O ALLIANT INSURANCE SERVICES, INC. PO BOX 6450 NEWPORT BEACH, CA 92658-6450 PHONE (949) 756-0271 / FAX (619) 699-0901 LICENSE #0C3686	COVERAGE AFFORDED BY: A - CSAC Excess Insurance Authority							
	COVERAGE AFFORDED BY: B -							
MEMBER MONTEREY COUNTY ATTN: LESLIE J. GIRARD 168 WEST ALISAL STREET, THIRD FLOOR SALINAS, CA 93901	TOWER NUMBER	MEMORANDUM NUMBER EIAPPR18-21						
	EFFECTIVE DATE (MM/DD/YYYY) 03/31/2019	EXPIRATION DATE (MM/DD/YYYY) 03/31/2020						
		CONT. UNTIL TERMINATED IF CHECKED <input type="checkbox"/>						
THIS REPLACES PRIOR EVIDENCE:								
PROPERTY INFORMATION LOCATION / DESCRIPTION AS RESPECTS LENOVO IS TO PROVIDE DESKTOP SOLUTION SERVICES AND COMPUTERS. LENOVO FINANCIAL SERVICES, ISAOA IS NAMED AS A LOSS PAYEE AS THEIR INTEREST MAY APPEAR.								
THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED ABOVE HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.								
COVERAGE INFORMATION								
COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE							
ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE, INCLUDING FLOOD. EARTHQUAKE IS EXCLUDED. EARTHQUAKE LIMIT IS NOT APPLICABLE. REPAIR OR REPLACEMENT COST VALUATION SUBJECT TO MEMORANDUM OF COVERAGE PROVISIONS VEHICLE/BUSES ARE SUBJECT TO ACTUAL CASH VALUE OR REPLACEMENT COST PER SCHEDULE ON FILE WITH THE AUTHORITY ALL LIMITS ARE SHARED.	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%; text-align: right;">\$25,000,000</td> <td style="width:10%;"></td> <td>PER OCC FOR ALL RISK AND ANN AGG FOR FLOOD</td> </tr> <tr> <td style="text-align: right;">\$25,000,000</td> <td></td> <td>PER OCC/ANN AGG FOR EARTHQUAKE</td> </tr> </table>		\$25,000,000		PER OCC FOR ALL RISK AND ANN AGG FOR FLOOD	\$25,000,000		PER OCC/ANN AGG FOR EARTHQUAKE
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\$25,000,000		PER OCC/ANN AGG FOR EARTHQUAKE						
REMARKS (INCLUDING SPECIAL CONDITIONS) DEDUCTIBLES: ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE (EXCLUDING FLOOD AND EARTHQUAKE): \$25,000 PER OCCURRENCE AS PER SCHEDULE ON FILE WITH THE AUTHORITY FLOOD: \$25,000 EXCEPT FOR CRITICAL FLOOD (LOCATIONS IN FEMA FLOOD ZONE A OR V) DEDUCTIBLE IS \$100,000 VEHICLES AND MOBILE EQUIPMENT: IF COVERAGE IS SCHEDULED AND PURCHASED, DEDUCTIBLE APPLIES PER SCHEDULE ON FILE WITH THE AUTHORITY.								
CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUM(S) OF COVERAGE BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUM(S) OF COVERAGE PROVISIONS.								
ADDITIONAL INTEREST								
NAME AND ADDRESS LENOVO FINANCIAL SERVICES, ISAOA 10201 CENTURION PARKWAY NORTH, #101 JACKSONVILLE, FL 32256	NATURE OF INTEREST <input type="checkbox"/> MORTGAGEE <input checked="" type="checkbox"/> LOSS PAYEE <input type="checkbox"/> (OTHER)							
AUTHORIZED REPRESENTATIVE  CSAC EXCESS INSURANCE AUTHORITY								

ENDORSEMENT NO. U-7
CSAC EXCESS INSURANCE AUTHORITY (CSAC EIA)
PROPERTY PROGRAM

LENDER'S LOSS PAYABLE ENDORSEMENT

It is understood and agreed by the Authority that:

1. **Loss** or damage, if any, under this Memorandum, shall be paid to the payee named in this Memorandum, its successors and assigns, hereinafter referred to as the **lender**, in whatever form or capacity its interests may appear and whether said interest be vested in said **lender** in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said **lender**.
2. The coverage under this Memorandum, or any rider or endorsement attached thereto, as to the interest only of the **lender**, its successors and assigns, shall not be invalidated nor suspended:
 - A. By any error, omission, or change respecting the ownership, description, possession, or location of the subject of the coverage or the interest therein, or the title thereto;
 - B. By the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this Memorandum by virtue of any mortgage or trust deed; or
 - C. By any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this Memorandum, including any and all riders now or hereafter attached thereto, by the **covered party**, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a **loss**, which under the provisions of this Memorandum of coverage or of any rider or endorsement attached thereto would invalidate or suspend the coverage as to the **covered party**, excluding any acts or omissions of the **lender** while exercising active control and management of the property.
3. In the event of failure of the **covered party** to pay any premium or additional premium which shall be or become due under the terms of this Memorandum or on account of any change in occupancy or increase in hazard not permitted by this Memorandum, the Authority agrees to give written notice to the **lender** of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the **lender** hereunder that the **lender** when so notified in writing by this Authority of the failure of the **covered party** to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Authority's demand in writing therefore. If the **lender** shall decline to pay said premium or additional premium, the rights of the **lender** under this lender's **loss** payable endorsement shall not be terminated before ten (10) days after receipt of said written notice by the **lender**.
4. Whenever this Authority shall pay to the **lender**, any sum for **loss** or damage under this Memorandum and shall claim that as to the **covered party** no liability therefore exists, this Memorandum, at its option, may pay to the **lender** the whole principal sum and interest and other indebtedness due or to become due from the **covered party**, whether secured or unsecured, (with refund of all interest not accrued), and this Authority, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.

5. If there be any other coverage upon the described property, the Authority shall be liable under this Memorandum as to the **lender** for the proportion of such **loss** or damage that the sum hereby covered bears to the entire coverage of similar character on said property under policies held by, payable to and expressly consented to by the **lender**. Any contribution clause included in any fallen building clause waiver or any extended coverage endorsement attached to this Memorandum is hereby nullified except contribution clauses for the compliance with which the **covered party** has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such contribution clause is made a part of the consideration for covering such other hazards. The **lender** upon the payment to it of the full amount of its claim, will subrogate this Authority (pro rata with all other insurers/coverage provides contributing to said payment) to all of the lender's rights of contribution under said other insurance of contribution under said other insurance.
6. Should legal title to and beneficial ownership of any of the property covered under this Memorandum become vested in the **lender** or its agents, coverage under this Memorandum shall continue for the term thereof for the benefit of the **lender** but, in such event, any privileges granted by this lender's **loss payable endorsement** which are not also granted the **covered party** under the terms and conditions of this Memorandum and/or under other riders or endorsements attached thereto shall not apply to the coverage hereunder as respects such property.
7. All notices herein provided to be given by the Authority to the **lender** in connection with this Memorandum and this lender's **loss payable endorsement** shall be mailed to or delivered to the **lender** at its office or branch described on the first page of this Memorandum.


It is further agreed that nothing herein shall act to increase the Authority's **Limit of Liability**.

This endorsement is part of the Memorandum and takes effect on the effective date of the Memorandum unless another effective date is shown below. All other terms and conditions remain unchanged

Effective Date:

Memorandum No.: EIAPPR19-21

Issue Date: June 28, 2019


Authorized Representative
CSAC Excess Insurance Authority



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement Nos.: A-13145; A-13146; A-13147; A-11704

Upon motion of Supervisor Potter, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

- a. Approved and authorized the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to execute Countywide Service Agreements based on the criteria set forth in RFP No. 10524. The Agreement is between the County of Monterey and EDX Information Systems, Inc. (Agreement No. A-13145) for the provision of Desktop Solution Services for the County of Monterey on an as-needed basis for the initial term of three (3) years from the date of execution through and including May 2, 2019. The aggregate amount over the term of all Agreements shall not exceed \$1,500,000 annually, in accordance with the terms and conditions set within each Agreement; and
- b. Approved and authorized the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to execute a Lease Agreement with IBM Credit LLC, which shall be a third-party lessor to the Countywide Service Agreement with EDX Information Systems, Inc. for Desktop Solution Services (Agreement No. A-13146). The Lease Agreement shall be for the initial term of three (3) years from the date of execution through and including May 2, 2019; and
- c. Authorized the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to execute, after one year, similar additional Agreements for Desktop Solution services with qualified contractors who meet the minimum requirements and comply with the County of Monterey standard terms and conditions, where each individual agreement does not affect the total aggregate amount authorized. Any additional Agreements shall terminate May 2, 2019 (Agreement No. A-13147); and
- d. Authorized the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to exercise the option to execute future Amendments and extend the Countywide Service Agreement(s) for two (2) additional one (1) year periods in accordance with the terms and conditions set within each Agreement, where there is no significant change to the Scopes of Work and no cost increase in excess of five percent (5%) of the agreed upon costs as per the original Countywide Service Agreement; and
- e. Approved and authorized the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to continue the use of a previously Board approved (A-11704) Warranty Self-Maintainer Agreement with Lenovo, the computer manufacturer as selected per RFP No. 10524, in which the County will perform computer maintenance on purchased or leased computer equipment for the initial term of three (3) years from the date of execution through and including May 2, 2019.

PASSED AND ADOPTED on this 17th day of May 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter


NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on May 17, 2016.

Dated: May 19, 2016
File ID: 16-479

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By  _____ Deputy