

**AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN USA Mobility Wireless Inc. AND
THE NATIVIDAD MEDICAL CENTER
FOR
Pager Services**

The parties to Wireless Communication Services Agreement ("Agreement"), dated July 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and USA Mobility Wireless Inc. (Contractor), hereby agree to amend their Agreement (No. BSC1844) on the following terms and conditions:

WHEREAS, the Parties had previously entered into the Agreement effective July 1, 2010;

WHEREAS, the Agreement expired on June 30, 2011;

WHEREAS, the Parties entered into Renewal to the Professional Services Agreement on the same or similar terms, effective July 1, 2011 ("Renewal and Amendment No. 1"), extending the Agreement to June 30, 2012 and increasing the amount payable by \$60,000 to continue to provide services associated with pager services within the County of Monterey;

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue.

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement because of the term extension.

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Contractor will continue to provide NMC with the same scope of services as stated in the original Agreement (No. BSC1844).
2. The total amount payable by County to Contractor under Agreement No. (BSC1844) shall not exceed the total sum of \$160,000 for the full term of the Agreement and \$60,000 for fiscal year 2012-2013.
3. The term of this Agreement is extended to June 30, 2013.
4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Renewal No. 1 are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Amendment No. 2 shall be attached to the original Agreement (No. BSC1844), as amended by Renewal and Amendment No. 1.
6. The effective date of this Amendment No. 2 is July 1, 2012.

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

CONTRACTOR

Signature 1 [Signature]

Dated APRIL 9, 2012

Printed Name Jim Probst

Title EXECUTIVE VICE PRES

Signature 2 [Signature]

Dated 4/9/12

Printed Name Sharon Woods Keisting

Title Treasurer + Corp Secretary

*****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.

NATIVIDAD MEDICAL CENTER

Signature _____
Purchasing Manager

Dated _____

Signature [Signature]
NMC - CEO

Dated 4/18/12

Approved as to Legality and Legal Form:
Charles J. McKee, County Counsel

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

Dated: 4/29, 2012

Reviewed as to fiscal provisions
[Signature]
Auditor/Controller
County of Monterey
52-12

**RENEWAL
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND
USA MOBILITY WIRELESS INC.**

THIS RENEWAL to the County of Monterey Agreement for Professional Services (hereinafter, "RENEWAL") is made and entered into, by and between the Natividad Medical Center (County of Monterey), a political subdivision of the State of California (hereinafter, "County"), and USA Mobility Wireless Inc. (hereinafter, "CONTRACTOR") (collectively, the County and CONTRACTOR are referred to as the "Parties.").

WHEREAS, the Parties had previously entered into an Agreement for Professional Services (hereinafter, "Agreement"), on July 1, 2010 and

WHEREAS, the Agreement is attached hereto as Attachment 1; and

WHEREAS, that Agreement expired on June 30, 2011; and

WHEREAS, the Parties wish to renew the Agreement on the same or similar terms, beginning July 1, 2011 and increase the amount payable by \$60,000 to continue to provide services associated with pager services within the County of Monterey.

NOW THEREFORE, the Parties agree as follows:

1. The Agreement is hereby renewed on its prior terms and conditions as set forth in Attachment 1, incorporated herein by this reference, except as specifically set forth below.
2. The term of this RENEWAL is from July 1, 2011 to June 30, 2012 unless sooner terminated pursuant to the terms of this RENEWAL, or extended in writing.
3. County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Attachment 1, subject to the limitations set forth in this RENEWAL. The total amount payable by County to CONTRACTOR shall not exceed the sum of \$100,000.
4. If there is any conflict or inconsistency between the provisions of Agreement, or this RENEWAL, the provisions of this RENEWAL shall govern.

IN WITNESS WHEREOF, the parties hereby execute this RENEWAL as follows:

NATIVIDAD
MEDICAL CENTER

By: [Signature]
NMC Contracts/Purchasing Agent

Date: 10-6-11

By: [Signature]
Department Head (if applicable)

Date: 9/30/11

By: [Signature]
Stacy Saetta, Deputy County Counsel

Date: 10/4/11

By: [Signature]
Auditor/Controller

Date: 10-5-11

CONTRACTOR

USA Mobility, Inc.
Contractor's Business Name***

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

JIM BOZO, EXEC. VP
Name and Title

Date: SEPTEMBER 27, 2011

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

Sharon Woods Kerling
Corporate Secretary & Treasurer
Name and Title

Date: 9/27/11

***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 an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

EXECUTE IN DUPLICATE



USA MOBILITY WIRELESS, INC.
WIRELESS COMMUNICATION SERVICES AGREEMENT

THIS WIRELESS COMMUNICATION SERVICES AGREEMENT (the "*Agreement*") is made and effective on July 1, 2010 (the "*Effective Date*") by and between USA Mobility Wireless, Inc. ("*Company*") and the County of Monterey, on behalf of Natividad Medical Center ("*Customer*").

WHEREAS, Company is a provider of wireless messaging and related services (the "*Services*") and wireless messaging equipment (the "*Equipment*");

WHEREAS, Customer desires to acquire Services and Equipment, as more fully described in Exhibit A hereto, from Company, and Company desires to provide Services and Equipment to Customer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1) **PROVISION OF SERVICES AND EQUIPMENT.** Company agrees to provide to Customer, and Customer agrees to obtain from Company, Service and Equipment for use by Customer's employees, or other third parties as specifically permitted by Company herein (collectively, the "*Subscribers*"), in accordance with the terms and conditions of this Agreement. The scope of Services and Equipment, and the charges therefor, are set forth on Exhibit A which is attached hereto and made a part hereof. Customer agrees that it is responsible for all activities and usage of its Subscribers hereunder. Any new or additional services and equipment not listed on Exhibit A which may be requested by Customer and provided by Company at any time hereafter will be subject to the terms and conditions of this Agreement and an amended Exhibit A. Provision of Services and Equipment are subject to availability and applicable regulatory requirements.
- 2) **TERM OF AGREEMENT.** The term of this Agreement is from July 1, 2010 to June 30, 2011 unless sooner terminated pursuant to the terms of this Agreement (the "*Initial Term*").
- 3) **TIERED PRICING.** Customer understands and agrees reduced Service rates are available based upon the number of units that Customer maintains in service, as more fully described on Exhibit A. If at any time Customer fails to maintain the minimum number of units required for a particular pricing tier, the rates for the Services shall automatically be increased to the Service rates applicable to the number of units which Customer actually has in service, as set forth in Exhibit A. If Customer thereafter orders sufficient units to return to a lower tier of pricing, Customer's rates shall be adjusted to the applicable lower tier after the required number of units have been active for at least one (1) calendar month. Other penalties for cancellation or termination with respect to individual units may apply if a minimum service period is provided for in Exhibit A or an addendum hereto, and Customer terminates prior to the end of such period.

4) USE OF SERVICES AND EQUIPMENT BY CUSTOMER.

a) **General.** Company provides the Services through authority granted to it by the Federal Communications Commission (the "FCC"). The use and provision of the Services and Equipment are subject to the rules and regulations of the FCC and applicable federal, state and local regulatory authorities in effect during the term hereof, and Customer agrees to comply with all of such laws, and with such reasonable conditions as Company may require from time to time, including but not limited to compliance with USA Mobility Wireless, Inc.'s Acceptable Use Policy, its Privacy Policy, and all other policies and procedures related to the Services and Equipment, in connection with its use of the Services and Equipment under this Agreement. Customer may not use, nor permit any of its Subscribers to use, the Services and/or Equipment for promotional purposes or for resale. Neither Customer nor any Subscriber may transfer any of the Services or Equipment without the prior written approval of Company. Customer and its Subscribers may only use the Services and Equipment for personal and lawful purposes and for the purposes intended. Company will designate, coordinate and assign for Customer and the Subscribers the capcodes, personal identification numbers, email addresses and telephone numbers (collectively, the "Numbers") for all Equipment using Services provided by Company. Neither Customer nor the Subscribers shall obtain any ownership interest in, or exclusive right to use, such Numbers. Company reserves the right to assign, designate, reassign or change Numbers as reasonably necessary in the conduct of its business. -Customer will not permit any Number to be used by more than one unit of Equipment.

b) **Excessive Use of Network.** (i) Subject to Company's Acceptable Use Policy, and other general terms and conditions contained in this Agreement or incorporated herein and available at www.usamobility.com, all uses of Company's networks, including without limitation under Service plans that allow for an unlimited number of messages or characters ("Unlimited Use Plans") are subject to all reasonable restrictions on use that Company may impose, at its sole discretion and without prior notice, for protection of the networks and other Company customers. Unless otherwise expressly agreed by Company in writing, Services, including those under Unlimited Use Plans cannot be used for: (1) uploading, downloading or streaming of movies, music or games, (2) with server devices or with hosted computer applications, including, but not limited to, automatic data feeds, automated machine-to-machine connections, or peer-to-peer (P2P) file sharing, or (3) as a substitute or backup for dedicated data connections.

(ii) Company reserves the right to limit throughput or amount of data transferred, and deny or terminate service, without notice, to Customer if the Company believes Customer is using any Usage Plan in any manner prohibited herein or that adversely impacts Company's network or service levels. Company reserves the right to protect its network from harm, which may impact legitimate data flows, by disconnecting customers or limiting their access to the network in the event of any violations of these provisions. Company also reserves the right to treat excessive use of the Service as a material breach of this Agreement and to permanently terminate service to Customer for such excessive use. Excessive use is defined as:

Input Protocol	Maximum Messages Allowed per Time Frame	Time Frame (in Seconds)	Maximum Messages Per Day
SMTP	15	300	1000
WCTP	10	300	1000
HTTP	10	300	250
AP	30	300	3000

5) **PURCHASE OF EQUIPMENT.** If Customer purchases any Equipment from Company hereunder, the following terms and conditions shall apply:

a) **Selection and Availability of Equipment.** Customer shall be responsible for the selection of models of Equipment in accordance with its desired use and functionality and shall be responsible for payment with respect to all Equipment ordered by any of its Subscribers. Company may provide new or refurbished Equipment to Customer. The models of Equipment listed on Exhibit A, as the same may be amended from time to time, are subject to availability from the manufacturer, and may be discontinued or replaced by other models at any time.

b) **Title to the Equipment; Risk of Loss.** Upon receipt of payment in full for the Equipment, title to such Equipment shall pass to Customer free and clear of any lien or encumbrances arising out of Company's ownership thereof. Customer assumes full responsibility for the risk of loss or damage upon delivery of the Equipment to Customer, and no loss, theft or damage to the Equipment thereafter shall relieve Customer of its obligations to pay any fees and charges due to Company with respect to the purchase of such Equipment. Company shall retain a purchase money security interest in Equipment in any amount of the unpaid balance of the purchase price until such Equipment has been paid in full. To the extent that local law requires Customer to sign any such financing statement, Customer will do so upon USA Mobility's request and return the same to USA Mobility within two (2) business days of Customer's receipt of the financing statement(s).

c) **Warranty and Repair.**

(i) Items of Equipment shall be deemed to have been delivered to Customer in good working order unless Customer returns the same to Company for exchange or repair within thirty (30) days after delivery.

(ii) In the event Customer elects to purchase maintenance protection ("*Maintenance*"), Company shall maintain such Customer owned Equipment. Company shall, at its discretion, repair or replace (with a substantially similar unit) such Equipment at no additional cost to Customer that Company determines to be defective. The Maintenance charges, including the applicable deductibles, if any, are set forth on Exhibit A. However, in the event that Equipment covered by Maintenance is damaged while in Customer's possession, or is returned to Company with parts missing, Company shall charge Customer for such repair or replacement of such Equipment (including, without limitation, for all replacement parts, repair charges and handling fees in effect at such time).

(iii) In the event Customer opts not to purchase Maintenance, or such Maintenance is not available to Customer, Company shall, at its discretion, repair or replace Customer owned Equipment at the fees and expenses in effect at the time of such repair or replacement. Company shall have the right to charge Customer for all replacement parts and handling and administrative charges in effect at such time. Company shall use commercially reasonable efforts to pass through manufacturers' warranties, if any, to Customer, to the extent permitted by such manufacturer.

d) **Encryption.** Company reserves the right to sell Equipment that has been manufactured with passwords and encryption for security purposes. Such encryption or passwords may be used to disable the Equipment in the event of misuse of Services or the rekeying of the Equipment on the messaging network of another carrier.

6) **LEASE OF EQUIPMENT.** If Customer leases any Equipment from Company hereunder, the following terms and conditions shall apply:

a) **Selection and Availability of Equipment.** Customer shall be responsible for the selection of models of Equipment in accordance with its desired use and functionality and shall be responsible for payment with respect to all Equipment ordered by any of its Subscribers. Company may provide new or refurbished Equipment to Customer. The models of Equipment listed on Exhibit A, as the same may be amended from time to time, are subject to availability from the manufacturer, and may be discontinued or replaced by other models at any time.

b) **Title to the Equipment; Risk of Loss.** Title to all Equipment leased by Company to Customer shall remain in Company. Promptly (not to exceed ten (10) days) upon (i) the expiration or termination of this Agreement, or (ii) such time as the Equipment is no longer in use by Customer, Customer shall return (at its sole cost and expense) all leased Equipment (or items of Equipment no longer in use, as the case may be) to Company in accordance with Company's shipping instructions. Customer shall be responsible for the safekeeping of all such Equipment and shall return same to Company in substantially the same condition as it was received by Customer, reasonable wear and tear excepted. COMPANY WILL CONTINUE TO CHARGE CUSTOMER THE MONTHLY LEASE AND SERVICES CHARGES FOR EACH ITEM OF EQUIPMENT UNTIL IT IS RETURNED TO COMPANY IN GOOD CONDITION OR CUSTOMER HAS PAID THE FULL REPLACEMENT COST THEREFORE. Notwithstanding the foregoing, upon the expiration or earlier termination of this Agreement, in the event Customer has not returned Equipment by the sixtieth (60th) day thereafter, Customer shall pay Company the full replacement cost of such Equipment. Subject to the remainder of this Section 6(b), in the event Customer returns Equipment that is damaged or has missing parts, Company shall charge Customer for all replacement parts and repairs charges in effect at such time. Customer shall be responsible for the replacement cost set forth on Exhibit A for any lost or stolen Equipment, or Equipment which is damaged beyond repair, unless Customer has purchased the Loss Protection Plan described on Exhibit A. Company shall invoice Customer for Services and the monthly lease charges with respect to each unit of Equipment until Customer either: (i) provides Company with written notice of any lost or stolen Equipment, or Equipment which is damaged beyond repair, and makes a claim under the Loss Protection Plan, if Customer has elected to participate in such plan, or (ii) pays Company the replacement cost set forth on Exhibit A.

c) **Warranty and Repair.** Customer may return for exchange any item of leased Equipment that is defective at any time during the term of this Agreement, and Company, at its option, shall repair such Equipment or replace it with a substantially similar Equipment. Subject to Section 6(b) above pertaining to Equipment that has been damaged beyond repair, in the event such leased Equipment is damaged while in Customer's possession, or is returned to Company with parts missing, Company shall charge Customer for such repair or replacement of such Equipment (including, without limitation, for all replacement parts, repair charges and handling fees in effect at such time).

d) **Encryption.** Company reserves the right to lease Equipment that has been manufactured with passwords and encryption for security purposes. Such encryption or passwords may be used to disable the Equipment in the event of misuse of Services, Customer breach of this Agreement, or the rekeying of the Equipment on the messaging network of another carrier.

7) **STANDARD OF PERFORMANCE.** Company shall provide Services consistent with the normal and reasonable standards of the wireless messaging industry. Company shall promptly investigate any complaints made by Customer and shall take such steps as are commercially reasonable and necessary to correct any deficiency in the Service. Adjustments for Service interruptions shall be made in accordance with Section 10(e) hereof.

8) WARRANTY DISCLAIMER.

a) THE LIMITED WARRANTIES AND REMEDIES CONTAINED HEREIN ARE THE EXCLUSIVE WARRANTIES AND REMEDIES OFFERED BY COMPANY. COMPANY MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, CONCERNING THE SERVICE, THE EQUIPMENT OR ITS FACILITIES, NETWORK OR SYSTEM, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, WHICH COMPANY SPECIFICALLY DISCLAIMS. If any court finds any such warranty to exist, Company's liability for any imputed breach thereof shall not exceed the proportionate charges to Customer during the month in which such imputed breach occurs.

b) Without limiting the generality of the foregoing, telecommunications services, including the Services, may be adversely affected by various conditions, including but not limited to electrical interference, terrain, weather, Acts of God or governmental authority (including limitations on the availability of telephone numbers or spectrum), equipment failure, user error and the failure of any satellite or other connecting telecommunications facilities, or circumstances beyond Company's control (each a "Force Majeure Event"). Periodic service interruptions may be necessary to perform maintenance on the networks and facilities. Company, therefore cannot and does not guarantee the availability of the Services at all times and under all circumstances, nor that all messages will be received in a timely manner. Wireless messaging services are not secure methods of transmission, and Company cannot and does not guarantee against improper actions of third parties that interfere with the privacy of messages or the integrity of the Services. Services related to databases and information content may contain inaccuracies from time to time that occur at the source or in the transmission process (including but not limited to errors in stock quotations, sports results and news reports), and Company cannot and does not guarantee the accuracy or availability of such Services. Company's prices for the Services do not include insurance for these inherent risks.

9) LIMITATION ON LIABILITY. EXCEPT FOR THE ADJUSTMENTS DESCRIBED IN SECTION 10(e) BELOW, NEITHER COMPANY NOR ANY THIRD PARTY PROVIDER THAT COMPANY HAS EMPLOYED TO PROVIDE SERVICES OR EQUIPMENT HEREUNDER SHALL BE LIABLE FOR ANY LOSS OR DAMAGE WHATSOEVER RESULTING FROM USE OF THE SERVICES AND EQUIPMENT BY CUSTOMER AND ITS SUBSCRIBERS, INCLUDING WITHOUT LIMITATION, ANY LOSS OR DAMAGE ARISING FROM ANY DELAY, LOSS OR INTERRUPTION OF THE SERVICE, OR FROM ANY MISSED OR INCOMPLETE PAGE. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY CONTAINED HEREIN, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGES OF ANY DESCRIPTION, REGARDLESS OF THE CAUSE THEREFOR, INCLUDING, WITHOUT LIMITATION, ANY ACTION ARISING IN TORT, CONTRACT OR OTHERWISE EVEN IF THE PARTY KNEW OR HAD BEEN ADVISED THEREOF.

10) BILLING, PAYMENT AND BILLING DISPUTES.

a) Prices. Customer shall pay Company for Services and Equipment on behalf of itself and all of its Subscribers in accordance with the applicable rates set forth on Exhibit A. Upon the expiration of the Initial Term, and from time to time after such expiration of the Initial Term, Company may increase the prices set forth on Exhibit A by providing Customer not less than thirty (30) days advanced written notice. The Equipment charges set forth on

Exhibit A may be increased at any time during the term of this Agreement in the event of a manufacturer price increase.

b) Taxes; Other Pass-Through Charges. Unless otherwise specifically set forth therein, the rates set forth on Exhibit A do not include: (i) taxes or similar charges imposed by any law, ordinance, regulation, order or act of any governmental agency, (ii) any charges passed on to customers by reason of contributions Company is required to make to any regulatory, governmental or quasi-governmental program, including without limitation federal and state Universal Service Funds (and any other regulatory fees), or other surcharge by any government agency; or (iii) the costs, fees and/or charges associated with the administration thereof. Customer will be responsible for paying any sales, license and use taxes, fees (including, without limitation, Universal Service Fund charges) and assessments levied by any local, state or federal government or governmental agency with respect to its purchase or lease of Services and Equipment under this Agreement. Notwithstanding anything to the contrary contained herein, Company will have the right at any time, including without limitation during the Initial Term of this Agreement, to pass through and invoice to Customer any amounts imposed by third parties such as governmental agencies, telecommunications carriers or vendors that have the effect of increasing Company's costs of providing Services and/or Equipment to Customer. If Customer is exempt from sales or other taxes, it shall provide evidence of such exemption to Company; provided, that no exemption from taxes shall eliminate Customer's obligation to pay charges associated with non-tax fees and assessments, including without limitation Universal Service Fund charges.

c) Payment Terms. Fees and charges for recurring Services, Equipment leasing and Equipment installment purchases will be invoiced to Customer monthly in advance (along with any taxes, Universal Service Fund and other regulatory charges and administrative charges applicable to or assessed against such Services and Equipment, and sums carried forward). Overcalls and other non-recurring fees, if any, for the month shall appear on the subsequent month's invoice. All Equipment purchases (other than installment purchases) will be invoiced upon delivery. Company shall submit invoices to the Contract Administrator. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County 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 from Company. COMPANY MAY TEMPORARILY SUSPEND OR PERMANENTLY TERMINATE THE SERVICES TO CUSTOMER AND SUBSCRIBERS IF CUSTOMER DOES NOT PAY INVOICES WITHIN SUCH THIRTY (30) DAY PERIOD.

d) Disputed Invoices. If Customer wishes to contest an Company invoice, Customer will give written notice to Company within ninety (90) days after the date of each such invoice, setting forth the amount in dispute and the reasons therefore (a "*Dispute Notice*"); provided, however, that Customer may not withhold any undisputed amounts from payment during such dispute. If the dispute is resolved in Customer's favor, a credit in the amount of any overcharge will be made to Customer's account. All invoices for which a Dispute Notice is not delivered to Company within the time period set forth in this Section 10(d) shall be deemed conclusively accepted and all of Customer's claims deemed waived.

e) Credit For Service Interruption. In the event that Service is interrupted, subject to Sections 8 and 9, Customer's sole and exclusive remedy shall be the *pro rata* adjustment to the fixed monthly charges for Service (an "*Adjustment*"); provided that if an interruption does not impact all of Customer's Equipment, an Adjustment under this Section shall only be assessed against the *pro rata* monthly charge applicable to the affected Equipment. Notwithstanding the foregoing, an Adjustment shall only be made (i) for interruptions of more

than thirty-six (36) consecutive hours in duration and (ii) from the time Company receives notice from Customer of such interruption until the termination of such interruption. Such notice may be given by telephone and confirmed by facsimile transmission. Company shall not be obligated to make an Adjustment in the event that the interruption is caused by (i) Customer, Subscriber or any person using Customer's Equipment, including, among other things, (a) failure to comply with the Equipment's operating instructions or (b) any breach hereunder, (ii) any Force Majeure Event, (iii) scheduled outages or similar activities reasonably necessary or appropriate for the proper or improved operations of the Company, (iv) the Equipment, or (v) signal or coverage limitations.

11) **COMPANY'S OPERATING PROCEDURES.** Service shall be provided in compliance with the Operating Procedures attached hereto as Exhibit B, which are attached hereto and incorporated herein. Customer acknowledges that it has read and agrees to comply with the Operating Procedures.

12) **EVENTS OF DEFAULT; TERMINATION.**

a) **Termination after the Initial Term.** Either party may terminate this Agreement at any time after the Initial Term, for any reason or no reason, by notice given in accordance with Section 16(a) hereof, which notice must be received by the other no less than thirty (30) days prior to date on which such termination is to become effective; provided, however, that Customer shall continue to be billed for all leased Equipment in Customer's possession until the same is returned or the replacement value thereof is paid, in accordance with Section 6(b). If Customer (i) provides a termination notice specifying an effective date less than thirty (30) days following the notice, or (ii) returns all Equipment in Customer's possession with or without formal notice of termination, Company will bill Customer for, and Customer shall be liable to pay, all charges up through the thirtieth (30th) day following the occurrence described in (i) or (ii).

b) **Partial Termination.** Customer may terminate service on one or more, but less than all, units under Customer's account upon thirty days' prior written notice, subject to the terms of Section 3 hereof; provided, however, that during the Initial Term, the Early Termination Fee attributable to such cancelled units pursuant to Section 2 and Exhibit A shall apply.

c) **Events of Default of Customer.** Any of the events described below will be considered an event of default of Customer:

(i) **Nonpayment.** Failure by Customer to pay all amounts due Company under this Agreement when due.

(ii) **Misuse of Services.** Customer or any Subscriber has used the Services in violation of Section 4 above.

(iii) **Other Breaches.** Customer or any Subscriber has breached any material term or condition of this Agreement (other than as set forth in Sections 12(c)(i) and (ii) above) and such breach is not curable or if curable, has not been cured within thirty (30) days after written notice of such breach (specifying in reasonable detail the nature of such breach) from Company.

d) **Events of Default of Company.** Company will be in default of this Agreement if it has breached any material term or condition of this Agreement and such breach is not curable or if curable, has not been cured within forty-five (45) days after written notice of such breach (specifying in reasonable detail the nature of such breach) from Customer. Company

will not be considered to be in default if it is unable to provide the Services or Equipment by reason of a Force Majeure Event or under any other circumstance identified in Section 8.

e) **Termination for Default.** Either party may send a notice of termination to the other, which notice will specify the event of default and the effective date of the termination. The effective date of such termination will be a date which is not sooner than the last day of the cure period with respect to any event of default as to which this Agreement contains a cure period. With respect to any monetary default, the termination notice will be effective no sooner than five (5) calendar days after the date of such notice; provided, however, that if Customer is provided with a notice of default for non-payment twice during the term of this Agreement, then Company shall have the right to terminate this Agreement, without further notice or any right to cure, immediately upon the occurrence of a third or any subsequent failure to pay when due any amount which is owing under this Agreement. With respect to any default under Section 12(c)(ii) above, Company may terminate this Agreement, or the Services of the affected Subscribers, immediately, and without notice or opportunity to cure.

13) Indemnification BY COMPANY

13.1. **Bodily Injury, Death or Damage to Tangible Personal Property.** Company will defend at its own expense any action against Customer brought by a third party claiming damages for bodily injury, death or damage to tangible personal property to the extent arising directly from Company's gross negligence or willful misconduct in its performance of this Agreement, and Company will pay those costs and damages finally awarded against Customer in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action. Notwithstanding the foregoing, Company will not be obligated to defend such actions or pay such costs or damages for any claims arising out of the failure to deliver any message or any error in any message it being expressly understood and agreed that the sole and exclusive remedy for any such failure shall be the service credits provided for in this Agreement.

13.2. **Intellectual Property.** Company will defend at its own expense any action against Customer brought by a third party to the extent that the action is based upon a claim that the Service directly infringes any U.S. copyright or mask work, any U.S. patent, or misappropriates any trade secret recognized as such under the Uniform Trade Secret law, and Company will pay those costs and damages finally awarded against Customer in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action.

13.2.1. **Company's Options.** If the Service becomes, or in Company's opinion is likely to become, the subject of an infringement or misappropriation claim, Company may, at its option and expense, either (a) procure for Customer the right to continue using the Service, (b) replace or modify the Service so that it becomes non-infringing, or (c) terminate Customer's right to use the Service and give Customer a refund or credit for the fees actually paid by Customer to Company for the Service for periods after the date the Service is terminated.

13.2.2. **Limitations.** Notwithstanding the foregoing, Company will not be obligated to indemnify Customer to the extent that an infringement or misappropriation claim is based upon (i) any modification of the Service by or on behalf of Customer (including modification made by Company to meet functional or other specifications provided or requested by or on behalf of Customer, (ii) use of the Service in combination with other products or services not supplied by Company if such infringement or misappropriation would not have occurred but for such combined use, (iii) use of any portion of the Service that is updateable software or firmware unless such software or firmware is the most current release made available to Customer, if the most current release was furnished to Customer specifically to avoid such infringement or misappropriation and if such

infringement or misappropriation would have been avoided by use of the most current release, and (iv) use of the Service after Company gives Customer reasonable notice of the infringement and the opportunity to discontinue use of the Service without payment of any applicable early termination fees and a Pro Rata Refund with respect to any software or hardware purchased by Customer from Company that is no longer useful as a result of such discontinuance.

13.2.3. **Exclusive Remedy.** This Section 13.2 above states the entire liability and obligations of Company as well as the exclusive remedy of Customer with respect to any actual or alleged infringement in whole or in part of any intellectual property right by the Service.

13.3. **Customer's Obligations.** Company's obligations under Sections 13.1 and 13.2 above with respect to an action are conditioned on (a) Customer notifying Company promptly in writing of such action, (b) Customer giving Company sole control of the defense thereof together with any related settlement negotiations and settlement, (c) Customer cooperating with Company in such defense (including, without limitation, by making available to Company all documents and information in Customer's possession or control that are relevant to the claims, and by making Customer's personnel available to testify or consult with Company or its attorneys in connection with such defense), and (d) except as required by law, Customer not by any act, including but not limited to any admission or acknowledgement, materially prejudicing Company's ability to satisfactorily defend or settle the claim. If Customer performs its obligations under this Section 13 in all material respects and Company fails to perform its obligations under Sections 13.1 and 13.2, then Customer may take commercially reasonable steps to defend and settle the action and Company shall be obligated to reimburse Customer for all expenses so incurred (including attorneys fees and costs).

14) Indemnification BY CUSTOMER

14.1. **Bodily Injury, Death or Damage to Tangible Personal Property, Use of Service.** Customer will defend at its own expense any action against Company brought by a third party claiming damages for bodily injury, death or damage to tangible personal property to the extent arising directly from Customer's gross negligence or willful misconduct in its performance of this Agreement or, except to the extent Company is obligated to indemnify Customer pursuant to Section 13, making any claim arising out of use of the Service or any Company supplied equipment or software, and Customer will pay those costs and damages finally awarded against Company in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action.

14.2. **Company's Obligations.** Customer's obligations under Section 14.1 above with respect to an action are conditioned on (a) Company notifying Customer promptly in writing of such action, (b) Company giving Customer sole control of the defense thereof together with any related settlement negotiations and settlement, (c) Company cooperating with Customer in such defense (including, without limitation, by making available to Customer all documents and information in Company's possession or control that are relevant to the claims, and by making Company's personnel available to testify or consult with Customer or its attorneys in connection with such defense), and (d) except as required by law, Company not by any act, including but not limited to any admission or acknowledgement, materially prejudicing Customer's ability to satisfactorily defend or settle the claim. If Company performs its obligations under this Section 14.2 in all material respects and Customer fails to perform its obligations under Section 14.1, then Company may take commercially reasonable steps to defend and settle the action and Customer shall be obligated to reimburse Company for all expenses so incurred (including attorneys fees and costs).

15. INSURANCE.

15.1 Evidence of Coverage:

Prior to commencement of this Agreement, the COMPANY 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..

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The COMPANY 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 Company.

15.2 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.

15.3 Insurance Coverage Requirements: Without limiting Company's duty to indemnify, COMPANY 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 Companys, 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 COMPANY 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 COMPANY 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).

15.4 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 COMPANY completes its performance of services under this Agreement.

Each policy shall provide coverage for COMPANY 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 Company'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 Company'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, COMPANY shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the COMPANY has in effect the insurance required by this Agreement. The COMPANY 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.

COMPANY 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 COMPANY and COMPANY shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by COMPANY to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

16) **NATURE OF RELATIONSHIP.** Nothing contained in this Agreement shall constitute either party as agent and principal, partner, joint venture or employer and employee of the other. Moreover, neither party has the authority to act on behalf of the other or otherwise bind the other in any manner.

17) **NOTICES.**

a) Any notice, request, instruction, legal process, or other document, other than with respect to the delivery of invoices and/or payments of invoices or as otherwise set forth in Section 10(e), to be given or made hereunder shall be served in the following manner:

If given to Company, notice shall be addressed to Company at the following address:

USA Mobility Wireless, Inc.
Attn: COO
6677 Richmond Highway
Alexandria, VA 22306

With a copy (which shall not constitute notice)
to:
USA Mobility Wireless, Inc.
3000 Technology Blvd, Suite 400
Plano TX 75074

If given to Customer, notice shall be addressed to Customer at the following address:

Natividad Medical Center
1441 Constitution Blvd
Salinas CA 93906

All such notices may be served by personal delivery, registered or certified U.S. mail or by any regular delivery service that provides receipt and evidence of delivery. Notices shall be deemed given two (2) days after the date of registration or certification with the U.S. Postal Service or on the date of actual delivery as stated on the receipt of delivery. Either party may change its address for notice purposes in the manner provided in this Agreement.

b) All invoices shall be addressed to Customer at the following address:

Natividad Medical Center
1441 Constitution Blvd
Salinas CA 93906

Invoices may be served by personal delivery, U.S. mail, or by any regular delivery service that provides receipt and evidence of delivery. Invoices shall be deemed delivered upon the earlier of (i) four (4) days from the date of mailing if sent by U.S. mail, or (ii) the earliest of the date of (X) actual delivery, or (Y) refusal to accept delivery, if served by any other method.

c) All payments to be given or made hereunder shall be addressed to Company at the following address:

USA Mobility Wireless, Inc.
PO Box 660770
Dallas TX 75266-0770

All payments shall be deemed delivered on the date of actual delivery.

d) Customer hereby agrees and consents to Company contacting Customer by e-mail or via one or more of Customer's units of Equipment regarding Service suspensions, interruptions or modifications, and/or other information regarding Customer's account; provided that notices of breach, legal process, and invoices shall be sent to Customer in accordance with the other provisions of this Section 16.

18) **ASSIGNMENT.** This Agreement is not assignable or delegable by either party without the prior written consent of the other. Notwithstanding the foregoing, Company may assign or delegate its rights and obligations hereunder, without the written consent of Customer, to any affiliate, direct or indirect parent or subsidiary, or successor to its business (of whatever nature).

19) **FORCE MAJEURE.** Except for Customer payment obligations hereunder, operation of this Agreement shall be suspended during any period where a party's failure or delay in performance is the result of any Force Majeure Event.

20) **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of California (without giving effect to its choice of law provisions) applicable to agreements entered into and to be wholly performed within the State of California by residents of such State.

21) **RESOLUTION OF DISPUTES.**

a) The parties agree that no court shall have jurisdiction over any dispute between the parties unless they agree in writing or they have pursued alternative methods of dispute resolution as set forth in this Section. The sole exceptions will be (i) situations of insolvency or bankruptcy where the other party may fairly be said no longer to have freedom to resolve claims or (ii) disputes concerning the confidentiality and intellectual property provisions hereof or other cases where a party is entitled to immediate equitable relief other than specific performance of the contract terms.

b) In the event either party has a dispute with the other, that party shall give written notice of that dispute to the other and propose a time and place, no later than 7 days thereafter, for a discussion to try to resolve it. Discussions will continue as the parties are available for no less than 30 days and longer if the parties agree to extend the time.

c) If the dispute cannot be resolved by discussion, the parties agree to submit it to a nationally known alternative dispute resolution organization with offices in Washington D.C. The first choice will be JAMS Endispute, but if that organization is unavailable for some reason the party raising the issue may select any other qualifying agency. The matter will first be submitted to nonbinding mediation in accordance with the rules of that organization, and mediation will be pursued by both parties in good faith until the mediator declares that the dispute cannot be resolved by that means. Within 7 days of the mediator's determination that the dispute cannot be resolved by mediation, either party may request that the same organization conduct an arbitration of the dispute, in accordance with its rules. If such a request is made, the parties will pursue arbitration according to the organization's rules, with the proviso that there will be only one arbitrator selected. The arbitrator's decision will be enforceable in any court of competent jurisdiction in accordance with applicable law.

d) If the parties for some reason are permitted or required to take a dispute to court, they shall proceed only in the U.S. Federal District Court in San Jose, California or a state court of competent jurisdiction in Monterey County, California.

e) The parties may at any time agree that this alternative dispute resolution provision will not apply to a dispute and that the matter may be resolved by the U.S. Federal District Court in San Jose, California or a state court of competent jurisdiction in Monterey County, California.

22) CONFIDENTIALITY.

a) **Confidentiality.** Each party acknowledges that during the term of this Agreement it may receive information relating to the present or future business operations of the other party or other non-public information that may reasonably be deemed confidential or proprietary. Such information, together with the prices, terms and conditions of this Agreement, is "*Confidential Information.*" Notwithstanding the above, "Confidential Information" will not include information that: (i) is or becomes generally known or available to the public through no act of the receiving party in violation of this Agreement; (ii) was known by the receiving party at the time of disclosure by the disclosing party; (iii) is independently developed by the receiving party without use of the disclosing party's Confidential Information; or (iv) is lawfully obtained from a third person who has the right to make such disclosure. Each party will use the same precautions to safeguard the Confidential Information of the other as it uses for its own confidential information (but in no event less than reasonable care) and neither party will use the other's Confidential Information for purposes other than those necessary to further the purposes of this Agreement. Neither party will disclose to third persons the other's Confidential Information without the prior written consent of the other party, unless required under applicable law, rule or regulation, or pursuant to the order of any court or governmental entity or legal process of any governmental entity.

b) **Customer Information.** "Customer Proprietary Network Information" or "CPNI" is information that relates to the quantity, technical configuration, type, destination, and location of, and amount Customer uses, the telecommunications service to which Customer subscribes, and that is made available to Company by Customer solely by virtue of the carrier-customer relationship. It does not include information such as name, telephone, number, address or advertising classification; that is, the kind of information that appears in a telephone book. Company can use CPNI without Customer's consent to do any of the following:

(i) provide Customer with the services it ordered and bill Customer for them;

(ii) protect Company's rights or property, or to protect our other users and other carriers from fraudulent, abusive, or unlawful use of, or subscription to, Company's services;

(iii) market service offerings to Customer in the same category of services (i.e., wireless services) to which you subscribe;

(iv) provide Customer with paging units or other equipment to be used in providing services to Customer, and provide maintenance and repair services to that equipment;

(v) provide Customer with information services, such as the news feeds that Customer can receive over its paging unit(s); and/or

(v) comply with law or legal process (such as a warrant or subpoena).

Company does not otherwise access or use CPNI, or share CPNI with third parties. Other than for the foregoing purposes, under the rules of the FCC, Customer has rights to restrict the use of, disclosure of, and access to its CPNI. Consequently, if in the future Company wishes to use or access Customer's CPNI for purposes other than those described in this Section 20(b), or disclose it to third parties, it will give Customer written or electronic (i.e., e-mail) notice of the type of use or disclosure it wishes to make of CPNI, explaining Customer's rights to "opt in" or "opt out" of such use or disclosure. BY SIGNING THIS AGREEMENT, CUSTOMER AGREES TO COMPANY PROVIDING CUSTOMER WITH NOTICE REGARDING CPNI VIA E-MAIL.

c) The terms and conditions of Section 21(a) shall survive the expiration or earlier termination of this Agreement for a period of two (2) years.

23) **SIGNATURE AUTHORITY.** The individuals signing below on behalf of the contracting parties respectively warrant that they are properly and duly authorized to so sign and obligate their respective employers/principals. Upon execution of this Agreement, each party shall have the right to rely on such warranty and may rely on the apparent authority in asserting its rights hereunder and its fulfillment of its obligations hereunder.

24) **ENTIRE AGREEMENT.** This Agreement, along with the Exhibits and Attachments hereto, represents the entire agreement with respect to the subject matter hereof and supersedes all prior discussions and agreements between the parties relating to the subject matter hereof. This Agreement may be modified only by a written amendment duly signed by persons authorized to sign agreements on behalf of both parties, and shall not be supplemented or modified by any course of dealing or trade usage, other than as specified herein. Variance from or addition to the terms and conditions of this Agreement by any purchase order, or other written notification, shall be of no effect.

25) **SEVERABILITY; AMENDMENT.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable, such provision will be enforced to the maximum extent permissible so as to effect the intent of the parties, and the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired thereby. In the event of a change in applicable law, including without limitation, the rules, regulations or policies of the FCC, that impacts the provision of the Services or the agreed-upon conduct of the parties, this Agreement shall be amended to conform to the requirements of such applicable law. If a change in applicable law substantially deprives a party of its rights or benefits under this Agreement, or makes such party's performance materially more difficult or costly, then such party may terminate this Agreement upon thirty (30) days' prior written notice to the other.

26) **SURVIVAL.** Any obligations and duties that by their nature are intended to extend beyond the expiration or earlier termination of this Agreement (including, by way of example and not limitation, the provisions regarding indemnification, limitation of liability and choice of law) shall survive any such expiration or termination and remain in effect as necessary or appropriate to fulfill such obligations or duties in accordance with such terms.

27) **WAIVER.** No delay or failure by either party in exercising any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that right or any other right. Failure by either party to enforce any right under this Agreement will not be deemed a waiver of future enforcement of that or any other right.

28) **NO THIRD PARTY BENEFICIARIES.** This Agreement shall inure solely to the benefit of Company and Customer. There are no third party beneficiaries to this Agreement or the Services and Equipment provided hereunder, including but not limited to any Subscriber or family member of such Subscriber.

29) **INTELLECTUAL PROPERTY.** All intellectual property (copyrights, patents, trade secrets, confidential and proprietary information, license rights and the like) included in any of the Services or Equipment provided by Company under this Agreement ("*Intellectual Property*") shall remain the sole and exclusive property of Company and its licensors and shall be subject to the standard end-user license agreements of Company and/or its licensors for such Intellectual Property. To the extent that no separate end-user license agreement is required, USA Mobility Wireless, Inc. hereby grants to Customer and its Subscribers a non-exclusive, royalty-free license (or sublicense, as the case may be), for the Term hereof and in the service area in which Customer subscribes to the Service, to use, perform, and display the Intellectual Property contained in the Service and Equipment, solely for the purposes of receiving and using such Service and Equipment. Any such license rights shall automatically terminate immediately upon the termination or expiration of this Agreement. In no event shall Customer (a) rent, lease, or loan the Intellectual Property; (b) electronically transmit the Intellectual Property over a network except as necessary for Customer's licensed use of the Intellectual Property; (c) use run-time versions of third-party products embedded in the Intellectual Property, if any, for any use other than the intended use of the Intellectual Property; (d) modify, disassemble, decompile, or reverse engineer the Intellectual Property; (e) transfer possession of any copy of the Intellectual Property to another party, except as expressly permitted herein; (f) make any copies of the Intellectual Property, except for one (1) copy for archival purposes, subject to the terms of an applicable end-user license agreement; or (g) use the Intellectual Property in any way not expressly provided for in this Agreement. There are no implied licenses and Customer agrees not to exceed the scope of the written licenses granted.

b) Without limiting the generality of the foregoing, nothing contained in this Agreement shall be deemed to confer upon Customer any right to use in advertising, publicity, marketing activities or otherwise any name, trademark, service mark or other designation of Company or its affiliates, including any contraction, abbreviation or simulation of any of the foregoing, without the prior written consent of Company.

30) **CONSTRUCTION.** This Agreement is to be construed fairly in accordance with its terms. In no event shall this Agreement be interpreted strictly against either party by reason of any rule of construction holding that contractual provisions are to be construed against the party drafting the same. Section headings in this Agreement are for convenience of reference only, and shall not affect the interpretation of any provision hereof. Unless context clearly requires otherwise, the singular of any term shall include the plural and vice versa, and terms of either gender shall include the other or the neuter.

31) **REMEDIES CUMULATIVE.** All remedies under this Agreement, at law or in equity, or otherwise afforded to Company, shall be cumulative and not alternative.

32) **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed an original and both of which shall be deemed one and the same agreement.

33) **NON-DISCRIMINATION.** During the performance of this Agreement, Company, 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 Company's employment practices or in the furnishing of services to recipients. COMPANY 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. COMPANY 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.

34) **CONFLICT OF INTEREST.** COMPANY 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.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed by a person with full power and authority to bind such party on the day and year first written above.

USA Mobility Wireless, Inc.
(Company)

County of Monterey
(Customer)

By: *Daniel J. Brosey*
Name: DANIEL J. BROSEY
Title: VP, MARKETING
Date: APRIL 19, 2010

By: *[Signature]*
Name: *Harry W. [unclear]*
Title: CEO
Date: 5/19/10

Reviewed as to fiscal provisions

[Signature]
Auditor/Controller
County of Monterey
5-19-10

APPROVED AS TO FORM AND LEGALITY

[Signature] 5/19/10
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY

[Signature]
5/26/10

USA Mobility Processing Information Only

Account Number: 3264045
Group ID:

SCOPE OF SERVICES AND PRICING - Monthly Service Rates

Service Type	Usage	Tier 1
Local Numeric	*500 msgs/0.25	\$4.95
Local Alphanumeric	*500 msgs/0.25	\$6.95
PageSync	*500 msgs/0.25	\$9.95
2way Nationwide	25,000/ 0.0007	\$20.90

Note: group capcodes will be billed at the monthly service rates above. * Pooled Call Plans.

Extended Coverage Options		Extended Usage Options	
Additional Coverage (One-way)		Additional Usage (One-way)	
Statewide (CA/FL/NY/OH/PA/TX)	\$1.00	1000 msgs/0.25	\$ 0.99
Two States	\$1.00	3000 msgs/0.25	\$ 1.99
Three States	\$1.00	5000 msgs/0.25	\$ 2.99
Four States	\$4.50	Additional Usage (Two-way)	
Regional	\$9.00	75,000/0.0006	\$ 7.00
Nationwide	\$17.00	250,000/0.0005	\$ 12.00
Nationwide + Canada	\$15.95		
Additional Coverage (Two-way)			
Nationwide + Canada	\$19.95		

Features	Price
Personal 800#	\$4.00
Additional Phone #	\$1.00
CellText (SMS)	\$4.95
MyAlias (Vanity - john.doe@usamobility.net)	\$4.95
Voicemail	MP1 - \$4.00 MP2 - \$3.00 MP4 - \$2.00
Operator Dispatch (30 Messages)	\$7.50
WeatherBug	\$1.99 - Standard \$2.99 - Plus
Message Carbon Copy (MCC)	\$4.95
MultiMessenger Group Leader (WME Group)	\$15.95 1 - 20 members \$18.95 21 - 40 members \$22.95 41 - 60 members \$25.95 61 - 99 members
PageSync Redundant Pager Fee	\$2.00

Other Services	Price
Notify@Once	\$2.00 Receive or Send only \$4.00 Receive and Send \$10.00 Administrator
Fees/Surcharges	Price
Shipping - per shipment	Market Rate, subject to change
Late Fee	1.5%
Administrative Fee	\$3.00 - per account
Universal Service Fund	1.386% - subject to change quarterly
Regulatory Administrative Cost	\$0.25 per device
Connect Fee	\$10.00 per activation
PageSync Access License - per device	\$59.99 - one time charge
Notify@Once Activation fee	\$2.00 - per device

Equipment Model	Spares	Protection/Maintenance	Deductible	W/out Deductible

Numeric	\$2.00	\$1.00	\$10.00	\$39.00
Alphanumeric	\$4.00	\$2.00	\$20.00	\$69.00
2way	\$10.00	\$2.00	\$99.00	\$149.00

Account will receive 3% numeric and alphanumeric spare devices. All excess devices and all 2way spare devices will be billed at the above listed rates.

EXHIBIT B

COMPANY OPERATING PROCEDURES

I. SERVICE/BILLING REQUESTS

All requests (i.e., service on existing units, adding units, disconnecting units, billing, etc.) must be communicated directly to the CUSTOMER SERVICE CENTER.

II. DISCONNECTS

All returned Equipment requires a thirty (30) day disconnect notice. Please provide Company with this written thirty (30) day notice, indicating the following:

- device telephone number
- cap code
- serial number
- requested disconnect date
- reason for return

Note that in the event Equipment is returned to Company without, or after expiration of, the thirty (30) day notice, Company will bill that account through the period ending an additional thirty (30) days after Company's receipt of the Equipment.

All Equipment for which Company receives a disconnect notice will be "lost billed" (ENR - Equipment Not Returned or Lost) until the unit is returned to Company. When the units are returned, Company will credit the account for the amount paid by the Customer (Equipment Returned or Found).

III. REPLACEMENTS

All Equipment for which replacements are sent will be "lost billed" (ENR - Equipment Not Returned or Lost) until the unit is returned to Company. If any units are returned after the account has been "lost billed", Company will credit the account for the amount paid by the Customer (Equipment Returned or Found).

IV. POOLING OF USAGE PLANS

Usage plans may be pooled based on the following:

- Pooling is by billable account, service type and usage plan

Example: Account with 100 numeric on 500 message plan, 200 Alpha on 500-message plan and 100 alphas on 1,000 message plan. The numeric devices will share 50,000 messages, the alpha users on the 500-message plan will share 100,000 messages, and the alphas on the 1,000-message plan will share 100,000 messages

V. SHIPPING/MAILING ADDRESSES

Disconnected/replaced Equipment should be shipped to the following address:

2800 Technology Drive
Suite 200
Plano, Texas 75074



CERTIFICATE OF LIABILITY INSURANCE Page 1 of 1

DATE (MM/DD/YYYY)
03/12/2012

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 Willis of Maryland, Inc. (Columbia) 10420 Little Patuxent Pkw Columbia, MD 21044	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com
	INSURER(S) AFFORDING COVERAGE
	INSURER A: Phoenix Insurance Company NAIC # 25623-001
	INSURER B: Travelers Property Casualty Company of Am 25674-001 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER: 17521552** **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	ADD'L SUBS INSRD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC		6606351P889	3/15/2012	3/15/2013	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
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$		AOS 8106357P600	3/15/2012	3/15/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	UB8551P729	3/15/2012	3/15/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, If more space is required)
 County of Monterey, its officers, agents, and employees are included as Additional Insureds with regards to General Liability and Automobile Liability as required by written contract or written agreement.

General Liability and Automobile Liability coverages are primary non contributory with regards to the operations of USA Mobility, Inc. as required by written contract or written agreement.

CERTIFICATE HOLDER **CANCELLATION**

Natividad Medical Center Attn: Sid Cato 1441 Constitution Blvd Salinas, CA 93906	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 
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2., 3. and 5. of the Cancellation Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to you written notice of cancellation, stating the reason for cancellation, at least:
 - a. 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 45 days before the effective date of cancellation if we cancel for any other reason.

3. We will send written notice by registered or certified mail or deliver written notice to your last mailing address known to us.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium.

- a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is cancelled:
 - (1) At our request;
 - (2) Because you no longer have a financial or insurable interest in the property or business operation that is the subject of insurance;
 - (3) And rewritten by us or a member of our company group; or

(4) After the first year, if it is a prepaid policy written for a term of more than one year.

b. When this policy is cancelled at your request (except when Paragraph a.(2), a.(3) or a.(4) applies), we will return 80% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years. In addition, earned premium will not be less than our policywriting minimum premium.

B. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

1. If we elect not to renew this policy, we will mail or deliver a notice of nonrenewal to you, stating the reason for nonrenewal, at least:
 - a. 15 days before the expiration date if the nonrenewal is due to nonpayment of premium; or
 - b. 45 days before the expiration date if the nonrenewal is for any other reason.
2. We will send written notice by registered or certified mail or deliver written notice of nonrenewal to your last mailing address known to us.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TECHNOLOGY XTEND ENDORSEMENT – VIRGINIA

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Reasonable Force Property Damage – Exception To Expected Or Intended Injury Exclusion
- B. Non-Owned Watercraft Less Than 75 Feet
- C. Aircraft Chartered With Pilot
- D. Damage To Premises Rented To You
- E. Increased Supplementary Payments
- F. Who Is An Insured – Employees And Volunteer Workers – First Aid
- G. Who Is An Insured – Employees – Supervisory Positions
- H. Who Is An Insured – Newly Acquired Or Formed Organizations
- I. Blanket Additional Insured – Owners, Managers Or Lessors Of Premises
- J. Blanket Additional Insured – Lessors Of Leased Equipment
- K. Blanket Additional Insured – Persons Or Organizations For Your Ongoing Operations As Required By Written Contract Or Agreement
- L. Blanket Additional Insured – Broad Form Vendors
- M. Who Is An Insured – Unnamed Subsidiaries
- N. Who Is An Insured – Liability For Conduct Of Unnamed Partnerships Or Joint Ventures
- O. Contractual Liability – Railroads
- P. Knowledge And Notice Of Occurrence Or Offense
- Q. Unintentional Omission
- R. Blanket Waiver Of Subrogation

PROVISIONS

A. REASONABLE FORCE PROPERTY DAMAGE – EXCEPTION TO EXPECTED OR INTENDED INJURY EXCLUSION

The following replaces Exclusion a., **Expected Or Intended Injury**, in Paragraph 2., of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

- a. **Expected Or Intended Injury Or Damage**
 "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect any person or property.

B. NON-OWNED WATERCRAFT LESS THAN 75 FEET

The following replaces Paragraph (2) of Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

- (2) A watercraft you do not own that is:
 - (a) Less than 75 feet long; and
 - (b) Not being used to carry any person or property for a charge.

C. AIRCRAFT CHARTERED WITH PILOT

The following is added to Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:



COMMERCIAL GENERAL LIABILITY

BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

This exclusion does not apply to an aircraft that is:

- (a) Chartered with a pilot to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

D. DAMAGE TO PREMISES RENTED TO YOU:

- 1. The first paragraph of the exceptions in Exclusion j., **Damage To Property**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted.
- 2. The following replaces the last paragraph of Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Exclusions c., g. and h., and Paragraphs (1), (3) and (4) of Exclusion j., do not apply to "premises damage". Exclusion f.(1)(a) does not apply to "premises damage" caused by fire unless Exclusion f. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by another endorsement to this Coverage Part that has Exclusion – All Pollution Injury Or Damage or Total Pollution Exclusion in its title. A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

- 3. The following replaces Paragraph 6. of **SECTION III – LIMITS OF INSURANCE:**
- 6. Subject to 5. above, the **Damage To Premises Rented To You Limit** is the most we will pay under Coverage A for damages because of "premises damage" to any one premises.

The **Damage To Premises Rented To You Limit** will be:

- a. The amount shown for the **Damage To Premises Rented To You Limit** on the Declarations of this Coverage Part; or
- b. \$100,000 if no amount is shown for the **Damage To Premises Rented To You Limit** on the Declarations of this Coverage Part.

- 4. The following replaces Paragraph a. of the definition of "insured contract" in the **DEFINITIONS** Section:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";

- 5. The following is added to the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

- 6. The following replaces Paragraph 4.b.(1)(b) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

- (b) That is insurance for "premises damage"; or

- 7. Paragraph 4.b.(1)(c) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted.

E. INCREASED SUPPLEMENTARY PAYMENTS

- 1. The following replaces Paragraph 1.b. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES:**

- b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- 2. The following replaces Paragraph 1.d. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES:**

- d. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up

to \$500 a day because of time off from work.

F. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – FIRST AID

1. The following is added to the definition of "occurrence" in the **DEFINITIONS** Section:

Unless you are in the business or occupation of providing professional health care services, "occurrence" also means an act or omission committed by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor, in providing or failing to provide first aid or "Good Samaritan services" to a person.

2. The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any of your "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following is added to Paragraph 5. of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed by any of your "employees" or "volunteer workers" in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following is added to the **DEFINITIONS** Section:

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

G. WHO IS AN INSURED – EMPLOYEES – SUPERVISORY POSITIONS

The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" or "personal injury" to a co-"employee" in the course of the co-"employee's" employment by you arising out of work by any of your "employees" who hold a supervisory position.

H. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following replaces Paragraph 4. of **SECTION II – WHO IS AN INSURED** and applies instead of Provision B. of the Virginia Changes endorsement:

4. Any organization you newly acquire or form, other than a partnership or joint venture, of which you are the sole owner or in which you maintain the majority ownership interest, will qualify as an insured if there is no other insurance which provides similar coverage to that organization. However:

a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it, and we agree in writing that it will continue to be a Named Insured until the end of the policy period;

b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.



COMMERCIAL GENERAL LIABILITY

I. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a premises owner, manager or lessor is an insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor does not apply to:

- a. Any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
- b. Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.

J. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is an equipment lessor is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by your acts or omissions in the maintenance, operation or use by you of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.

K. BLANKET ADDITIONAL INSURED – PERSONS OR ORGANIZATIONS FOR YOUR ONGOING OPERATIONS AS REQUIRED BY WRITTEN CONTRACT OR AGREEMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is not otherwise an insured under this Coverage Part and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Is caused by an "occurrence" that takes place after you have signed and executed that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the performance of your ongoing operations to which that contract or agreement applies or the acts or omissions of any person or organization performing such operations on your behalf.

The limits of insurance provided to such insured will be the limits which you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

L. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Is caused by an "occurrence" that takes place after you have signed and executed that contract or agreement; and
- b. Arises out of "your products" which are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such vendor does not apply to:
 - (1) Any express warranty not authorized by you;
 - (2) Any change in "your products" made by such vendor;
 - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors

agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";

- (5) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or
- (6) "Your products" which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

M. WHO IS AN INSURED - UNNAMED SUBSIDIARIES

The following is added to **SECTION II - WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is an insured if:

- a. You maintain an ownership interest of more than 50% in such subsidiary on the first day of the policy period; and
- b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal injury" or "advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

N. WHO IS AN INSURED - LIABILITY FOR CONDUCT OF UNNAMED PARTNERSHIPS OR JOINT VENTURES

The following replaces the last paragraph of **SECTION II - WHO IS AN INSURED**:

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership or joint venture that otherwise qualifies as an insured under **Section II - Who Is An Insured**.

O. CONTRACTUAL LIABILITY - RAILROADS

1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:

c. Any basement or license agreement;

2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

P. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., **Duties In The Event of Occurrence, Offense, Claim or Suit, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II - Who Is An Insured:

(1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your trustees who is an individual (if you are a trust), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, limited liability company or trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.

(2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:



COMMERCIAL GENERAL LIABILITY

- (a) Any individual who is:
- (i) A partner or member of any partnership or joint venture;
 - (ii) A manager of any limited liability company;
 - (iii) A trustee of any trust; or
 - (iv) An executive officer or director of any other organization;
- that is your partner, joint venture member, manager or trustee; or
- (b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.

- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or es-

cape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

Q. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., Representations, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

R. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" caused by an "occurrence" that takes place; or
- b. "Personal injury" or "advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.