

**RENEWAL AMENDMENT NO. 1  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN Ciber Inc. A Delaware Corporation AND  
THE NATIVIDAD MEDICAL CENTER  
FOR  
Business Applications Project Manager Services**

The parties to Professional Service Agreement, dated March 29, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Ciber Inc. A Delaware Corporation (Contractor), hereby agree to renew their Agreement No. (BPO2006) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (BPO2006).
2. This Renewal Amendment shall become effective on July 1, 2010 and shall continue in full force and extending the term date until December 3, 2010.
3. The total amount payable by County to Contractor under Agreement No. (BPO2006) shall not exceed the total sum of \$175,000 for the full term of the Agreement and \$75,000 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (BPO2006).

**IN WITNESS WHEREOF**, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

**CONTRACTOR**

Signature Margaret Goetze Dated 6/10/10  
 Printed Name Margaret Goetze Title Area Director

**NATIVIDAD MEDICAL CENTER**

Signature [Signature] Dated 6-10-10  
 Purchasing Manager  
 Signature [Signature] Dated 6/10/10  
 NMC - CEO

**Approved as to Legal Form:**

Charles J. McKee, County Counsel

By [Signature]  
 Stacy Saetta, Deputy  
 Attorneys for County and NMC

Reviewed as to fiscal provisions

Date: 6/21, 2010

[Signature]  
 Auditor-Controller  
 County of Monterey


**Natividad** MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$100,000)

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and Ciber Inc., a Delaware Corporation hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

SERVICES TO BE PROVIDED. NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of the Agreement. The services are generally described as follows: Business Applications

Project Management Services

1. PAYMENTS BY NMC. NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$100,000

2. TERM OF AGREEMENT. The term of this Agreement is from Mar 29, 2010 to Jun 30, 2010 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

3. ADDITIONAL PROVISIONS/EXHIBITS. The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A/Schedule A: Scope of Services/Payment Provisions

4. PERFORMANCE STANDARDS.

4.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.

4.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

4.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

#### 5. PAYMENT CONDITIONS.

5.1. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

5.2. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

#### 6. TERMINATION.

6.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

6.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

7. INDEMNIFICATION: CONTRACTOR shall indemnify, defend and hold harmless NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agent, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by NMC. It is the intent of the parties to this Agreement to provide the broadest possible coverage for NMC. The CONTRACTOR shall reimburse NMC for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless NMC and the County under this Agreement.

#### 8. INSURANCE.

##### 8.1. Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements

executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

- 8.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less that A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.
- 8.3. Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

#### 8.4. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

#### 9. RECORDS AND CONFIDENTIALITY.

9.1. Confidentiality, CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such

confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

- 9.2. NMC Records . When this Agreement expires or terminates, CONTRACTOR shall return to NMC and NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.
  - 9.3. Maintenance of Records . CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
  - 9.4. Access to and Audit of Records . NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
  - 9.5. Royalties and Inventions . NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.
10. NON-DISCRIMINATION. During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.
  11. COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.
  12. INDEPENDENT CONTRACTOR. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled

by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

13. NOTICES. Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below.

FOR NATIVIDAD MEDICAL CENTER:  
Contracts/Purchasing Manager

Name

1441 Constitution Blvd. Salinas, CA. 93906

Address

831.755.4111

Phone

FOR CONTRACTOR:

**TONY HADZI**  
**Executive Vice President**  
**CIBER, Inc.**

CIBER, Inc. Name and Title  
6363 South Fiddler's Green Circle  
Suite 1400  
Greenwood Village, CO 80111

Address

303 - 220 - 0100

Phone

14. MISCELLANEOUS PROVISIONS.

- 14.1. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 14.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.
- 14.3. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 14.4. Contractor. The term "Contractor" as used in this Agreement includes Contractor's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.
- 14.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 14.6. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of

NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- 14.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 14.8. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 14.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 14.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 14.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 14.12. Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 14.13. Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 14.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 14.15. Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 14.16. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.



NATIVIDAD MEDICAL CENTER

By: [Signature]  
NMC Contracts/Purchasing Agent

Date: 3/22/10

By: [Signature]  
Department Head (if applicable)

Date: 3/18/10

Approved as to Legal Form

By: [Signature]  
Stacy Sietta  
Deputy County Counsel

Date: 3/22/10

Approved as to Fiscal Provisions

By: [Signature]  
Auditor/Controller

Date: 3-22-10

CONTRACTOR

CIBER, Inc.  
Contractor's Business Name\*\*\*

[Signature]  
Signature of Chair, President, or Vice-President

**TONY HADZI**  
**Executive Vice President**  
**CIBER, Inc.**

Name and Title

Date: 3/16/10

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

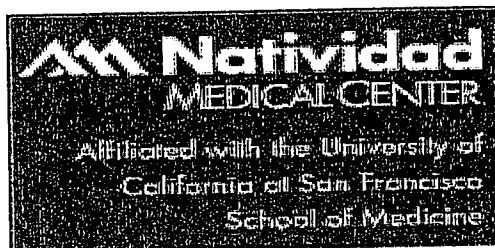
Susan Keesen, Asst. Secretary  
Name and Title

Date: 3/16/10

\*\*\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

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THE NEW STANDARD OF IT SERVICES AROUND THE WORLD





**Natividad Medical Center  
Business Applications Project Manager**

**Statement of Work**

**EXHIBIT A – FOR COUNTY OF MONTEREY AGREEMENT  
FOR PROFESSIONAL SERVICES**

Submitted in Confidence by:  
CIBER San Francisco  
Andy Schwuchow  
650 California Street, 5<sup>th</sup> Floor  
San Francisco, CA 94108  
(415) 875-1873

**ciber<sup>®</sup>**

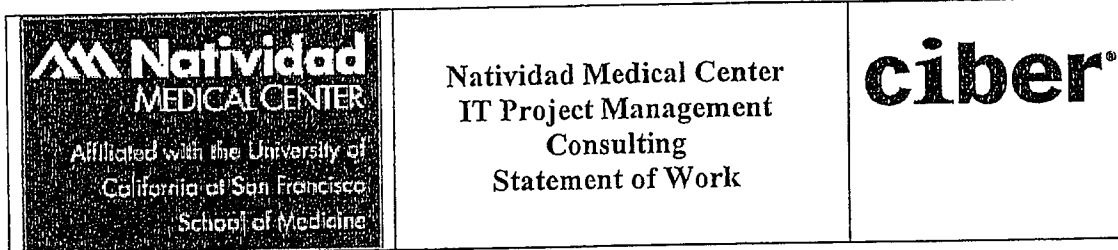
 <p><b>Natividad</b> MEDICAL CENTER Affiliated with the University of California of San Francisco School of Medicine</p>	<p>Natividad Medical Center IT Security Consulting Statement of Work</p>	
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## Revision History

Date	Version	Description of Revision
3/15/2010	1.0	<i>Initial Draft Version</i>

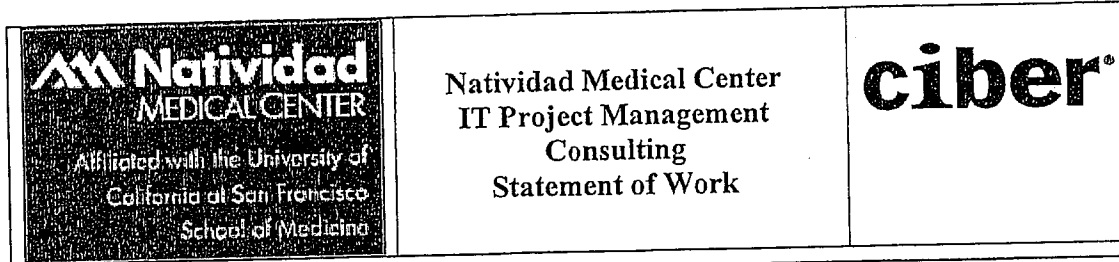
## Protection of Confidential Information

The information contained in this document describes confidential information concerning CIBER's services and methodology. Receipt of this document constitutes acknowledgment that this information is proprietary to CIBER. Recipients of this document will protect and not disclose the contents herein (and any copies thereof); including said confidential information, using the same procedures and requirements by which they protect their own proprietary and confidential information. Recipients will not, in whole or in part, disclose any of the proprietary or confidential information to any person, firm, corporation, association or other entity for any reasons or purpose whatsoever, nor shall they make use of any proprietary or confidential information for their own purposes or benefit without the prior express written consent of CIBER. Recipients will not knowingly make this document or the information contained herein available, in whole or in part, to current or potential competition to or competitors of CIBER or to other organizations unrelated to recipients.



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## 1. Introduction

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CIBER has completed a consulting engagement for The County of Monterey to assess the readiness and assist Natividad Medical Center to act as a stand-alone network and separate from the County of Monterey managed services datacenter.

Natividad Medical Center has requested a Statement of Work (SOW) for IT Project Manager services to perform duties in the post network separation environment at Natividad Medical Center to insure proper policies and procedures are implemented to allow Natividad Medical Center to successfully operate its own independent network and successfully deliver IT services to all its users.

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## 2. Scope

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This section describes the work that is considered In-Scope and Out-of-Scope for CIBER.

### 2.1 In-Scope

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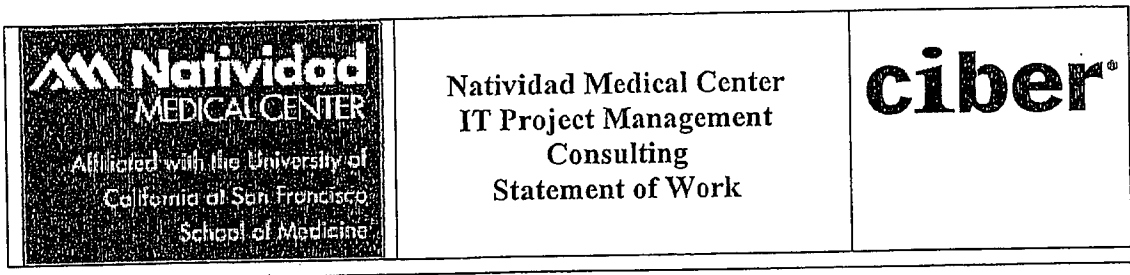
CIBER IT Project Manager will assist with the following activities:

- Project Management for upgrades and enhancements
- Application inventory assessment
- Mission Critical Business Applications Identification
- Contracts Database assessment
- Help Desk ticket design
- Change Management workflow
- Incident escalation
- Policies & Procedures for all of the above

### 2.2 Out-of-Scope

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Any work that is not specifically listed above as In-Scope is considered Out-of-Scope for this SOW. CIBER will address alterations to the scope of this SOW through the Project Change Management Process defined in the Project Control section of this SOW. Any changes that are determined to impact budget or schedule outside of what has been built into SOW will result in a change request.



### 3. Data Security

CIBER will comply with all Natividad Medical Center data confidentiality and security policies and procedures and adhere to its commitment and responsibilities for data security as defined in the Master Services Agreement.

Access to confidential data is defined as viewing the data, either on computer systems or printed, or having the data provided via printed documents or computer files.



Access to confidential data will be limited to on-site personnel within Natividad Medical Center facilities, whereby appropriate controls shall be taken to ensure the security of such data.

### 4. Roles and Responsibilities

#### 4.1 CIBER Roles and Responsibilities

Table 3: CIBER Roles and Responsibilities

Role	Project Responsibilities
Onsite CIBER Consultant	<ul style="list-style-type: none"> <li>See Section 2.1 In-Scope</li> </ul>
Director of Delivery	<ul style="list-style-type: none"> <li>Provide delivery management oversight on the project on as-needed basis at no cost. Serve as first point of contact for escalation and use CIBER's management approach to resolve issues.</li> </ul>

 <p><b>Natividad</b> MEDICAL CENTER</p> <p>Affiliated with the University of California at San Francisco School of Medicine</p>	<p>Natividad Medical Center IT Project Management Consulting Statement of Work</p>	
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## ***4.2 Client Roles and Responsibilities***

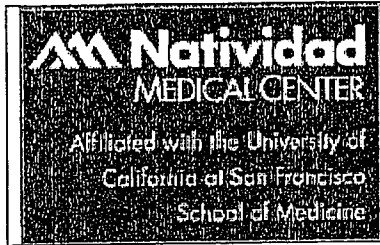
**Table 4: Natividad Medical Center Roles and Responsibilities**

Role	Role Description
Chief Information Officer	<ul style="list-style-type: none"> <li>• Executive responsible for the success of the project</li> <li>• Authority to resolve issues, assign resources, and to recommend or approve project expenditures</li> <li>• Provide oversight to ensure the project is progressing against the established project schedule</li> <li>• Serve as the primary contact for the engagement in issue resolution, deliverable acceptance, and authorizing/deferring change requests</li> <li>• Act as the interface to business resources</li> </ul>

## ***4.3 Work Location***

Work shall be performed at Natividad Medical Center and remotely.





Natividad Medical Center  
IT Project Management  
Consulting  
Statement of Work

The logo for CIBER, consisting of the word 'ciber' in a bold, lowercase, sans-serif font with a registered trademark symbol.

## 5. Management Approach

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### 5.1.1 Plan Management

During the project, the CIBER Consultant will:

- Control change to the planned scope, budget, and schedule through the Project Change Management Process. (See the Project Control Processes described below.)

### 5.1.2 Issue Management

The CIBER Consultant is responsible for documenting, tracking, and bringing to closure project issues that affect CIBER's ability to complete its work. If an issue cannot be resolved, The Natividad Medical Center and the CIBER Consultant will escalate the issue to their respective management.

### 5.1.3 Project Change Management

The CIBER Consultant is responsible for ensuring that change requests related to CIBER's responsibilities are documented, tracked, and closed.

Specific policies include:

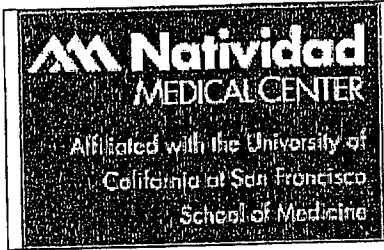
- a. Alternatives to formal signatures on Change Request Forms:

In lieu of a signed *Change Request Form* (**Appendix A**), an e-mail message sent directly from Natividad Medical Center approver to the CIBER Consultant indicating approval or rejection of a change request constitutes formal approval or rejection for this project.

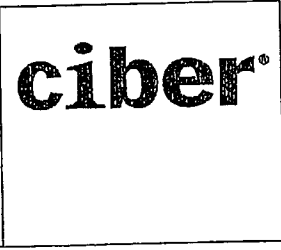
- b. Approval/rejection turnaround timeframe:

Natividad Medical Center approver will approve or reject the change request within three (3) business days from the receipt of the Change Request Form.

- c. Course of action if an approver is unavailable or does not respond with a decision in the timeframe specified:



Natividad Medical Center  
IT Project Management  
Consulting  
Statement of Work



If Natividad Medical Center approver does not approve or reject the change request within three (3) business days from the receipt of the Change Request Form and does not communicate a timeframe in which a decision will be made:

- 1) Any change request decision will be logged, tracked and managed as a 'Deferred' request.
- 2) Work will progress without incorporating the requested change into the work plan.
- 3) Where an approval or rejection decision is necessary for the project to progress, the change request decision will be logged, tracked and escalated as a project issue in accordance with the project's Issue Management Process.

d. Resolution of scope disputes:

- 1) The CIBER Consultant and Natividad Medical Center Project Sponsor will try to resolve any dispute regarding the 'in-scope' (see section 2.1) or 'out-of-scope' (see section 2.2) classification of work by referring to this SOW; and any changes, amendments, and attachments to these documents to which the parties have previously agreed in writing
- 2) If the parties cannot reach agreement within three (3) business days, dispute resolution will be escalated to the Natividad Medical Center Project Sponsor and the CIBER VP/Area Director (or their respective designees)

Change Request Approvers:

The following persons have been designated as the final approvers of change requests for the project:

Tony Hadzi  
CIBER, Inc.



\_\_\_\_\_  
Name

Executive Vice President  
Title

Kirk Larson  
Natividad Medical Center

\_\_\_\_\_  
Name

Chief Information Officer  
Title

 <p><b>Natividad</b> MEDICAL CENTER</p> <p>Affiliated with the University of California at San Francisco School of Medicine</p>	<p>Natividad Medical Center IT Project Management Consulting Statement of Work</p>	
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## ***5.2 Project Communications***

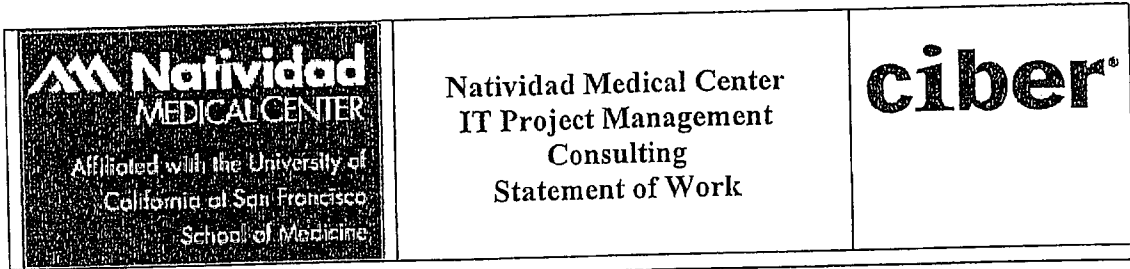
On a regular schedule, CIBER will track, document, and communicate project status of CIBER's efforts to the Natividad Medical Center Project Sponsor or other designated management oversight group.

### **5.2.1 Status Reporting**

The CIBER Project Manager and/or Consultant will hold status meetings with Natividad Medical Center to discuss CIBER's progress bi-weekly. These meetings may be by conference calls or in person.

CIBER's standard project status call will provide a:

- Summary of Accomplishments
- Status of Milestones and Deliverables
- Summary of issues, risks, and change requests
- Current resource usage and forecast



## 6. Project Schedule

Assuming a start date of **March 29th, 2010** project schedule dates represented in this SOW are based upon an estimated completion date of **July 1th, 2010**. Any change to this start date, or any other specified date in this SOW, will affect schedule and deliverable dates accordingly.

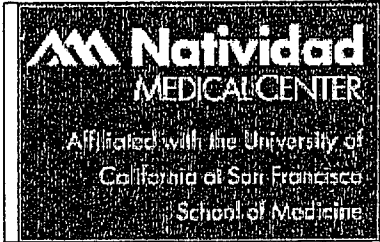
## 7. Project Price & Payment Terms

Project will be performed on a time and materials basis. Hours are estimates based on the scope outlined in section 2.

Payment terms are per the NMC Professional Services Agreement Item 6.1

**Table 6: Pricing**

Role	Authorized Hours	Authorized Hourly Rate	Total
1. CIBER Onsite Consultant	620 hours	\$170.00 hour	\$105,400



Natividad Medical Center  
IT Project Management  
Consulting  
Statement of Work



## 8. Approvals

The terms and conditions of this SOW, including all rates and pricing provisions, shall not be binding on CIBER unless this SOW is signed by CIBER and Natividad Medical Center on or before February 12th, 2010

IN WITNESS WHEREOF, the parties have executed this SOW on the date or dates indicated below.

BY:

Tony Hadzi  
CIBER, Inc.

BY:

Kirk Larson  
Natividad Medical Center

Name

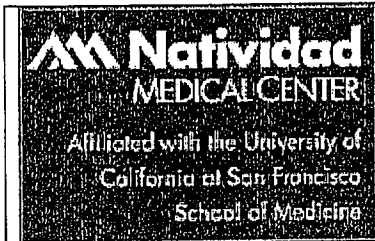
Name

Executive Vice President  
Title

Chief Information Officer  
Title

3/16/10  
Date

Title



Natividad Medical Center  
IT Strategy Consulting  
Statement of Work



## Appendix A: Change Request Form



### Change Request Form

Client: _____	Project: _____
Date: _____	Change Control #: _____
Requested by: _____	Requested Priority: _____
<b>Description of Change:</b>	
<b>Reason for Change:</b>	
<b>Change Request Analysis (by CIBER):</b>	
Conducted by: _____	
Schedule Impact (days): _____	Budget Impact (\$): _____
Impact on Project (Scope, Quality, Critical Path): _____	
Time to complete analysis: _____ Hours: _____	Date Completed: _____
<b>Recommendation:</b>	
<b>Resolution &amp; Approvals:</b>	
<b>CLIENT:</b> <input type="checkbox"/> Approved <input type="checkbox"/> Rejected <input type="checkbox"/> On Hold	<b>CIBER:</b> <input type="checkbox"/> Approved <input type="checkbox"/> Rejected <input type="checkbox"/> On Hold
Signature: _____	Signature: _____
Name/Title: _____	Name/Title: _____
Date: _____	Date: _____
Reason for Rejection, if Applicable: _____	

## Addendum to COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES

CIBER, Inc. ("CIBER" or "CONTRACTOR") has and Natividad Medical Center ("NMC") County of Monterey ("County") have agreed to the following addendum to the County of Monterey Agreement for Professional Services:

**Opening Paragraph** - Change Ciber Inc to *CIBER, Inc., a Delaware corporation*

**Paragraph 7. – INDEMNIFICATION** CONTRACTOR requests language changes similar to the following to this section:

CONTRACTOR shall indemnify, defend, and hold harmless NMC and the County, its officers, agents, and employees, from and against any and all claims, liabilities, losses damages to tangible property and injuries to or death of persons, court costs, and reasonable attorneys' fees caused by the negligent acts or omissions of contractor personnel while performing work for NMC under this Agreement except to the extent such claims, liabilities, or losses arise out of the negligence or willful misconduct of NMC. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors. CONTRACTOR'S responsibility to indemnify and hold harmless the other party is conditioned upon: (a) CONTRACTOR receiving prompt written notice of any claim or action; (b) CONTRACTOR having the sole authority to defend the indemnified party against any claim or action upon which third party indemnity is sought; (c) The indemnified party reasonably cooperating with CONTRACTOR in defending or settling the claim; (d.) CONTRACTOR has no liability to indemnify or hold the indemnified party harmless for any payment by the indemnified party in settlement or compromise of a claim or action unless CONTRACTOR receives written notice at least ten (10) business days in advance of such settlement or compromise and approves the settlement in writing before payment is made; and (e.) All indemnification rights and obligations under this Agreement are subject to the terms of the limitations of liability set forth herein.

CONTRACTOR proposes language similar to the following is added to the Agreement:

**14.17 Limited Liability.** NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY LOST DATA, LOST PROFITS, OR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL, OR OTHER INDIRECT DAMAGES OF ANY KIND FOR ANY REASON WHATSOEVER INCLUDING, BUT NOT LIMITED TO, DAMAGES BASED UPON, CONTRACT, WARRANTY, TORT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Each Party agrees that the other Party's liability hereunder for damages, regardless of the form of action, will not exceed the total amount actually paid for Services and Work Products under the Scope of Services, Work Order or Statement of Work giving rise to the damages.

**14.18 NONSOLICITATION.** During the term of this Agreement and for a period of one year after its termination, neither Party will directly or indirectly (i) solicit for hire or engagement any of the other Party's personnel who were involved in the provision or receipt of Services or Work Products under this Agreement or (ii) hire or engage any person or entity who is or was employed or engaged by the other Party and who was involved in the provision or receipt of Services or Work Products under this Agreement until 180 days following the termination of the person's or entity's employment or engagement with the other Party. For purposes herein, "solicit" does not include broad-based recruiting efforts, including, without limitation, help wanted advertising and posting of open positions on a Party's internet site. If a party hires or engages, directly or indirectly, any personnel of the other party in violation of (ii) above, the hiring/engaging party will pay the other party a finder's fee equal to three times the greater of (i) gross monthly salary or (ii) monthly billing rate (assuming 168 hours per month) for such personnel.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
6/22/2010

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 Van Gilder Insurance Corp. 1515 Wynkoop, Suite 200 Denver CO 80202	CONTACT NAME: Account Associate	
	PHONE (A/C, No, Ext): 303-837-8500 FAX (A/C, No): 303-831-5295	
	E-MAIL ADDRESS: certificate@vgic.com	
	PRODUCER CUSTOMER ID #: CIBINC	
INSURED CIBER, Inc. Attn: Chris Loffredo 6363 S. Fiddler's Green Cr., Suite 1400 Greenwood Village CO 80111	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Federal Ins Company	0
	INSURER B: Zurich American Insurance Comp	0
	INSURER C: ACE American Insurance Company	
	INSURER D: Hartford Fire Insurance Co	0
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: 1257660927 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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			35788666	7/1/2010	7/1/2011	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			74969887	7/1/2010	7/1/2011	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$0			79803119	7/1/2010	7/1/2011	EACH OCCURRENCE \$15,000,000 AGGREGATE \$15,000,000 \$ \$
B	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 <input type="checkbox"/> N/A	WC819637703	3/1/2010	3/1/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	EDP Property			35788666	7/1/2010	7/1/2011	\$47,000,000 Limit
C	E&O Claims Made			EONG21675258006	7/1/2010	7/1/2011	\$20,000,000 Per Claim
D	3rd Party Crime			00FA023293710	7/1/2010	7/1/2011	\$5,000,000 Limit

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
If required by written contract or written agreement, Natividad Medical Center is included as Additional Insured for ongoing operations under General Liability and Automobile Liability, on a Primary and Non-contributory basis.

CERTIFICATE HOLDER  Natividad Medical Center 1441 Constitution Blvd. Salinas CA 93906	CANCELLATION 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 



**Liability Insurance**

**Endorsement**

Policy Period JULY 01, 2009 to JULY 01, 2010

Effective Date JULY 01, 2009

Policy Number 35788666

Insured CIBER, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued JULY 01, 2009

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Conditions, the following condition is added:

**Conditions**

**Other Insurance**  
**Primary/Additional**  
**Insured**

If you agree, in a written contract, agreement or permit, to provide primary insurance for any person or organization included in Who Is An Insured, this Other Insurance Primary/Additional Insured condition applies.

If other valid and collectible insurance is available to the insured for loss we would otherwise cover under this insurance, our obligations are limited as follows.

**Primary Insurance**

This insurance is primary. We will not seek contributions from any other insurance available to the person or organization with whom you agree to include in Who Is An Insured, except when the Excess Insurance provision applies.

**Excess Insurance**

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- A. that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for your work.

**Conditions**

**Other Insurance**  
**Primary/Additional**  
**Insured**  
**(continued)**

- B. that is insurance that applies to property damage to premises rented to you or temporarily occupied by you with permission of the owner;
- C. if the loss arises out of aircraft, autos or watercraft (to the extent not subject to the Aircraft, Autos Or Watercraft exclusion);
- D. that is insurance:
  - 1. provided to you by any person or organization working under contract or agreement for you; or
  - 2. under which you are included as an insured; or
- E. that is insurance under any Property section of this policy.

When this insurance is excess, we will have no duty to defend the insured against any suit if any other insurer has a duty to defend such insured against such suit. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of the total:

amount that all other insurance would pay for loss in the absence of this insurance; and  
of all deductible and self-insured amounts under all other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

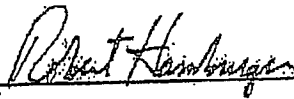
**Method of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limits of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

All other terms and conditions remain unchanged.

Authorized Representative



## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols
1	Any "Auto"
2	Owned "Autos" Only Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-Fault Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos" Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned "Autos" Only Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
----	--	---

**B. Owned Autos You Acquire After The Policy Begins**

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

**C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos**

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

**SECTION II - LIABILITY COVERAGE**

**A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

(2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours!

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to \$2,000 for 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.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.

(5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

(1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## B. Exclusions

This insurance does not apply to any of the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

### 2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

### 3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

### 4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

a. An "employee" of the "insured" arising out of and in the course of:

(1) Employment by the "insured", or

- (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**5. Fellow Employee**

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

**7. Handling Of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

**8. Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

**9. Operations**

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

**10. Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**11. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
- (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";

- (2) Otherwise in the course of transit by or on behalf of the "insured" or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

**12. War**

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**13. Racing**

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

**C. Limit Of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**SECTION III - PHYSICAL DAMAGE COVERAGE**

**A. Coverage**

- 1. We will pay for "loss" to a covered "auto" or its equipment under:
  - a. Comprehensive Coverage
    - From any cause except:
      - (1) The covered "auto's" collision with another object; or
      - (2) The covered "auto's" overturn.
  - b. Specified Causes Of Loss Coverage
    - Caused by:
      - (1) Fire, lightning or explosion;
      - (2) Theft;
      - (3) Windstorm, hail or earthquake;
      - (4) Flood;
      - (5) Mischief or vandalism; or
      - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

### c. Collision Coverage

#### Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

### 3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles.

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### 4. Coverage Extensions

#### a. Transportation Expenses

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

#### b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if 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 for any expenses for loss of use is \$20 per day, to a maximum of \$600.

### B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following: Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

#### a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

#### b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of 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.