

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. A-10268

- a. Approve the Professional Services Agreement with Cascade Software Systems, Inc. in an amount not to exceed \$42,000 to provide maintenance services and program modifications for a specialized Windows-based Cost Accounting Management System; and)
- b. Authorize the Public Works Director to execute the Professional Services Agreement and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.....)

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

- a. Approves the Professional Services Agreement with Cascade Software Systems, Inc. in an amount not to exceed \$42,000 to provide maintenance services and program modifications for a specialized Windows-based Cost Accounting Management System; and
- b. Authorizes the Public Works Director to execute the Professional Services Agreement and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

PASSED AND ADOPTED this 13th day of September, 2005, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Lindley, Smith, Potter
 NOES: None
 ABSENT: None

I, Lew C. Bauman, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 72, on September 13, 2005.

Lew C. Bauman, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By Carrie Wilkinson
Carrie Wilkinson, Deputy

cc: Sarah LoGuidice; Teresa Ruvalcaba

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(MORE THAN \$25,000)*

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and Cascade Software Systems, Inc.

(hereinafter "CONTRACTOR").

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

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows: Provide Maintenance & modifications to the Cost Accounting Systems - WINCAMS for Public Works & Planning & Building Inspection.
2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 42,000.00.
3. **TERM OF AGREEMENT.** The term of this Agreement is from July 1, 2005 to June 30, 2006, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.
4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

5. **PERFORMANCE STANDARDS.**

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

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

*Approved by County Board of Supervisors on _____

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

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. 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.

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

7. TERMINATION.

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

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

8. **INDEMNIFICATION.** CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.01. Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

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

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

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

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

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

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

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

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

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

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

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form 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 form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

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

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

10. RECORDS AND CONFIDENTIALITY.

10.01. Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02. County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04. Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully 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.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County's and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Nicholas C. Baldo, Finance Manager III	Aad F. Alkemade, President
Name and Title	Name and Title
168 West Alisal St., 2nd Floor	P.O. Box 10723, Eugene, OR 97440
Address	Address
831-755-4794	541-343-9160
Phone	Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement which would directly or indirectly conflict in any manner

or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.02. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.04. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

15.05. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.07. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.08. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.09. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

15.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12. Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

15.13. Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15. Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

15.16. Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

15.17. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

This space is left blank, intentionally.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: [Signature]
Purchasing Manager

Date: 9/26/05

By: [Signature]
Department/Head (if applicable)

Date: 9/20/05

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form

By: [Signature]
County Counsel

Date: 8/12/05

Approved as to Fiscal Provisions

By: [Signature]
Auditor/Controller

Date: 8-23-05

RISK MANAGEMENT

Approved as to ~~COUNTY OF MONTEREY~~

APPROVED AS TO INDEMNITY/

By: _____
Insurance Language
Risk Management¹

Date: [Signature]

Date: 8/10/05

County Board of Supervisors Agreement Number: _____

Cascade Software Systems, Inc.

Contractor's Business Name*

By: [Signature]

(Signature of Chair, President, or Vice-President)*

AAD F. ALKEMADE, PRESIDENT

Name and Title

Date: 7/25/05

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

Rachelle L.K. AIKEMADE, Secretary

Name and Title

Date: 7/25/05

*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.

¹Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9.

EXHIBIT A

1. Cascade Software Systems, Inc. will provide program maintenance for the Cost Accounting Management Systems which is utilized by both the Public Works and Planning & Building Inspection Departments. Program Maintenance will consist of maintaining current applications including but not limited to Cost Center Ledger, Project Ledger, Budget Expenditures Ledger, Accounts Payable, Contracts, Journal Voucher, Claims, Road Materials Inventory, Vehicles & Equipment – Accounting Version, Resource Budget Module, Cash Receipts, Accounts Receivable, Budget Revenue Ledger, Roads Module, Bridges Module, Service Requests, Applied or Direct Charges and Prior Fiscal Year History Conversions (FY 92-93 thru FY 03-04). Program maintenance is defined as the upkeep of said modules to include any corrections necessary for any design defects, errors, failures, bugs, and/or any malfunction in the modules that prevents them from performing according to the specifications as approved upon installation and subsequent upgrades. Cascade Software Systems, Inc. will make all changes, updates and upgrades to the system and make them available on line. Monterey County IT Staff will load the changes to the system once a week or when necessary.
2. Cascade Software Systems, Inc. will provide program modifications to the Cost Accounting Management System on an as needed basis as requested by the County. The hourly rate for program modifications will be \$125.00, and the hourly rate for SQL/DBE Services and Onsite Services will be \$140.00. Program modifications are defined as additions or changes requested by the County to the ASCAMS and WINCAMS Specifications as approved upon installation and any subsequent upgrades. Upon completion and County acceptance of program modifications, the maintenance of these modifications will be included in future Maintenance Fees.
3. The Public Works portion of the agreement is not to exceed \$24,500.00 and the Planning & Building Inspection portion is not to exceed \$17,500.00.


MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Mauck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and # 917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

Attachment to PSA – Maintenance Agreement – WIN-CAMS

Limits of Liability for Workers Compensation Insurance

Contractor has a liability coverage under Workers Compensation Insurance for \$500,000 each person, \$500,000 each accident and \$500,00 each disease. Contractor is requesting that the County's requirement for insurance coverage of \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease be reduced to \$500,000 each person, \$500,000 each accident and \$500,000 each disease.

Justification

- a. Contractor's employees are Programmers and IT Engineers who are based in Oregon.
- b. The President of Cascade Software Systems visits Salinas on an average of two visits per year and spent an average of 2-3 days each visit. The visit is mostly consultation and systems support.
- c. The nature of the contractor's business and their location makes the County less susceptible/exposed to the risk and liability under Workers Compensation Insurance.

Professional Liability Insurance – request waiver of the County's requirement for \$2 million aggregate professional liability insurance (Cascade has \$1 million professional liability insurance of \$1 million in aggregate and \$1 million per claim for the period covered by the PSA- see attached)

Justification:

- a. Public Works has utilized Cascade Software Systems for approximately 13 years for a specialized service that cannot be performed by another vendor.
- b. The Scope of Services to be performed will have minimal liability to the County.
- c. Cascade has professional liability insurance coverage of \$1 million (per claim and in aggregate, respectively – see attached) for the period of the PSA (July 1, 2004-June 30, 2005).

Commercial General Liability Insurance: Waiver of CGL wording on insurance endorsement regarding "primary and non-contributory"

Justification:

- a. Cascade has professional liability insurance coverage of \$1 million (per claim and in aggregate, respectively – see attached) for the period of the PSA (July 1, 2004-June 30, 2005).
- b. Department head (Ron Lundquist, Public Works Director) has approved the CGL insurance modification (as PSA under \$25,000).
- c. Scope of services to be performed will have minimal liability to the County.
- d. CGL insurance is for the required amounts

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/19/2005

PRODUCER (541) 484-6624 FAX (541) 686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
P O Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Zurich Insurance Company	16535
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INBR ADD'L LTD INBRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	PPS41757858	01/31/2005	01/31/2006	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Per occurrence)	\$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV. INJURY	\$
	GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO- JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG.	\$ 2,000,000
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Per accident)	\$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS					
	<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
	EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$
						\$
						\$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU- TORY LIMITS	OTH- ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
	OTHER				E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Additional Insured Per Attached CG 20 10 03 97

CERTIFICATE HOLDER

County of Monterey, Its Agents,
Officers and Employees
E Laurel Dr., Bldg C
Salinas, CA 93905

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Diane Dragt

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 20 10 03 97

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

Endorsement effective 01/31/2005 12:01 A.M. standard time	Policy No. PPS #1757858
Named Insured Cascade Software Systems, Inc.	Countersigned by

(Authorized Representative)

SCHEDULE

Name of Person or Organization: County of Monterey, It's
Agents, Officers and
Employees

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 3/17/05
PRODUCER DAN COLGAN AGENCY 1988 W 6TH AVE., STE. 240 EUGENE, OR 97402 541-887-0778	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED ADRIANUS F. ALKEMADE PO BOX 10723 EUGENE, OR 97440-2723	INSURERS AFFORDING COVERAGE INSURER A: ALLSTATE PROPERTY & CASUALTY INSURER B: INSURER C: INSURER D: INSURER E:	NAIC #

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTRUMENT NO.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ _____ DAMAGE TO RENTED PREMISES (EA occurrence) \$ _____ MED EXP (Any one person) \$ _____ PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS - COMP/OP AGG \$ _____
	AUTOMOBILE LIABILITY <input 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	917485945	3/10/05	8/10/05	COMBINED SINGLE LIMIT (EA accident) \$ _____ BODILY INJURY (Per person) \$ 250,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$ 500,000
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN AUTO ONLY: EA ACC \$ _____ AGG \$ _____
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____ \$ _____ \$ _____
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> P.L. EACH ACCIDENT \$ _____ E.L. DISEASE - EA EMPLOYEE \$ _____ E.L. DISEASE - POLICY LIMIT \$ _____
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

The Monterey County Public Works Dept., its officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereto. The named insurance is to be the primary insurance. The insurance of the Additional Insureds shall not be called upon to contribute to loss covered by the Contractor's insurance.

CERTIFICATE HOLDER MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS ATTN: MR. GUS CAPINGUIAN 312 E. ALISAL STREET SALINAS, CA 93801	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the Issuing Insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



Allstate.

You're in good hands.

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY Calendar Date: 03/17/2005
 Home Office Policy Number: 917465945 03 / 10
 Northbrook, Illinois
 Insured: ADRIANUS & RACHELLE ALKEMADE Address: PO BX 10723
 City: EUGENE St: DR Zip: 97440 Home: 541 - 343 - 3558

ADD INTERESTED PARTY
 CTY OF MONTEREY PWD
 312 E ALISAL ST
 SALINAS CA 93901

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY NOTED ABOVE IS CURRENTLY IN FORCE.

The Monterey County Public Works Dept, its officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereto. The named insurance is to be primary insurance. The insurance of the Additional Insureds shall not be called upon to contribute to loss covered to loss covered by the Contractor's Insurance.

Request by City of Monterey
 Policyholder's Signature

Effective 12 : 01 AM 03 / 10 / 2005

Danley
 Agent's Signature

014629 Agent # DAC Location BUS 541-687-0778 Agent's Phone #

SAR42-12

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/23/2005

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
P O Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Swett & Crawford	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Per occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$
A	OTHER Professional Liability	TK1001919	03/03/2004	03/03/2005	\$1,000,000 Each Claim \$1,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

 Monterey County
 Department of Public Works
 Attn: Mr. Nick Baldo
 312 East Alisal Avenue
 Salinas, CA 93901

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE
 Diane Drapt *Diane Drapt*

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/01/2005

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
P O Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United States Liability Insurance	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L / LTR INBRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	RECEIVED MAR 04 2005			EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMPR/OP AGG \$
	AUTOMOBILE LIABILITY <input 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	PUBLIC WORKS - ADMIN			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/> E.L EACH ACCIDENT \$ E.L DISEASE - EA EMPLOYEE \$ E.L DISEASE - POLICY LIMIT \$
A.	OTHER Professional Liability	TK1001919A	03/03/2005	03/03/2006	\$1,000,000 Each Claim \$1,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

Monterey Public Works
Attn: Nick Baldo
E Laurel Dr., Bldg C
Salinas, CA 93905

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Connie L Ockfen

Connie L Ockfen

SAIF CORPORATION

400 High St SE
Salem, OR 97312-1000
Toll Free 1-800-285-8525

**OREGON WORKERS' COMPENSATION
CERTIFICATE OF INSURANCE**

CERTIFICATE HOLDER:

COUNTY OF MONTEREY
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2005 TO 07/01/2006	07/25/2005

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:**LIMITS OF LIABILITY:**

Bodily Injury by Accident \$500,000 each accident
Bodily Injury by Disease \$500,000 each employee
Bodily Injury by Disease \$500,000 policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:

All operations

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL 30 DAYS' WRITTEN NOTICE TO THE ABOVE NAMED CERTIFICATE HOLDER.

AUTHORIZED REPRESENTATIVE



✓PSA File
Master File (orig.)
w: NICK B.
BUS C.

0602.350

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. 10268
Board Budget Order No. 05/06-179

- a. Approve Amendment No. 1 in the amount of \$55,000 for a total amount not to exceed \$97,000 and extend the term of the Professional Services Agreement to June 30, 2007 with Cascade Software Systems, Inc. for the creation and implementation of a single Windows-based Cost Accounting Management System (WIN-CAMS) database and for additional maintenance and modification services to WIN-CAMS for the Resource Management Agency;
- b. Authorize the transfer of \$55,000 in appropriations from the Planning and Building Inspection Department budget (Fund 001, Budget Unit 293, Account 6469) to the Resource Management Agency budget (Fund 001, Budget Unit 194, Account 6469); and
- c. Authorize the Purchasing Manager to execute the Amendment and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

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

- a. Approves Amendment No. 1 in the amount of \$55,000 for a total amount not to exceed \$97,000 and extend the term of the Professional Services Agreement to June 30, 2007 with Cascade Software Systems, Inc. for the creation and implementation of a single Windows-based Cost Accounting Management System (WIN-CAMS) database and for additional maintenance and modification services to WIN-CAMS for the Resource Management Agency;
- b. Authorizes the transfer of \$55,000 in appropriations from the Planning and Building Inspection Department budget (Fund 001, Budget Unit 293, Account 6469) to the Resource Management Agency budget (Fund 001, Budget Unit 194, Account 6469); and
- c. Authorizes the Purchasing Manager to execute the Amendment and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

PASSED AND ADOPTED on this 28th day of March 2006, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Lindley, Potter and Smith

Agreement No. 10268
Budget Unit No. 05/06-179
Page 2

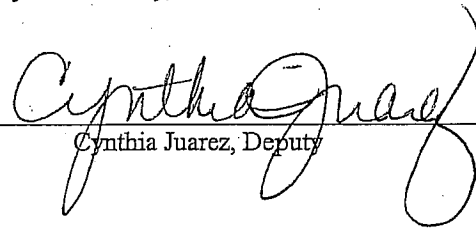
NOES: None
ABSENT: None

I, Lew C. Bauman, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 73, on March 28, 2006.

Dated: March 30, 2006

Lew C. Bauman, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By

A handwritten signature in cursive script, appearing to read "Cynthia Juarez", written over a horizontal line.

Cynthia Juarez, Deputy

**AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 1 to the Professional Services Agreement between the COUNTY OF MONTEREY, a political subdivision of the State of California (hereinafter, "COUNTY"), and CASCADE SOFTWARE SYSTEMS, INC. (hereinafter, "CONTRACTOR") which was executed by the COUNTY on September 26, 2005 (hereinafter, "AGREEMENT") is hereby entered into between the COUNTY and the CONTRACTOR.

RECITALS:

A. The COUNTY and the CONTRACTOR entered into a Professional Services Agreement whereby the CONTRACTOR agreed to provide maintenance and modifications to the Cost Accounting Management System – WIN-CAMS for the Public Works Department and the Planning and Building Inspection Department (the "PROJECT") during the period of July 1, 2005 to June 30, 2006.

B. The CONTRACTOR has continuously rendered services relating to the PROJECT. As a result of circumstances beyond the control of the CONTRACTOR, the PROJECT Scope of Services has increased to include the creation and implementation of a single WIN-CAMS Database and additional maintenance and modifications to WIN-CAMS for the Resource Management Agency.

NOW, THEREFORE, the parties agree to further amend the AGREEMENT as follows:

1. Amend Paragraph 1, "Services To Be Provided" to read as follows:

The COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform the services described in Exhibit A of the original contract, and the attached Exhibit A-1 of this Amendment No. 1, in conformity with the terms of this AGREEMENT. The additional services to be included by this Amendment No. 1 are generally described in the attached Exhibit A-1.

Amendment No. 1 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to the Cost Accounting Systems – WIN-CAMS
for Public Works and Planning and Building Inspection

2. Amend Paragraph 2, "Payments by County" to read as follows:

COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A-1 of this Amendment No. 1, subject to the limitations set forth in this AGREEMENT. The total amount payable by COUNTY to CONTRACTOR under this AGREEMENT is amended to increase the total amount payable to CONTRACTOR by \$55,000, for a total not to exceed the sum of \$97,000.

3. Amend Paragraph 3 "Term of Agreement" to read as follows:

The term of this AGREEMENT is from July 1, 2005 to June 30, 2007, unless sooner terminated pursuant to the terms of this AGREEMENT.

4. All other terms and conditions of the AGREEMENT remain unchanged and in full force.
5. This Amendment No. 1 shall be attached to the AGREEMENT and incorporated therein as if fully set forth in the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Purchasing Manager

Date: 4.2006

Approved as to Form, County Counsel

By: [Signature]
Deputy County Counsel

Date: Feb. 14, 2006

Approved as to Fiscal Provisions, Auditor-Controller

By: [Signature]

Date: 2-27-06

Approved as to Indemnity, Insurance Provisions, Risk Management

By: [Signature]

Date: 3/2/06

CONTRACTOR

Cascade Software Systems, Inc.
P.O. Box 10723
Eugene, OR 97440

By: [Signature]
(Signature of Chair, President or Vice President)

Its: Aad F. Alkemade, President
(Name and Title)

Date: 2/21/06

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

Its: Rachelle L.K. Alkemade, Secretary
(Name and Title)

Date: 2/21/06

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

FOR SINGLE WIN-CAMS DATABASE FOR THE COUNTY OF MONTEREY RESOURCE MANAGEMENT AGENCY: PUBLIC WORKS, PLANNING AND BUILDING INSPECTION AND THE REDEVELOPMENT AGENCY

SCOPE OF SERVICES:

- A. Single WIN-CAMS Database for the County of Monterey Resource Management Agency: Public Works, Planning and Building Inspection and the Redevelopment Agency
1. Convert Public Works Data as follows:
 - a. Project No: Add Fund and Budget Unit
 - b. Cost Center Code: Add Budget Unit
 2. Convert Planning and Building Inspection Data as follows:
 - a. Project No: Add Fund and Budget Unit
 - b. Cost Center Code: Add Budget Unit
 3. Test Database: Create and install a new RMA database/CAMS version for system review and planning purposes (approximate timeframe: February 2006) in preparation of RMA production on July 1, 2006. The new RMA database will be created by converting current Fiscal Year 2005-06 Public Works and Planning and Building Inspection databases.
 4. Onsite Support and Review Services: Two separate onsite review meetings (first meeting to be scheduled at the end of February 2006 and the second meeting to be scheduled in early May 2006).
 5. Production Database: Creation and installation of the Fiscal Year 2006 -07 RMA production database/CAMS version. This will be completed by combining data from the test RMA database with re-converting year-end Fiscal Year 2005 - 06 Public Works and Planning and Building databases.
 6. Fine-tuning and Follow-up.
 7. Miscellaneous: As determined by the Resource Management Agency, Public Works, Planning and Building Inspection and Cascade Software Systems, Inc.
- B. Additional maintenance and modifications to the Cost Accounting Management System – WIN-CAMS for the Resource Management Agency.

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

PAYMENT PROVISIONS:

A.		
	1. Convert Public Works Data:	\$500.00
	2. Convert Planning and Building Inspection Data:	\$500.00
	3. Test Database:	\$7,500.00
	4. Onsite Support and Review Services:	\$3,500.00
	5. Production Database:	\$6,000.00
	6. Fine-tuning and Follow-up:	\$1,500.00
	7. Miscellaneous:	\$5,500.00
	TOTAL	\$25,000.00
B.		
	1. Additional Maintenance and Modifications to WIN-CAMS for the Resource Management Agency:	\$30,000.00
	TOTAL	\$30,000.00

The services in Section B described above will be provided on an as needed basis as requested by the County. The hourly rate for program maintenance and modifications will be \$125.00 through June 30, 2006 and thereafter \$130.00 through June 30, 2007. The hourly rate for SQL/DBE Services and Onsite Services will be \$140.00 through June 30, 2006 and thereafter \$145.00 through June 30, 2007.

The total amount of additional services provided under this agreement shall not exceed \$55,000 for the Resource Management Agency.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/26/2006

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
P O Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Maryland Casualty Company	16535
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC	PPS41757858	01/31/2006	01/31/2007	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000								
	AUTOMOBILE LIABILITY <input 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	PUBLIC WORKS - ADMIN			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$								
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$								
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<table border="1"> <tr> <td>WC STATUTORY LIMITS</td> <td>OTHR</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATUTORY LIMITS	OTHR	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATUTORY LIMITS	OTHR												
E.L. EACH ACCIDENT	\$												
E.L. DISEASE - EA EMPLOYEE	\$												
E.L. DISEASE - POLICY LIMIT	\$												
	OTHER												

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is additional insured per CG 20 10 03 97.

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Caralie Gunderson *Caralie Gunderson*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 20 10 03 97

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

Endorsement effective 01/31/2006	12:01 A.M. standard time	Policy No. PPS41757858
Named Insured Cascade Software Systems, Inc.		Countersigned by <i>Caralie Gunderson</i>

(Authorized Representative)

SCHEDULE

Name of Person or Organization: County of Monterey, its Agents, Officers
and Employees
Dept of Public Works
168 W Alisal 2nd Floor
Salinas, CA 93901

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 1/23/06
PRODUCER DAN COLGAN 1369 W. 6TH AVE., STE. 240 EUGENE, OR 97402 541.687.0778	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED ADRIANUS ALKEMADE PO BOX 10723 EUGENE, OR 97440	INSURERS AFFORDING COVERAGE INSURER A: ALLSTATE PROPERTY & CASUALTY INSURER B: INSURER C: INSURER D: INSURER E:	NAIC #

COVERAGES
 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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	917465945	9/10/05	3/10/06	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ 250,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$ 500,000
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATUS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

The Monterey County Public Works Dept., its officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereto. The named insurance is to be the primary insurance. The insurance of the Additional Insureds shall not be called upon to contribute to loss covered by the Contractor's insurance.

CERTIFICATE HOLDER MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS ATTN. MR. GUS CAPINGUIAN 168 WEST ALISAL, 2ND FLOOR SALINAS, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
-----------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



Allstate Insurance Company

Dan Colgan

1369 W. 6th Ave., Ste. 240

Eugene, OR 97402

541-687-0778

Toll Free: (877) 687-0778

Fax: 541-687-1897

To: *Shelley*
Gus Capinguan

Date: 1-28⁶-06

Fax#: 831-755-4958

Pages: 3, including cover sheet

Subject: Adrianus Alkemade

COMMENT:

Updated

If you have not received all pages of this fax please call Dan @ 541-687-0778

www.allstate.com/dancolgan

Additional Coverages and Factors

01/09/2006

Line of Business Coverages for Business Auto

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
Combined single limit	1,000,000				
Medical payments	5,000				
Uninsured motorist	1,000,000				
combined single limit					

Line of Business Coverages for General Liability

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
General Aggregate	2,000,000				
Products/Completed Ops	2,000,000				
Aggregate					
Personal & Advertising	1,000,000				
Injury					
Fire Damage	100,000				
Medical Expense	Excluded				
Each Occurrence	1,000,000	5,000			
		Basis: Per Occurrence; Applies: Both BI			
Employee Benefits	1,000,000	1,000			

RECEIVED

FEB 15 2006

Dallas

PUBLIC WORKS - ADMIN

ALLSTATE LIENHOLDER SERVICE CENTER
PO BOX 660349
DALLAS, TX 75266-0349



CITY OF MONTEREY PWD
312 E ALISAL ST
SALINAS CA 93901-4371

Date: 02/03/06

CERTIFICATE OF INSURANCE

EFFECTIVE DATE
OF CERTIFICATE
MARCH 10, 2006

ALLSTATE INSURANCE COMPANY
Northbrook, Illinois, certifies that the following insurance is in force:

POLICYHOLDER
ADRIANUS & RACHELLE
ALKEMADE
PO BX 10723
EUGENE OR 97440-2723

POLICY NUMBER
9 17 465945 03/10

POLICY PERIOD
MARCH 10, 2006
SEPTEMBER 10, 2006

At 12:01 A.M.
Standard Time

The person or organization designated below is described in the policy as:

CITY OF MONTEREY PWD
312 E ALISAL ST
SALINAS CA 93901-4371

LIENHOLDER
(Loss Payable Clause)
 ADDITIONAL
INTERESTED PARTY

AGENT COLGAN INSURANCE
PHONE (541) 687-0778

Coverages designated below are afforded for each described vehicle:

BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2000 GRND CHEROKE
PD \$500,000 EA.OCC.	1J4GW58NXYC343283
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	1998 PATHFINDER
PD \$500,000 EA.OCC.	JN8AR05Y3WW238086
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2004 GRND CHEROKE
PD \$500,000 EA.OCC.	1J8GW58N94C368331
Collision- \$500 DED.	Comprehensive- \$100 DED.

See reverse side for provisions concerning Loss Payable Clause and Additional Interested Party.

This Certificate of Insurance neither affirmatively nor negatively amends, extends or alters the coverage afforded by the policy referred to above.

D1696

000003605701242486960101



RECEIVED

JAN 27 2006

Allstate®

PUBLIC WORKS - ADMIN

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY
75 EXECUTIVE PARKWAY
HUDSON OH 44237-0001

R0701504

✓ Data

NOTICE OF NON-RENEWAL

January 19, 2006

Policy Description: OREGON AP&C
Policy Number: 000000917465945
Non-renewal Date and Time: March 10, 2006 at 12:01AM Standard Time

CTY OF MONTEREY PWD
312 E ALISAL ST
SALINAS CA 93901-4371

RE:
ADRIANUS & RACHELLE ALKEMADE
PO BX 10723
EUGENE OR 97440-2723

We are writing to inform you that the policy identified above will be non-renewed as of the date and time shown above.

If you need more information, please let us know.

Sincerely,

E.S. Cooper



Important Notice

Allstate's Privacy Policy

At Allstate, we share your concerns about privacy. To help you understand how we treat the nonpublic personal information ("customer information") that we obtain from you or other sources in the course of providing you with products and services, this notice describes our use and protection of that information.

Whether you're doing business with us through a local agent or broker, our Customer Information Center, or allstate.com, we want you to know that Allstate respects your privacy and protects your information.

- We do not sell customer information.
- We do not share customer information with persons, companies, or organizations outside of Allstate that would use that information to contact you about their own products and services.
- We expect persons or organizations that provide services on our behalf to keep customer information confidential and to use it only to provide the services we've asked them to perform.
- Within Allstate, we communicate to our employees regarding the need to protect customer information, and we've established physical, electronic, and procedural safeguards to protect customer information.

Below we've provided answers to questions that might be on your mind regarding privacy. You may be wondering ...

What do we do with your customer information?

Allstate does not sell customer information, or medical information, to anyone. Nor do we share it with companies or organizations outside of Allstate that would use that information to contact you about their own products and services. If that practice were ever to change, we would, of course, offer you the ability to opt out of this type of information sharing, and we would offer you the opt-out with time for you to respond before the change in our practice took place.

We may communicate with you about products, features, and options you have expressed an interest in or that we believe may be of interest to you. We may, without authorization but only as permitted or required by law, provide customer information to persons or organizations both inside and outside of Allstate to fulfill a transaction you have requested, provide service on a policy, market our products to you, investigate or handle claims, detect or prevent fraud, participate in insurance support organizations, or comply with lawful requests from regulatory and law enforcement authorities. These persons or organizations may include: our affiliated companies, companies that perform marketing services on our behalf, other financial institutions with which we have a joint marketing agreement for the sale of our own products, and agents or brokers.

What kind of customer information do we have, and where did we get it?

Much of the customer information that we have about you comes directly from you. When submitting your application or request for insurance or other products and services we offer, or requesting an insurance quote, you may give us information such as your name, address, and Social Security number. We keep information about your transactions with our affiliates, others or us—for example, the types of products and services you purchase from us, premiums, account balances, and payment history.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/01/2005

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
P O Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United States Liability Insurance	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INBRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	RECEIVED MAR 04 2005			EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Per occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$								
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS. <input type="checkbox"/> NON-OWNED AUTOS	PUBLIC WORKS - ADMIN			COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$								
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$								
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<table border="1"> <tr> <td>WC STATUTORY LIMITS</td> <td>OTHER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA: EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATUTORY LIMITS	OTHER	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA: EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATUTORY LIMITS	OTHER												
E.L. EACH ACCIDENT	\$												
E.L. DISEASE - EA: EMPLOYEE	\$												
E.L. DISEASE - POLICY LIMIT	\$												
A.	OTHER Professional Liability	TK1001919A	03/03/2005	03/03/2006	\$1,000,000 Each Claim \$1,000,000 Aggregate								

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

CANCELLATION

Monterey Public Works
Attn: Nick Baldo
E Laurel Dr., Bldg C
Salinas, CA 94586

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE *Nick Baldo*

BAIF CORPORATION

400 High St SE
Salem, OR 97312-1000
Toll Free 1-800-285-8525

**OREGON WORKERS' COMPENSATION
CERTIFICATE OF INSURANCE**

CERTIFICATE HOLDER:

COUNTY OF MONTEREY
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2005 TO 07/01/2006	07/25/2005

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:**LIMITS OF LIABILITY:**

Bodily Injury by Accident \$500,000 each accident
Bodily Injury by Disease \$500,000 each employee
Bodily Injury by Disease \$500,000 policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:

All operations

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL 30 DAYS' WRITTEN NOTICE TO THE ABOVE NAMED CERTIFICATE HOLDER.

AUTHORIZED REPRESENTATIVE




MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Mauck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and # 917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. A10268

- a. Approve Amendment No. 2 in the amount of \$60,000 for a total amount not to exceed \$157,000 and extend the term of the Professional Services Agreement with Cascade Software Systems, Inc. to June 30, 2008 for additional services associated with the implementation of a single Windows-based Cost Accounting Management System (Win-CAMS) database and additional maintenance and modifications to Win-CAMS for the Resource Management Agency; and.....)
- b. Authorize the Purchasing Manager to execute the Amendment and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.....)

Upon motion of Supervisor Smith, seconded by Supervisor Salinas, and carried by those members present, effective January 9, 2007, the Board hereby:

- a. Approves Amendment No. 2 in the amount of \$60,000 for a total amount not to exceed \$157,000 and extend the term of the Professional Services Agreement with Cascade Software Systems, Inc. to June 30, 2008 for additional services associated with the implementation of a single Windows-based Cost Accounting Management System (Win-CAMS) database and additional maintenance and modifications to Win-CAMS for the Resource Management Agency; and
- b. Authorizes the Purchasing Manager to execute the Amendment and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

PASSED AND ADOPTED on this 9th day of January 2007, by the following vote, to-wit:

AYES: Supervisors Armenta, Salinas, Smith and Potter

NOES: None

ABSENT: Supervisor Calcagno

I, LEW C. BAUMAN, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 73 on January 9, 2007.

Dated: January 10, 2007

LEW C. BAUMAN, Clerk of the Board of Supervisors,
County of Monterey, State of California

By: Cynthia Juarez
Cynthia Juarez, Deputy

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Purchasing Manager

Cascade Software Systems, Inc.
P.O. Box 10723
Eugene, OR 97440

Date: _____

By: *[Signature]*
(Signature of Chair, President or Vice President)

Its: Aad F. Alkemade, President
(Name and Title)

Date: 12/04/06

Approved as to Form, County Counsel

By: *[Signature]*
Deputy County Counsel

Date: November 30, 2006

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

Its: Rachelle L.K. Alkemade, Secretary
(Name and Title)

Date: 12/04/06

Approved as to Fiscal Provisions, Auditor-Controller

By: *[Signature]*

Date: 12-1-06

Approved as to Indemnity, Insurance Provisions, Risk Management

By: _____
INSURANCE LANGUAGE

Date: By: *[Signature]*
Date: 12/19/06

AMENDMENT NO. 2 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.

THIS AMENDMENT NO. 2 to the Professional Services Agreement between the COUNTY OF MONTEREY, a political subdivision of the State of California (hereinafter, "COUNTY"), and CASCADE SOFTWARE SYSTEMS, INC. (hereinafter, "CONTRACTOR") which was executed by the COUNTY on September 26, 2005 (hereinafter, "AGREEMENT") is hereby entered into between the COUNTY and the CONTRACTOR.

RECITALS:

A. The COUNTY and the CONTRACTOR entered into a Professional Services Agreement whereby the CONTRACTOR agreed to provide maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, Public Works Department and the Planning and Building Inspection Department (the "PROJECT") during the period of July 1, 2005 to June 30, 2007.

B. The CONTRACTOR has continuously rendered services relating to the PROJECT. As a result of circumstances beyond the control of the CONTRACTOR, the PROJECT Scope of Services has increased to include additional services associated with the implementation of a single Win-CAMS database and additional maintenance and modifications to Win-CAMS for the Resource Management Agency.

NOW, THEREFORE, the parties agree to further amend the AGREEMENT as follows:

1. Amend Paragraph 1, "Services To Be Provided" to read as follows:

The COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform the services described in Exhibits A, A-1, and Exhibit A-2, in conformity with the terms of this AGREEMENT. The additional services to be included by this Amendment No. 2 are generally described in the attached Exhibit A-2.

2. Amend Paragraph 2, "Payments by County" to read as follows:

COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A-2 of this Amendment No. 2, subject to the limitations set forth in this AGREEMENT. The total amount payable by COUNTY to CONTRACTOR under this AGREEMENT is amended to increase the total amount payable to CONTRACTOR by \$60,000, for a total not to exceed the sum of \$157,000.

Amendment No. 2 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to the Cost Accounting Systems - WIN-CAMS
for the Resource Management Agency

3. Amend Paragraph 3, "Term of Agreement" to read as follows:

The term of this AGREEMENT is from July 1, 2005 to June 30, 2008, unless sooner terminated pursuant to the terms of this AGREEMENT.

4. All other terms and conditions of the AGREEMENT remain unchanged and in full force.
5. This Amendment No. 2 shall be attached to the AGREEMENT and incorporated therein as if fully set forth in the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Purchasing Manager

Date: 1-22-07

PJ# R1947400179

Approved as to Form, County Counsel

By: [Signature]
Deputy County Counsel

Date: November 30, 2006

Approved as to Fiscal Provisions, Auditor-Controller

By: [Signature]

Date: 12-1-06

RISK MANAGEMENT
Approved as to Indemnity, Insurance Provisions, Risk Management

By: [Signature]
APPROVED AS TO INDEMNITY/
INSURANCE LANGUAGE

Date: [Signature]

Date: 12/19/06

CONTRACTOR

Cascade Software Systems, Inc.
P.O. Box 10723
Eugene, OR 97440

By: [Signature]
(Signature of Chair, President or Vice President)

Its: Aad F. Alkemade, President
(Name and Title)

Date: 12/04/06

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

Its: Rachelle L.K. Alkemade, Secretary
(Name and Title)

Date: 12/14/06

Amendment No. 2 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to the Cost Accounting Systems - WIN-CAMS
for the Resource Management Agency

EXHIBIT A-2 - SCOPE OF SERVICES/PAYMENT PROVISIONS

PROGRAM MAINTENANCE AND MODIFICATIONS FOR A SINGLE WIN-CAMS DATABASE FOR THE COUNTY OF MONTEREY RESOURCE MANAGEMENT AGENCY; PUBLIC WORKS, PLANNING, BUILDING SERVICES, REDEVELOPMENT AGENCY AND GENERAL SERVICES

SCOPE OF SERVICES:

1. Cascade Software Systems will provide program maintenance for the Windows-based Cost Accounting Management System (Win-CAMS). Program maintenance will consist of maintaining current applications in the Applied Charges (including Payroll, Timecards, Employees and Activity Codes), Direct Charges (including Accounts Payable, Encumbrances, Contracts, Invoices and Journals), Accounts Receivable, Cash Receipts, Project Ledger, Cost Center Ledger, Budget Expenditure Ledger, Budget Revenue Ledger, Vehicle and Equipment, Roads (including Service Requests), Resource Budget and Road Material Inventory modules.

Program maintenance is defined as the upkeep of said modules to include any corrections necessary for any design defects, errors, failures, bugs, and/or any malfunction in the modules that prevents them from performing according to the Specifications as approved upon installation and subsequent upgrades.

2. Cascade Software Systems will provide program modifications to the Windows-based Cost Accounting Management System (Win-CAMS) on an as needed basis as requested by County. In addition to assisting with the implementation of Win-CAMS for the entire Resource Management Agency (RMA), Cascade Software Systems will assist with the incorporation of the General Services departments (Fleet, Facilities and Mail Operations/Courier) into the RMA Win-CAMS database effective FY 2007-08.

Program modifications are defined as additions or changes requested by County to the Win-CAMS Specifications as approved upon installation and any subsequent upgrades. Upon completion and County acceptance of program modifications, the maintenance of these modifications will be included in future maintenance fees.

PAYMENT PROVISIONS:

1. The hourly rate for program maintenance and modifications will be \$130.00 through June 30, 2007 and thereafter, \$135.00 through June 30, 2008. The hourly rate for SQL/DBE Services and Onsite Services will be \$145.00 through June 30, 2007 and thereafter, \$150.00 through June 30, 2008. The total amount of additional services provided under this Agreement shall not exceed \$30,000 for program maintenance and \$30,000 for program modifications for a total amount not to exceed \$60,000.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/26/2006

PRODUCER (541) 484-6624 FAX (541) 686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
D Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc
911 Country Club Rd, Suite 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE

NAIC #.

INSURER A: Maryland Casualty Company
INSURER B:
INSURER C:
INSURER D:
INSURER E:

16535

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURER	ADD'L TR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	PP541757858	01/31/2006	01/31/2007	EACH OCCURRENCE \$ 1,000,000	
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (Per occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000	
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$	
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
		OTHER					

RECEIVED
JAN 30 2006
PUBLIC WORKS - ADMIN

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is additional insured per CG 20 10 03 97.

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 20 10 03 97

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

Endorsement effective 01/31/2006 12:01 A.M. standard time	Policy No. PPS41757858
Named Insured Cascade Software Systems, Inc.	Countersigned by <i>Carolee Gunderson</i> (Authorized Representative)

SCHEDULE

Name of Person or Organization: County of Monterey, its Agents, Officers
and Employees
Dept of Public Works
168 W Alisal 2nd Floor
Salinas, CA 93901

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

Additional Coverages and Factors

01/09/2006

Line of Business Coverages for Business Auto

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
Combined single limit	1,000,000				
Medical payments	5,000				
Uninsured motorist combined single limit	1,000,000				

Line of Business Coverages for General Liability

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
General Aggregate	2,000,000				
Products/Completed Ops Aggregate	2,000,000				
Personal & Advertising Injury	1,000,000				
Fire Damage	100,000				
Medical Expense	Excluded				
Each Occurrence	1,000,000	5,000			
Employee Benefits	2,000,000	1,000			

Basis: Per Occurrence; Applies: Both BI

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 11/20/06
PRODUCER DAN COLGAN ALLSTATE INSURANCE 1369 W 6TH AVE., STE. 240 EUGENE, OR 97402	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED ADRIANUS ALKEMADE PO BOX 10723 EUGENE, OR 97440	INSURERS AFFORDING COVERAGE	NAIC #
	INSURER A: Allstate Property & Casualty	
	INSURER B:	
	INSURER C:	
	INSURER D:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR BODY LTN. NBR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Per occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
A	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	917465945	9/10/06	3/10/07	COMBINED SINGLE LIMIT (Per accident) \$ 250,000 BODILY INJURY (Per person) \$ 500,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER Shelley Dickinson Management Analyst I Resource Management Agency 168 W. Alisal Street, 2nd Floor Salinas, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>Dan Colgan</i>
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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the Issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

MAR 17 2005 2:12PM 541-687-1897

NO. 0248 -P. 4



ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY Calendar Date: 03/17/2005
Home Office Policy Number: 917465946 03 / 10
Northbrook, Illinois
Insured: ADRIANUS & RACHELLE ALKEMADE Address: PO BX 10723
City: EUGENE St: DR Zip: 97440 Home: 541 - 343 - 2658

ADD INTERESTED PARTY
CTY OF MONTEREY PWD
312 E ALISAL ST
SALINAS CA 93901

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY NOTED ABOVE IS CURRENTLY IN FORCE.

The Monterey County Public Works Dept, its officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereof. The named insurance is to be primary insurance. The insurance of the Additional Insureds shall not be called upon to contribute to loss covered to loss covered by the Contractor's Insurance.

James B. City of Monterey
Policyholder's Signature

Effective 12 : 01 AM 03 / 10 / 2005

Daniel
Agent's Signature
SAR42-12

014629
Agent #

DAC
Location

BUS 541-687-0778
Agent's Phone #

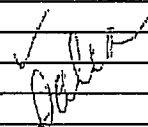
ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/10/2006

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
PO Box 40250
Eugene, OR 97404

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems, Inc.
PO Box 10723
Eugene, OR 97440

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United States Liability Ins. Co.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP. AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		OTHER Technology Professional Liability Policy	TK1001919B	03/03/2006	03/03/2007	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate \$2,500 Deductible Each Claim

RECEIVED
MAR 14 2006

RESOURCE MANAGEMENT, INC. NOT
PUBLIC WORKS ADMIN

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Claims-Made Policy

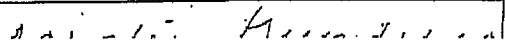
CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN: GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



IMPORTANT

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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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

SAIF CORPORATION

OREGON WORKERS' COMPENSATION
CERTIFICATE OF INSURANCE400 High St SE.
Salem, OR 97317-1000
Toll Free: 1 800 285 8525

CERTIFICATE HOLDER:

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2006 TO 07/01/2007	11/19/2006

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:

LIMITS OF LIABILITY:

Bodily Injury by Accident	\$500,000 each accident
Bodily Injury by Disease	\$500,000 each employee
Bodily Injury by Disease	\$500,000 policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:
WIN-CAMS

IMPORTANT:

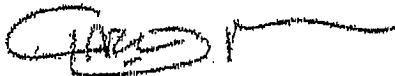
The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL 30 DAYS' WRITTEN NOTICE TO THE ABOVE NAMED CERTIFICATE HOLDER.

AUTHORIZED REPRESENTATIVE




MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Manck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and # 917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured, and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No: A - 10268

- a. Approve Amendment No. 3 to the Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$40,000 for a total amount not to exceed \$197,000 and extend the term to June 30, 2009; and
- b. Authorize the Purchasing Manager to execute Amendment No. 3 to the Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

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

- a. Approves Amendment No. 3 to the Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$40,000 for a total amount not to exceed \$197,000 and extend the term to June 30, 2009; and
- b. Authorizes the Purchasing Manager to execute Amendment No. 3 to the Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

PASSED AND ADOPTED this 25th day of March, 2008, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Mettee-McCutchon, Potter

NOES: None

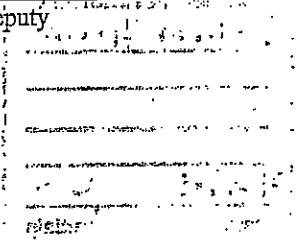
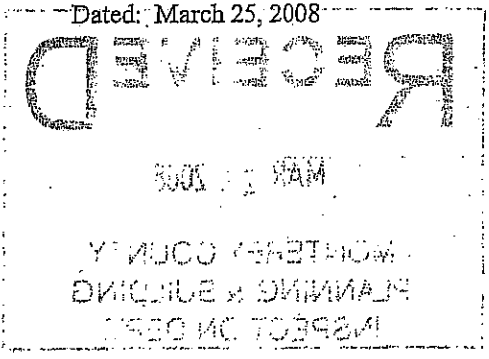
ABSENT: None

I, Denise Pennell, Interim Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 74 for the meeting on March 25, 2008.

Dated: March 25, 2008

Denise Pennell, Interim Clerk of the Board of Supervisors County of Monterey, State of California

By Denise Pennell Deputy



**AMENDMENT NO. 3 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 3 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County"), and CASCADE SOFTWARE SYSTEMS, INC. (hereinafter, "CONTRACTOR") which was executed by the County on September 26, 2005 (hereinafter, "Agreement") is hereby entered into between the County and the CONTRACTOR.

WHEREAS, the County and the CONTRACTOR wish to amend the Agreement to extend the term to June 30, 2009 to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency.

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

1. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, and A-2, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement is amended to increase the total amount payable to CONTRACTOR by \$40,000 (\$30,000 for maintenance and \$10,000 for modifications), for a total amount not to exceed the sum of \$197,000.00.

2. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2005 to June 30, 2009, unless sooner terminated pursuant to the terms of this Agreement.

3. All other terms and conditions of the Agreement remain unchanged and in full force.

4. This Amendment No. 3 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

Amendment No. 3 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to the Cost Accounting Systems – Win-CAMS
RMA
Term: July 1, 2005 – June 30, 2009
Not to Exceed: \$197,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 3 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Purchasing Manager

Date: 4-16-08

Approved as to Form, County Counsel

By: [Signature]
Deputy County Counsel

Date: Feb. 15, 2008

Approved as to Fiscal Provisions, Auditor-Controller

By: [Signature]
Date: 2-4-08

Approved as to Indemnity, Insurance Provisions, Risk Management

By: INSURANCE LANGUAGE

Date: By: [Signature]
Date: 2-27-08

CONTRACTOR

Cascade Software Systems, Inc.
P.O. Box 10723
Eugene, OR 97440

By: [Signature]
(Signature of Chair, President or Vice President)

Its: AAD F. ALKEMADE
(Name and Title) **PRESIDENT**

Date: 2/22/08

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

Its: RACHELLE ALKEMADE
(Name and Title) **Secretary**

Date: 2/22/08

Amendment No. 3 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to the Cost Accounting Systems – Win-CAMS
RMA
Term: July 1, 2005 – June 30, 2009
Not to Exceed: \$197,000.00

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/15/2008

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems Inc
911 Country Club Rd Ste 320
Eugene, OR 97401

INSURERS AFFORDING COVERAGE
INSURER A: Assurance Company of America NAIC # 19305
INSURER B:
INSURER C:
INSURER D:
INSURER E:

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L TR: INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOG	PPS41757858	01/31/2008	01/31/2009	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input 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	RECEIVED JAN 22 2008 RESOURCE MANAGEMENT AGENCY PUBLIC WORKS - ADMIN			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is an additional insured per CG 32 61 10 05.

*10 days notice for non-payment of premium

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN: GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Carlie Gunderson/CSG

Carlie Gunderson

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s):
County of Monterey
Its Agents Officers and Employees
Dept of Public Works
Attn Gus Capinguan
168 W Alisal 2nd Floor
Salinas CA 93901
Location(s) Of Covered Operations:
TBD
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused by your ongoing operations for the additional insured(s) at the location(s) designated above and only to the extent that such "bodily injury", "property damage" or "personal and advertising injury" is caused by your negligence or the negligence of those performing operations on your behalf.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

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

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

RECEIVED

FEB 11 2008

RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

ALLSTATE LIENHOLDER SERVICE CENTER
PO BOX 660349
DALLAS, TX 75266-0349

MONTEREY CO PUB SCHL
168 W ALISAL ST 2FLR
SALINAS CA 93901-2487

Date: 02/05/08

CERTIFICATE OF INSURANCE

EFFECTIVE DATE
OF CERTIFICATE
MARCH 10, 2008

ALLSTATE INSURANCE COMPANY

Northbrook, Illinois, certifies that the following insurance is in force:

POLICYHOLDER	POLICY NUMBER	POLICY PERIOD	
ADRIANUS & RACHELLE ALKEMADE PO BX 10723 EUGENE OR 97440-2723	9 17 465945 03/10	MARCH 10, 2008 SEPTEMBER 10, 2008	At 12:01 A.M. Standard Time

The person or organization designated below is described in the policy as:

MONTEREY CO PUB SCHL
168 W ALISAL ST 2FLR
SALINAS CA 93901-2487

LIENHOLDER
(Loss Payable Clause)

ADDITIONAL
INTERESTED PARTY

AGENT COLGAN INSURANCE
PHONE (541) 687-0778

Coverages designated below are afforded for each described vehicle:

BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2000 GRND CHEROKE
PD \$500,000 EA.OCC.	1J4GW58NXYC343283
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2004 GRND CHEROKE
PD \$500,000 EA.OCC.	1J8GW58N94C368331
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2005 X3
PD \$500,000 EA.OCC.	WBXPA73445WC50113
Collision- \$500 DED.	Comprehensive- \$100 DED.

See reverse side for provisions concerning Loss Payable Clause and Additional Interested Party.

This Certificate of Insurance neither affirmatively nor negatively amends, extends or alters the coverage afforded by the policy referred to above.

DI696

000003605774420750750101



The Loss Payable Clause of such policy provides:

"The company reserves the right to cancel such policy at any time as provided by its terms, but in such case the company shall notify the Lienholder when not less than ten days thereafter such cancellation shall be effective as to the interest of said Lienholder therein and the company shall have the right, on like notice, to cancel this agreement."

The Additional Interest Endorsement of such policy, in part, provides:

"...such insurance as is afforded by the policy" for automobile liability insurance listed on the reverse side hereof applies also to the person or organization named as Additional Interested Party.

"As respects such... interest, no cancellation... and no endorsement... adversely affecting such additional interest, shall be effective until ten (10) days following the mailing of written notice (to the person or organization) of such cancellation or endorsement..."

575624307070P

MAR 17 2005 2:12PM 541-687-1897



ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY Calendar Date: 03/17/2005
Home Office Policy Number: 917465946 QB / 10
Northbrook, Illinois Address: PO BX 10723
Insured: ADRIANUS & RACHELLE ALKEMADE St: OR Zip: 97440 Home: 541 - 343 - 3558
City: EUGENE

ADD INTERESTED PARTY
CITY OF MONTEREY PWD
312 E ALISAL ST
SALINAS CA 93901

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY NOTED ABOVE IS CURRENTLY IN FORCE.

The Monterey County Public Works Dept, its officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereof. The named insurance is to be primary insurance. The insurance of the Additional Insureds shall not be called upon to contribute to loss covered by loss covered by the Contractor's Insurance.

City of Monterey
Policyholder's Signature

Effective 12 : 01 AM 03 / 10 / 2005

Daniel
Agent's Signature

014629 Agent # DAC Location 815 541-687-0778 Agent's Phone #

SAR42-12

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/04/2008

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems Inc
P O Box 10723
Eugene, OR 97440

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United States Liability Insurance Company	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	OTHER Technology Professional Liability Policy	TK 1001919D	03/03/2008	03/03/2009	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate \$2,500 Deductible Each Claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Claims-Made Policy

*10 days notice for non-payment of premium

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUAN
168 W ALTISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Caralie Gunderson/CSG

Caralie Gunderson

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

saifcorporation

400 High Street SE
Salem, OR 97312-1000
Toll Free 1-800-285-8525

RECEIVED

JUL 10 2007

OREGON WORKERS COMPENSATION
CERTIFICATE OF INSURANCE

MAIL TO:

RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

CERTIFICATE HOLDER:

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN: SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN: SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2007 to 07/01/2008	07/02/2007

INSURED:
CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:

LIMITS OF LIABILITY

Bodily Injury by Accident	\$500,000 each accident
Bodily Injury by Disease	\$500,000 each employee
Bodily Injury by Disease	\$500,000 policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:
WIN-CAMS

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

CANCELLATION:

Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail 30 days' written notice to the above named certificate holder.

AUTHORIZED REPRESENTATIVE



IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Manck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and #
917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirements are appropriate. The out of state contractor's W.C. coverage may be reduced to \$500,000, as per their state of residency requirements. The PL aggregate of \$1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured, and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Agreement No: A – 10268

- a. Approve Amendment No. 4 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc., to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$101,700 for a total amount not to exceed \$298,700 and extend the term through December 31, 2010; and
 - b. Authorize the Contracts/Purchasing Officer to execute Amendment No. 4 to Professional Services Agreement No. A-10268 and future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original Agreement amount and do not significantly alter the scope of work.
- (PD061223/Cascade Software Systems, Inc., County-wide)

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

- a. Approved Amendment No. 4 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc., to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$101,700 for a total amount not to exceed \$298,700 and extend the term through December 31, 2010; and
 - b. Authorized the Contracts/Purchasing Officer to execute Amendment No. 4 to Professional Services Agreement No. A-10268 and future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original Agreement amount and do not significantly alter the scope of work.
- (PD061223/Cascade Software Systems, Inc., County-wide)

PASSED AND ADOPTED this 2nd day of June, 2009, by the following vote, to wit:

AYES: Supervisors Armenta, Salinas, Calcagno, Parker, Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 74 for the meeting on June 2, 2009.

Dated: June 3, 2009

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

By P. P. [Signature]
Deputy

**AMENDMENT NO. 4 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 4 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County"), and CASCADE SOFTWARE SYSTEMS, INC. (hereinafter, "CONTRACTOR") which was executed by the County on September 26, 2005 (hereinafter, "Agreement") is hereby entered into between the County and the CONTRACTOR.

WHEREAS, the County and the CONTRACTOR wish to amend the Agreement to extend the term to December 31, 2010 to provide continued services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency.

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

1. Amend Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2 and A-3 in conformity with the terms of this Agreement. The additional services to be included by this Amendment No. 4 are generally described in the attached Exhibit A-3.

2. Amend Paragraph 2, "Payments by County" to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2 and A-3, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement is amended to increase the total amount payable to CONTRACTOR by \$101,700.00 (\$45,000 for maintenance; \$46,700 for modifications; and \$10,000 for unforeseen maintenance and modifications as required) for a total amount not to exceed the sum of \$298,700.00.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2005 to December 31, 2010, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibits A-1, A-2 and A-3, Scope of Services/Payment Provisions".

Amendment No. 4 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to Win-CAMS
RMA
Term: July 1, 2005 – December 31, 2010
Not to Exceed: \$298,700.00

5. All other terms and conditions of the Agreement remain unchanged and in full force.
6. This Amendment No. 4 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 4 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Contracts/Purchasing Officer

Date: 6-12-09

CONTRACTOR

Cascade Software Systems, Inc.
P.O. Box 10723
Eugene, OR 97440

By: [Signature]
(Signature of Chair, President or Vice President)

Its: AAD F. ALKEMADE, PRESIDENT
(Name and Title)

Date: 4/16/09

Approved as to Form, County Counsel

By: [Signature]
Deputy County Counsel

Date: 4-28-09

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

Its: RACHELLE ALKEMADE, SECRETARY
(Name and Title)

Date: 4/16/09

Approved as to Fiscal Provisions, Auditor-Controller

By: [Signature]

Date: RISK MANAGEMENT
COUNTY OF MONTEREY

Approved as to Indemnity, Insurance Provisions, Risk Management
INSURANCE LANGUAGE

By: [Signature]
Date: 5-14-09

Amendment No. 4 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to Win-CAMS
RMA
Term: July 1, 2005 – December 31, 2010
Not to Exceed: \$298,700.00

EXHIBIT A-3 – SCOPE OF SERVICES / PAYMENT PROVISIONS

**Cascade Software
Systems, Inc.**

Memo

To: Nick Baldo
From: Aad F. Alkemade
CC:
Date: 03/31/09
Re: WIN-CAMS / Advantage: System and Interface Conversions / Additions

In response to your recent request I hereby submit an estimate to implement the following CAMS changes:

1. New Win-CAMS Test FY08-09 Database using Advantage Account Formats
 - a. Convert all AFIN Account elements to new Advantage Account elements using XL crosswalk spreadsheets provided by RMA Accounting. Timeframe: April 2009.
 - b. Add new Advantage data elements to WIN-CAMS.
 - c. Convert: Vendors.
 - d. Load: Commodity Codes.
 - e. Create: Project Conversion Table: translates FY09-10 Project format to FY08-09 (and earlier) Project format for Multi-Fiscal Year reports.
 - f. Assist in testing data entry, posting, reports, and Advantage interfaces. Timeframe: May and June 2009.
 - g. Final Production conversion from current FY08-09 database to FY09-10 Advantage format database. Timeframe: June / July 2009.
2. CGI AFIN / Advantage Interfaces: Development, Testing & Implementation;
 - a. Accounts Payable – July 1, 2009
 - i. PO Based Documents (PO, CT, SC, LPO, BSC, ECT and EPO)
 1. Export original P.O.s and Contracts from WIN-CAMS to CGI Advantage;
 - ii. GAX – Expenditures without a P.O.
 1. Export Vendor Invoices from WIN-CAMS to CGI Advantage.
 - iii. PRC - Expenditures for Commodities
 1. Export Vendor Invoices from WIN-CAMS to CGI Advantage.
 - iv. DO – Expenditures on a Delivery Order
 1. Export Vendor Invoices from WIN-CAMS to CGI Advantage.
 - v. Vendor Payments
 1. Import Warrant Confirmation from CGI Advantage into WIN-CAMS.
 - b. Timecards / Payroll – July 1, 2010
 - i. Payroll Submittal
 1. Summary Export by Pay Period / Employees / Earnings Codes from WIN-CAMS to CGI Advantage.
 - ii. Employees
 1. Import Employees Job Classifications, Steps, New Hires, etc. from CGI Advantage into WIN-CAMS.

EXHIBIT A-3 – SCOPE OF SERVICES / PAYMENT PROVISIONS

2. Import Employee Leave Accrual Balances from CGI Advantage into WIN-CAMS.
3. Site Visit: Two day site visit tentatively scheduled for the end of April / early May to review new CAMS version and finalize testing procedures and testing timeline.
4. Site Visit: Two day site visit tentatively scheduled for the end of June / early July to review new CAMS version and finalize production conversions for FY 09-10.
5. Yearly Maintenance for Fiscal Year 09-10 and 6 month Maintenance through December 31, 2010.
 - a. Additional 6 month Maintenance through December 31, 2010
6. Unforeseen costs associated with Maintenance and/or Modifications as required through December 31, 2010.

Costs


1.		\$ 19,200
2.		
	a.	\$ 9,600
	b.	\$ 12,000
3.		\$ 2,950
4.		\$ 2,950
Total		\$ 46,700
5.		\$ 30,000
	a.	\$ 15,000
Total		\$ 45,000
6.		\$ 10,000
Total		\$ 10,000

Payment Schedule

1. 40% of Items 1 and 2a: 30 days after PO / Contract date:	\$ 11,520
2. 60% of Items 1 and 2a: 30 days after FY09-10 commences:	\$ 17,280
3. 40% of Item 2b: 01/01/10	\$ 4,800
4. 60% of Item 2b: 06/30/10	\$ 7,200
5. 100% of Item 3: 05/30/09	\$ 2,950
6. 100% of Item 4: 07/31/09	\$ 2,950
Total	\$ 46,700

Additional Payment Provisions

The hourly rate for FY 2009-2010 for Program Maintenance and Modifications will be \$135.00. The hourly rate for FY 2009-2010 for SQL (Structured Query Language)/DBE (Data Base Element) Services and Onsite Services will be \$150.00. The total amount of additional services provided under Amendment No. 4 shall not exceed \$46,700 for modifications (Items 1-4); \$45,000 for maintenance (Item 5); and \$10,000 for unforeseen modifications and maintenance for a total amount not to exceed \$101,700.


 (initials)

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/13/2009

PRODUCER (541)484-6624 FAX (541)686-2726
Pacific Benefit Consultants, Inc.
50 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

RECEIVED
JAN 20 2009
RESOURCE MANAGEMENT
PUBLIC WORKS - ADMIN

INSURED Cascade Software Systems Inc
P O Box 10723
Eugene, OR 97440

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Maryland Casualty Co.	19356
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	PPS41757858	01/31/2009	01/31/2010	EACH OCCURRENCE	\$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
	AUTOMOBILE LIABILITY <input 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				COMBINED SINGLE LIMIT (Ea accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				BODILY INJURY (Per accident)	\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes describe under SPECIAL PROVISIONS below: OTHER				PROPERTY DAMAGE (Per accident)	\$
					AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
					EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
						\$
						\$
					WC STATU-TORY LIMITS	
					OTH-ER	
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is an additional insured per CG 32 61 10 05.

*except 10 days notice for non-payment of premium;

CERTIFICATE HOLDER	CANCELLATION
COUNTY OF MONTEREY ITS AGENTS OFFICERS AND EMPLOYEES DEPT OF PUBLIC WORKS ATTN GUS CAPINGUIAN 168 W ALISAL 2ND FLOOR SALINAS, CA 93901	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE <i>Caralie Gunderson</i> Caralie Gunderson/CSG

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OREGON ADDITIONAL INSURED - OWNERS,
LESSEES OR CONTRACTORS - SCHEDULED PERSON
OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s):
County of Monterey
Its Agents Officers and Employees Dept of Public Works
Attn Gus Capinguan 168 W Alisal 2nd Floor Salinas CA 93201
Location(s) Of Covered Operations:
TBD
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused by your ongoing operations for the additional insured(s) at the location(s) designated above and only to the extent that such "bodily injury", "property damage" or "personal and advertising injury" is caused by your negligence or the negligence of those performing operations on your behalf.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

- This insurance does not apply to "bodily injury" or "property damage" occurring after:
1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/01/2009

PRODUCER COLGAN INSURANCE AGENCY 1369 W 6TH AVE SUITE 240 EUGENE, OR 97402 541-687-0778	THIS CERTIFICATION IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED ADRIANUS ALKEMADE PO-BOX 10723 EUGENE, OR 97440	<table border="1"> <tr> <th>INSURERS AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: ALLSTATE PROPERTY & CASUALTY</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: ALLSTATE PROPERTY & CASUALTY		INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #												
INSURER A: ALLSTATE PROPERTY & CASUALTY													
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

COVERAGES

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INSR/ADD'L LTR (INSRD)	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	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	9174B5945	03/10/2009	09/10/2009	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ 250,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$ 500,000
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN: EA ACC \$ AUTO ONLY: ACC \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED: If Yes, describe under: SPECIAL PROVISIONS below OTHER:				WORKERS COMPENSATION AND EMPLOYERS' LIABILITY LIMITS EA EACH ACCIDENT \$ EA DISEASE - EA EMPLOYEE \$ EA DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER THE COUNTY OF MONTEREY, ITS AGENTS, OFFICERS, AND EMPLOYEES 168 WALISAL ST 2 FLR SALINAS CA 93901-2467	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES AUTHORIZED REPRESENTATIVE
-------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



831 755-4958

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY Calendar Date: 05/13/2009
 Home Office Policy Number: 917465945 03 / 10
 Northbrook, Illinois
 Insured: ADRIANUS & RACHELLE ALKEMADE Address: PO BX 10723
 City: EUGENE St: OR Zip: 97440 Home: 541 - 343 - 3558

ADD INTERESTED PARTY
 THE CNTY OF MONTEREY
 168 W ALISAL ST 2 FL
 SALINAS CA 93901

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY NOTED ABOVE IS CURRENTLY IN FORCE

The County of Monterey, its agents, officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereto. The named insurance is to be primary insurance. The insurance of the Additional Insured's shall not be called upon to contribute to loss covered by the Contractor's Insurance.

County of Monterey, For use

 Policyholder's Signature Effective 12 : 01 AM 03 / 10 / 2009

[Signature]

 Agent's Signature 014629 OAC 8776870778
 SAR42-12 Agent # Location Agent's Phone #

saifcorporation

400 High Street SE
Salem, OR 97312-1000
Toll Free 1-800-285-8525

RECEIVED

JUL 10 2008

OREGON WORKERS COMPENSATION
CERTIFICATE OF INSURANCE

MAIL TO: RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

CERTIFICATE HOLDER:

COUNTY OF MONTEREY
RESOURCE-MANAGEMENT AGENCY
ATTN SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2008 to 07/01/2009	07/02/2008

INSURED:
CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:

LIMITS OF LIABILITY

Bodily Injury by Accident	\$500,000 each accident
Bodily Injury by Disease	\$500,000 each employee
Bodily Injury by Disease	\$500,000 policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:
WIN-CAMS

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

CANCELLATION:

Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail 30 days' written notice to the above named certificate holder.

AUTHORIZED REPRESENTATIVE

Brenda JP Rocklin

President and CEO

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

03/04/2009

PRODUCER (541)484-6624 FAX (541)686-2726
 Pacific Benefit Consultants, Inc.
 10 Country Club Road #330
 Eugene, OR 97401

Gus cc: Dalia

RECEIVED

MAR 09 2009

RESOURCE MANAGEMENT AGENCY
 PUBLIC WORKS - ADMIN

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: United States Liability Insurance Co.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED Cascade Software Systems Inc
 PO Box 10723
 Eugene, OR 97440

COVERAGES

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INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$								
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$								
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$								
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<table border="1"> <tr> <td>WC STATUTORY LIMITS</td> <td>OTHER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATUTORY LIMITS	OTHER	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATUTORY LIMITS	OTHER													
E.L. EACH ACCIDENT	\$													
E.L. DISEASE - EA EMPLOYEE	\$													
E.L. DISEASE - POLICY LIMIT	\$													
A		OTHER Technology Professional Liability Policy	TK1001919E	03/03/2009	03/03/2010	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate \$2,500 Deductible Each Claim								

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Claims-Made Policy

*except 10 days notice for non-payment of premium

CERTIFICATE HOLDER	CANCELLATION
COUNTY OF MONTEREY ITS AGENTS OFFICERS AND EMPLOYEES DEPT OF PUBLIC WORKS ATTN GUS CAPINGUIAN 168 W ALISAL 2ND FLOOR SALINAS, CA 93901	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>Coralie Gunderson</i> Coralie Gunderson/CSG

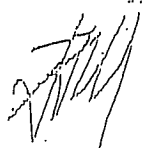
MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Manck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and #
917465945

We have reviewed the attached PEA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirements are appropriate. The out of state contractor's W.C. coverage may be reduced to \$500,000, as per their state of residency requirements. The PL aggregate of \$1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13-year work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type F" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No: A – 10268

- a. Approve Amendment No. 5 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to continue to provide provide services associated with program maintenance and program modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$35,000 for a total amount not to exceed \$333,700 and extend the term through December 31, 2011; and
 - b. Authorize the Contracts/Purchasing Officer to execute Amendment No. 5 to Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.
- (PD061223/Cascade Software Systems, Inc., County-wide)

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

- a. Approved Amendment No. 5 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to continue to provide provide services associated with program maintenance and program modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, in the amount of \$35,000 for a total amount not to exceed \$333,700 and extend the term through December 31, 2011; and
 - b. Authorized the Contracts/Purchasing Officer to execute Amendment No. 5 to Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.
- (PD061223/Cascade Software Systems, Inc., County-wide)

PASSED AND ADOPTED this 28th day of September, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter
 NOES: None
 ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on September 28, 2010.

Dated: September 30, 2010

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

By [Signature] Deputy

**AMENDMENT NO. 5 TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 5 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Cascade Software Systems, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR.

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with County on September 20, 2005 (hereinafter, "Agreement"); and

WHEREAS, Agreement was amended by the parties on April 20, 2006 (hereinafter, "Amendment No. 1"), January 22, 2007 (hereinafter, "Amendment No. 2"), April 16, 2008 (hereinafter, "Amendment No. 3"), and June 12, 2009 (hereinafter, "Amendment No. 4"); and

WHEREAS, the Windows-based Cost Accounting Management System (Win-CAMS) requires additional services associated with annual program maintenance and program modifications on an as identified basis; and

WHEREAS, the County and the CONTRACTOR wish to further amend the Agreement to extend the term to December 31, 2011 and increase the amount for additional services associated with annual program maintenance and program modifications on an as identified basis for the Windows-based Cost Accounting Management System (Win-CAMS).

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

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2, A-3 and A-4 in conformity with the terms of this Agreement.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2, A-3 and A-4, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall be increased by \$35,000.00, for a total amount not to exceed the sum of \$333,700.00.

Amendment No. 5 to Professional Services Agreement

Cascade Software Systems, Inc.

Maintenance and Modifications to Win-CAMS

RMA

Term: July 1, 2005 – December 31, 2011

Not to Exceed: \$333,700.00

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2005 to December 31, 2011, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-4, Scope of Services/Payment Provisions".
5. All other terms and conditions of the Agreement remain unchanged and in full force.
6. This Amendment No. 5 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

Amendment No. 5 to Professional Services Agreement
Cascade Software Systems, Inc.
Maintenance and Modifications to Win-CAMS
RMA
Term: July 1, 2005 – December 31, 2011
Not to Exceed: \$333,700.00

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 5 to the Professional Services Agreement as of the day and year written below:

~~COUNTY OF MONTEREY~~

CONTRACTOR*

By: [Signature]
Contracts/Purchasing Officer

Cascade Software Systems, Inc.
Contractor's Business Name

Date: 11-8-10

By: [Signature]
(Signature of Chair, President or Vice President)

Its: AAD F. ALKEMADE PRESIDENT
(Name and Title)

Date: 8/10/2010

**Approved as to Form and Legality
Office of the County Counsel**

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

By: [Signature]
Deputy County Counsel

Its: Rachelle Alkemade, Secretary
(Name and Title)

Date: 8-20-10

Date: 8/11/10

Approved as to Fiscal Provisions

By: [Signature]
Auditor/Controller

Date: 8-31-10

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

*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.

Amendment No. 5 to Professional Services Agreement

Cascade Software Systems, Inc.

Maintenance and Modifications to Win-CAMS

RMA

Term: July 1, 2005 – December 31, 2011

Not to Exceed: \$333,700.00

ENTERED

NOV 05 2010

KA

EXHIBIT A-4 – SCOPE OF SERVICES/PAYMENT PROVISIONS

**Cascade Software
Systems, Inc.**

Memo

To: Gus Capinguan
From: Aad F. Alkemade
CC:
Date: 8/9/2010
Re: RMA CAMS Maintenance Rates for FY 2010-2011

In accordance with the current CAMS Agreement for Maintenance and System Services, I hereby submit additional Program Maintenance and Program Modification Fees and updated rates for FY 2010-2011 in the amount of \$12,020.67 for January 1, 2011 through June 30, 2011. In addition, I hereby submit partial fees for FY 2011-2012 for July 1, 2011 through December 31, 2011. Fees under this Amendment No. 5 to the Professional Services Agreement (PSA) are as follows:

<u>FY 2010 - 2011</u>	
Additional Maintenance Fees for 1/1/11 – 6/30/11:	\$ 12,020.67
Additional Modification Fees to Upgrade Document for 1/1/11 – 6/30/11:	\$ 5,246.73
SUBTOTAL FOR 1/1/11 – 6/30/11:	\$ 17,267.40
<u>FY 2011 - 2012</u>	
Estimated Maintenance Fees for 7/1/11 – 12/31/11:	\$ 15,000.00
Estimated Unforeseen Maintenance and/or Modifications for 7/1/11 – 12/31/11:	\$ 2,732.60
SUBTOTAL FOR 7/1/11 – 12/31/11:	\$ 17,732.60
TOTAL INCREASE AMOUNT UNDER AMENDMENT NO. 5 TO THE PSA FOR 1/1/11 - 12/31/11:	\$ 35,000.00

Updated Rates for FY 2010 – 2011:

The following hourly billing rates will be in effect during FY 2010-2011:

Programming Rate per Hour	\$ 140.00
SQL/DBE Services Rate per Hour	\$ 150.00
Onsite Rate per Hour	\$ 150.00
Rates decrease using sliding scale depending on total number of hours.	

Rates for FY 2011 – 2012 will be provided during that FY under a separate amendment.

PAYMENT PROVISIONS:

The total amount of additional services provided under Amendment No. 5 to the PSA shall not exceed \$35,000.00.

AA
(Contractor's Initials)

8/10/2010
(Date)

ENTERED

Page 1 of 1

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KA

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/12/2010

PRODUCER 541.484.6624 FAX 541.686.2726
Pacific Benefit Consultants, Inc.
10 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Cascade Software Systems Inc JAN 19 2010
P O Box 10723
Eugene, OR 97440

RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

RECEIVED

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Maryland Casualty Co.	19356
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	PPS41757858	01/31/2010	01/31/2011	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC					
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	\$
		<input 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				BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC	\$
						AUTO ONLY: AGG	\$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$
		<input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$					\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTH-ER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
		OTHER				E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is an additional insured per #CG 32 61 10 05.

*except 10 days notice of cancellation for non-payment of premium

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Caralie Gunderson/CSG

Caralie Gunderson

ALLSTATE LIENHOLDER SERVICE CENTER
PO BOX 660349
DALLAS, TX 75266-0349

RECEIVED

AUG 12 2010

RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

Date: 08/06/10



THE CNTY OF MONTEREY
168 W ALISAL ST FL 2
SALINAS CA 93901-2487

CERTIFICATE OF INSURANCE

EFFECTIVE DATE
OF CERTIFICATE
SEPTEMBER 10, 2010

ALLSTATE INSURANCE COMPANY

Northbrook, Illinois, certifies that the following insurance is in force:

POLICYHOLDER

ADRIANUS & RACHELLE
ALKEMADE
PO BX 10723
EUGENE OR 97440-2723

POLICY NUMBER

9 17 465945 03/10

POLICY PERIOD

SEPTEMBER 10, 2010
MARCH 10, 2011

At 12:01 A.M.
Standard Time

The person or organization designated below is described in the policy as:

THE CNTY OF MONTEREY
168 W ALISAL ST FL 2
SALINAS CA 93901-2487

LIENHOLDER
(Loss Payable Clause)
 ADDITIONAL
INTERESTED PARTY

AGENT COLGAN INSURANCE
PHONE (541) 687-0778

Coverages designated below are afforded for each described vehicle:

BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2000 GRND CHEROKE
PD \$500,000 EA.OCC.	1J4GW58NXYC343283
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2004 GRND CHEROKE
PD \$500,000 EA.OCC.	1J8GW58N94C368331
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2005 X3
PD \$500,000 EA.OCC.	WBXPA73445WC50113
Collision- \$500 DED.	Comprehensive- \$100 DED.

See reverse side for provisions concerning Loss Payable Clause and Additional Interested Party.

This Certificate of Insurance neither affirmatively nor negatively amends, extends or alters the coverage afforded by the policy referred to above.

D1696

500003605865727336320101



ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/25/2010

PRODUCER 541.484.6624 FAX 541.686.2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE NAIC #

INSURED Cascade Software Systems, Inc.
P. O. Box 10723
Eugene, OR 97440

INSURER A: United States Liability Insurance Co.
INSURER B:
INSURER C:
INSURER D:
INSURER E:

RECEIVED
MAR 01 2010

RESOURCE MANAGEMENT AGENCY
PUBLIC WORKS - ADMIN

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		OTHER Technology Professional Liability Policy	TK1001919F	03/03/2010	03/03/2011	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate \$2,500 Deductible Each Claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS:

Claims-Made Policy

*except 10 days notice of cancellation for non-payment of premium

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

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AUTHORIZED REPRESENTATIVE
Caralie Gunderson/CSG

Caralie Gunderson


MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Mauck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and #
917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PPS 41757858		17571837		MO13157491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PO					ANNIVERSARY EFF 01/31/2007	



ZURICH

**PRECISION PORTFOLIO POLICY
COMMERCIAL PROPERTY DECLARATIONS
PRECISION PREMIER
SERVICE PROGRAM**

ADDITIONAL COVERAGES - Continued	DEDUCTIBLE	LIMITS
INSTALLATION*	\$1,000	\$2,500
INVENTORY AND APPRAISAL	NONE	\$5,000
LEASEHOLD INTEREST*	NONE	\$10,000
LOCK AND KEY REPLACEMENT	NONE	\$1,000
MONEY & SECURITIES - INSIDE THE PREMISES/OUTSIDE THE PREMISES*	NONE	\$10,000/ \$2,500
MONEY ORDERS & COUNTERFEIT CURRENCY - \$1,000 MAX. EACH ITEM	NONE	\$5,000
OFF-PREMISES POWER OR WATER FAILURE*	\$1,000	\$10,000
PATTERNS, DIES & MOLDS*	\$500	\$5,000
PERSONAL EFFECTS AND PERSONAL PROPERTY OF EMPLOYEES	\$500	\$2,500
PERSONAL PROPERTY AT NEWLY ACQUIRED OR CONST. BLDGS. - 180 DAYS	\$500	\$250,000
PERSONAL PROPERTY AT OTHER LOCATIONS (INCLUDING EXHIBITIONS)	\$500	\$25,000
PERSONAL PROPERTY IN TRANSIT*	\$1,000	\$2,500
POLLUTION CLEAN-UP AND REMOVAL - EACH LOCATION	\$500	\$10,000
SALESPERSONS SAMPLES - \$2,500 MAX. EACH EMPLOYEE	\$1,000	\$10,000
SIGNS*	\$500	\$5,000
SPOILAGE*	\$1,000	\$5,000
TOOLS & EQUIPMENT INCLUDING COMMUNICATION DEVICES - BLANKET*	\$500	\$5,000
TREES, SHRUBS, PLANTS AND LAWNS - \$1,000 MAX. EACH ITEM	\$500	\$10,000
UNAUTHORIZED BUSINESS CARD USE - \$1,000 MAX. PER OCCURRENCE	NONE	\$5,000
VALUABLE PAPERS & RECORDS*	NONE	\$25,000

* The limits for these coverages may be increased. Contact your agent.

Mortgagees and Loss Payees are listed on the Commercial Property Supplemental Declarations by building.

COMMERCIAL PROPERTY

951016 Ed 3-00

INSURED'S COPY

12/27/2006

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PPS 41757858		17571837		MO13167491-001-00001	ANNUAL
BRANCH	ZY ZURICH GROUP-PD					ANNIVERSARY EFF 01/31/2007

PRECISION PORTFOLIO POLICY
BUILDINGS AND PERSONAL PROPERTY SCHEDULE
PRECISION PREMIER

LOCATION	01 BUILDING #	01	911 COUNTRY CLUB RD, SUITE 320	EUGENE	OR	97401
PREMISES PRIMARY						
OCCUPANCY: COMPUTER PROGRAMMING						
INSURED'S INTEREST: TENANT						
CONSTRUCTION: FRAME						
					PROTECTION CLASS:	002

	REPLACEMENT COST	DEDUCTIBLE	LIMIT
SCHEDULED PERSONAL PROPERTY		\$500	\$16,000
BACK-UP OF SEWERS & DRAINS		\$1,000	\$25,000
EQUIPMENT BREAKDOWN		\$500	INCLUDED

PROTECTIVE DEVICES CONDITION APPLIES TO:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM - OREGON

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

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

Other words and phrases in quotation marks have special meaning. Refer to the DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS) section of this form.

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS) form.

QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Coverage (Includes Restrictions or Abridgments)	1
Covered Property (Includes Restrictions or Abridgments)	1
Covered Causes of Loss (Includes Restrictions or Abridgments)	7
Additional Coverages (Includes Restrictions or Abridgments)	13
Limits of Insurance (Includes Restrictions or Abridgments)	18
Deductible	18
Commercial Property Conditions (Includes Restrictions or Abridgments) ...	18
Loss Conditions (Includes Restrictions or Abridgments)	18
General Conditions (Includes Restrictions or Abridgments)	22
Definitions (Includes Restrictions or Abridgments)	24

COVERAGE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

I. COVERED PROPERTY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The following items are Covered Property in this policy if shown in the Declarations along with a Limit of Insurance.

- A. **Building**, meaning buildings and structures scheduled in the Declarations at a "described premises".
- B. The following property if within 1000 feet of the "described premises":
 - 1. Completed additions;
 - 2. Permanently installed fixtures, machinery and equipment;
 - 3. Indoor and outdoor equipment and other personal property used to maintain or service the "described premises";
 - 4. Unless covered by other insurance:
 - (a) Incomplete additions and their component parts; and
 - (b) Materials, equipment, supplies and temporary structures to be used in completing those additions.

C. However, Covered Property does not include:

1. Land, water, growing crops, bridges, unattached retaining walls, patios or paved surfaces;
2. Foundations of buildings, supports, structures, machinery or boilers if the foundations are below:
 - (a) The lowest basement floor; or
 - (b) The surface of the ground, if there is no basement.
3. Property that is more specifically insured in this or another insurance policy.

D. Newly Acquired or Constructed Buildings.

If you acquire or commence construction on non-scheduled buildings after the inception date of this policy, such building(s) are Covered Property. However, this Coverage ends for each such building upon the earlier of:

1. The expiration of this policy;
2. The day you report the new property to us; or
3. The 180th day after you acquire the building(s) or commence construction on the building(s).

We will charge additional premium for new values reported from the date you acquire the property or the date construction begins.

E. Personal Property.

1. Personal Property located in, on or within 1000 feet of the "described premises" including:
 - a. Business personal property owned by you and used in your business;
 - b. Personal property of others in your care, custody or control, including the cost of labor, materials or services furnished or arranged by you on that property;
 - c. Leased personal property which you have a contractual responsibility to insure; and
 - d. "Improvements and betterments".
2. However, Covered Property does not include:
 - a. Land, water or growing crops;

- b. Bullion, money or securities;
- c. Contraband, or property in the course of illegal transportation or trade;
- d. Shipments imported into the United States prior to discharge from an aircraft or ocean vessel;
- e. Shipments exported from the United States after being loaded on an aircraft or ocean vessel;
- f. Animals, except:
 - (1) Animals owned by others and boarded by you; or
 - (2) Animals owned by you and held for sale;
- g. Personal property of employees or personal effects of others;
- h. Aircraft;
- i. Self-propelled watercraft while afloat;
- j. (1) Vehicles or self-propelled machines that are:
 - (a) Licensed for use on public roads; or
 - (b) Operated principally away from the "described premises".
- (2) But we will cover vehicles or self-propelled machines you:
 - (a) Manufacture, process or warehouse; or
 - (b) Hold for sale, except for automobiles; or
- k. Property that is covered under this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.

F. Personal Property at Newly Acquired or Constructed Buildings. Personal Property Coverage extends to Personal Property at newly acquired or constructed buildings. But this Coverage ends for each newly acquired or constructed building upon the earlier of:

1. The expiration of this policy;

2. The day you report the new property to us; or
3. The 180th day after you acquire the property or begin the construction.

We will charge additional premium for new values reported from the date you acquire the property or the date construction begins.

G. Personal Property at Other Locations, meaning your Personal Property that is at any premises more than 1000 feet from the "described premises".

1. This Coverage includes property at:
 - a. A location you own or occupy that is not a "described premises"; or
 - b. The premises of a fair or exhibition.
2. This Coverage does not include property:
 - a. In the course of transportation; or
 - b. That is more specifically insured while off-premises in this or another insurance policy.

H. Patterns, Dies and Molds, located anywhere in the Coverage Territory, including at exhibitions.

1. Patterns are forms or models for imitation, or models for making molds for forming or casting molten metals.
2. Dies are devices that impart desired shapes or finishes to materials. They may be devices that stamp or cut objects. They may also be devices through which metal, plastics or other materials are extruded.
3. Molds are frames around which objects are constructed, or containers in which objects are shaped.

I. Personal Effects and Personal Property of Employees, in your care, custody or control while in, on or within 1000 feet of the "described premises". This insurance is excess over any other valid and collectible insurance available to the owner of the property.

J. Salespersons Samples, while more than 1000 feet from the "described premises", including in transit. This Coverage applies to samples of goods or

products you own while in the custody of a salesperson or any employee who travels with sales samples.

Salespersons Samples does not include:

1. Property that has been sold;
2. Property shipped by mail; or
3. Drugs, jewelry, costume jewelry, furs, fur garments or garments trimmed with fur.

The most we will pay for loss of or damage to property in the custody of any one salesperson or employee in any one occurrence is \$2500.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.
- (2) Exclusion 2.c.(4) Settling, cracking, shrinking, expansion.
- (3) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

K. Free Standing Fences and Walls, at the "described premises" and not attached to buildings or other structures. This Coverage does not include retaining walls that are used to contain water.

L. Antennae and Satellite Dishes, meaning radio or television satellite dishes and antennae, including their lead-in wiring, masts and towers within 1000 feet of a "described premises."

M. Signs, wherever located in the Coverage Territory. This Coverage applies to signs:

1. Owned or rented by you; or
2. Owned by others but in which you have a financial interest.

N. Outdoor Trees, Shrubs, Plants and Lawns, at the "described premises", other than "stock". This Coverage includes debris removal expense. However, we will only pay for loss or damage caused by the following Causes of Loss:

1. Fire;
2. Lightning;
3. Explosion;
4. Riot or Civil Commotion; or

5. Aircraft.

The most we will pay for loss or damage to any one tree, shrub or plant is \$1000.

O. **Personal Property in Transit**, meaning personal Property you own and are picking up from others, or are delivering to others.

1. This Coverage applies only to property while it is in transit more than 1000 feet from the "described premises" and:
 - a. In or on a vehicle owned, leased or operated by you; or
 - b. In the custody of a common carrier, contract carrier or registered mail carrier while in transit between points in the Coverage Territory. When title to a shipment passes to the consignee, if the consignee refuses to pay because the shipment is lost or damaged, you may elect to claim that loss under this insurance.
2. However, this coverage does not apply to:
 - a. Cargo that belongs to others that you are transporting for a fee, other than incidental delivery charges;
 - b. Cargo on your vehicle if that cargo has been stationary with no intent to move it within the next 72 hours;
 - c. Cargo while it is waterborne, unless it is on a barge on inland waterways within the continental United States;
 - d. Freight charges;
 - e. Live animals; or
 - f. Salespersons samples.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.
- (2) Exclusion 1.g. Water.
- (3) Exclusion 2.c.(4) Settling, cracking, shrinking, expansion.
- (4) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste

products by insects, birds, rodents or other animals.

P. **Installation Property.**

1. This Coverage applies to Personal Property being installed by you in work you are performing while at a job site or temporarily warehoused elsewhere anywhere in the Coverage Territory:
 - a. Awaiting and during installation or testing; and
 - b. Awaiting acceptance by the buyer.

If your Installation coverage limit is sufficient, coverage also extends to temporary structures at the job site as well as site preparation costs.

As used in this coverage, the term job site means a premises where you are installing, repairing or erecting property. However, It does not include the construction site of a dam, tunnel, flood control project, bridge, overpass, pier, wharf or dock.

2. This coverage does not apply to personal property that is not a part of or intended to become a part of the installation.
3. This coverage ends at any job site at the earliest of the following:
 - a. Your interest in the property ceases;
 - b. The buyer accepts the property; or
 - c. This policy terminates.

Q. **Tools and Equipment, including Communication Devices.**

1. This Coverage applies to the following property located anywhere in the Coverage Territory:
 - a. Your tools and tools belonging to your employees, including spare parts and accessories;
 - b. Contractors equipment you own or for which you may be legally liable; and
 - c. Mobile communications equipment not permanently installed in a vehicle.
2. This Coverage does not include:

- a. Automobiles, motor trucks, tractors, trailers or other vehicles designed and principally used for highway transportation;
- b. Aircraft or watercraft, or property while airborne or waterborne;
- c. Property located underground; or
- d. Contraband or property in the course of illegal transportation or trade.

The most we will pay for loss of or damage to any item under this Coverage is \$2500, unless the item is scheduled along with a higher limit in the Declarations of this policy.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion 1 **b.** Earth Movement.

Extension - Newly Acquired Equipment. If you acquire new contractors equipment during the Policy Period of a type already covered in this policy by this Coverage, we will automatically cover that property up to 180 days, but not beyond the end of the policy period. The most we will pay in any one occurrence under this extension is \$250,000. You must notify us within 180 days of the acquisition of the property. We will charge additional premium from the date of acquisition.

Insurance to Value. All owned property included in this Coverage must be insured for at least 80% of its value at the time of loss or damage. If it is not, you will incur a penalty. The penalty is that we will only pay the proportion of the loss or damage that the Limit of Insurance for this Coverage bears to 80% of the value of the owned property at the time of loss or damage.

R. **Accounts Receivable**, meaning the money due you that you are unable to collect from your customers as a result of loss of or damage to your records of accounts receivable.

1. This coverage applies to:
 - a. Evidences of debt in connection with credit or charge cards;
 - b. Interest charges on any loan that you secure to offset amounts

you are unable to collect pending our payment of these amounts;

- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
 - d. Other reasonable expenses you incur to re-establish your records of accounts receivable.
2. This coverage does not apply to:
 - a. Contraband or property in the course of illegal transportation or trade; or
 - b. Electronic data processing media or software.
 3. Accounts Receivable loss payment will be determined as follows:
 - a. When there is proof that a covered loss has occurred but you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the amount will be computed as follows:
 - (1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs; and
 - (2) Adjust that total for any normal fluctuation in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - b. We will deduct from the total amount of accounts receivable, however that amount is established:
 - (1) The amount of the accounts for which there is no loss or damage;
 - (2) The amount of the accounts that you are able to re-establish or collect;
 - (3) An amount to allow for probable bad debts that you are normally unable to collect; and

(4) All unearned interest and service charges.

- c. If you recover the amount of any accounts receivable that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any accounts receivable you recover in excess of the amount of the paid loss.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.
- (2) Exclusion 2.c.(4) Settling, cracking, shrinking, expansion.
- (3) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

- S. **Fine Arts**, meaning property that is rare or has historic or artistic value, such as paintings, etchings, drawings, rare books, rugs, tapestries, art glass, stained glass, murals, decoratively painted walls and other bona fide works of art or rarity that you own or are in your care, custody or control. This coverage applies to property located anywhere in the Coverage Territory except:

1. On exhibition at fairgrounds; or
2. On the premises of any national or international exposition.

The most we will pay for loss of or damage to any item under this Coverage is \$2500, unless the item is scheduled along with a higher limit in the Declarations of this policy. Scheduled items will be valued at the amount shown in the Declarations. All other items will be valued at actual cash value.

Extension - Newly Acquired Property. If you acquire new Fine Arts during the Policy Period, we will automatically cover that property up to 180 days, but not beyond the end of the Policy Period. The most we will pay in any one occurrence under this extension is the lesser of 25% of the total limits for Fine Arts in this policy or \$10,000. You must notify us within 180 days of the acquisition of the property. We will charge additional premium from the date of acquisition.

The following exclusions in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.
- (2) Exclusion 1.g. Water.
- (3) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

- T. **Electronic Data Processing Equipment and Media**, meaning data processing, and word processing and telephone systems and software you own or are in your care, custody or control.

1. This Coverage includes:

- a. Equipment, component parts and related peripheral equipment such as cables, modems, telephone handsets and fax machines;
- b. Media such as punch cards, tapes, discs, drums, or other magnetic recording or storage devices including the information stored on the media; and
- c. Software programs and documentation used to operate the systems.

2. This Coverage does not include property

- a. You hold for sale, distribute or manufacture; or
- b. That cannot be duplicated or replaced with similar property of equal quality, unless it is scheduled in the Declarations.

The most we will pay for loss of or damage to any data processing item under this Coverage is \$5000, except for any item specifically scheduled with a higher limit in the Declarations of this policy.

With respect to the above coverage, the term data processing item means an individual hardware component or peripheral (including related cards and cables), software program or media used with a specific software program.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.

- (2) Exclusion 2.c.(4) Settling, cracking, shrinking, expansion.
- (3) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.
- (4) Exclusion 2.c.(6)(b) Changes or extremes of temperature.

U. **Valuable Papers and Records**, meaning inscribed, printed or written documents, manuscripts or records including abstracts, books, deeds, drawings, films, negatives, transparencies, tapes, maps, mortgages or credit card records. We will pay the cost incurred to research, replace or restore the information on lost or damaged Valuable Papers and Records.

This Coverage does not include:

- 1. Electronic data processing media or software;
- 2. Money or securities;
- 3. Valuable papers and records that cannot be replaced with others of like kind and quality;
- 4. Property held as samples or for delivery after sale;
- 5. Property in storage away from the "described premises"; or
- 6. Contraband, or property in the course of illegal transportation or trade.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion 1.b. Earth Movement.
- (2) Exclusion 2.c.(4) Settling, cracking, shrinking, expansion.
- (3) Exclusion 2.c.(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

II. COVERED CAUSES OF LOSS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE unless the loss or damage is excluded or limited as described below:

A. EXCLUSIONS

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or dam-

age is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance or Law -

- (1) The enforcement of any ordinance or law:
 - (a) Regulating the construction, use or repair of any property; or
 - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion, Ordinance or Law, applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged; or
 - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if earth movement results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.
- (2) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the loss or damage caused by that fire, building glass breakage or volcanic action.

All volcanic eruptions that occur within any 168-hour

period will constitute a single occurrence.

c. **Governmental Action** - Seizure or destruction of property by order of governmental authority. But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. **Nuclear Hazard** - Nuclear reaction or radiation, or radioactive contamination, however caused. But if nuclear reaction or radiation or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire.

e. **Utility Service Failure** - The failure of power or other utility service supplied to the "described premises", however caused, if the failure occurs away from the "described premises." But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

f. **War and Military Action**

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

g. **Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- (2) Mudslide or mudflow;
- (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; or
- (4) Water that backs up or overflows from a sewer, drain or sump but only if Back-Up of Sewers and Drains is shown as "Excluded" in the Declarations.

But if water, as described in A1.g.(1) through (4) results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use or loss of market.
- b. Smoke, vapor or gas from agricultural smudging or industrial operations.
- c. (1) Wear and tear.
(2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.
(3) Smog.
(4) Settling, cracking, shrinking, expansion.
(5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.
(6) The following causes of loss to Personal Property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.c.(1) through (6) results in building glass breakage or a "specified cause of loss," we will pay for the building glass breakage or the loss or damage caused by that "specified cause of loss."

- d. Explosion or mechanical breakdown of steam boilers, steam pipes, steam engines, steam turbines, or their accessories or components, owned or leased by you or operated under your control. But we will pay for:

- (1) Any loss or damage caused by fire or combustion explosion that results from explosion of steam boilers, steam pipes, steam engines or steam turbines; or
- (2) Any loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

- e. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.

- f. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

- g. (1) Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (a) Acting alone or in collusion with others; or

- (b) Whether or not occurring during the hours of employment.

- (2) This exclusion does not apply to:

- (a) Acts of destruction by your employees, except that theft by employees is not covered; or
- (b) Acts committed by carriers for hire or anyone claiming to be a carrier for hire.

- h. Rain, snow, ice or sleet to personal property in the open.

- i. Collapse. But

- (1) If collapse results in a Covered Cause of Loss at the "described premises", we will pay for the loss or damage caused by that Covered Cause of Loss.

- (2) We will pay for loss or damage caused by or resulting from risks of direct physical loss involving collapse of a building or any part of a building caused only by one or more of the following:

- (a) The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
- (b) Hidden decay;
- (c) Hidden insect or vermin damage;
- (d) Weight of people or personal property;
- (e) Weight of rain that collects on a roof;
- (f) Use of defective material or methods if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in (2)(a) through (e),

we will pay for the loss or damage even if use of defective material or methods in construction, remodeling or renovation contributes to the collapse.

(3) If the direct physical loss or damage does not involve collapse of a building or any part of a building, we will pay for loss or damage to Covered Property caused by the collapse of personal property only if:

- (a) The personal property which collapses is inside a building insured under this policy; and
- (b) The collapse was caused by a cause of loss listed in (2)(a) through (2)(f) above.

(4) With respect to the following property:

- (a) Satellite dishes and outdoor radio or television antennae, including their lead-in wiring, masts or towers;
- (b) Awnings;
- (c) Gutters and downspouts;
- (d) Yard fixtures;
- (e) Outdoor swimming pools;
- (f) Fences;
- (g) Piers, wharves and docks;
- (h) Beach or diving platforms or appurtenances;
- (i) Retaining walls;
- (j) Walks, roadways and other paved surfaces.

If the collapse is caused by a cause of loss listed in (2)(b) through (2)(f), we will pay for loss or damage to that property only if such loss or damage is a direct result of the collapse of a building insured under this policy and the property is Covered Property under this policy.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

j. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss."

3. We will not pay for loss or damage caused by or resulting from any of the following. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss:

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, or organization representing a governmental or regulatory or controlling body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance

of part or all of any property on or away from the "described premises".

4. **SPECIAL EXCLUSIONS.** The following exclusions apply only to the Covered Property or Additional Coverage specified:

a. **Tools and Equipment, Including Communications Devices** - We will not pay for any loss or damage caused by or resulting from:

- (1) The weight of a load or lift exceeding the manufacturer-rated lifting capacity of the equipment under operating conditions at the time of loss or damage; or
- (2) Collapse or collision of booms or jibs unless directly caused by one of the "specified causes of loss".

b. **Accounts Receivable** - We will not pay for any loss or damage caused by or resulting from:

- (1) Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property. But this exclusion applies only to the extent of the wrongful giving, taking or withholding.
- (2) Bookkeeping, accounting or billing errors or omissions, or for any loss that requires an audit of records or an inventory computation to prove its factual existence.

c. **Fine Arts** - We will not pay for loss or damage caused by or resulting from:

- (1) Breakage of statuary, glassware, bric-a-brac, marbles, porcelain and similar fragile property. But we will pay if the loss or damage is caused directly by fire, lightning, explosion, windstorm, earthquake, flood, vandalism, aircraft, rioters, strikers, theft, attempted theft or by accident to the vehicle carrying the property.
- (2) Any repairing, restoration or retouching of the Fine Arts.

d. **Valuable Papers and Records** - We will not pay for any loss or damage caused by or resulting from errors or omissions in processing or copying the papers

and records. But we will pay for loss or damage caused by a resulting fire or explosion.

e. **Business Income and Extra Expense** - We will not pay for:

(1) Any loss caused by or resulting from:

- (a) Damage or destruction of "finished stock"; or
- (b) The time required to reproduce "finished stock".

This exclusion does not apply to "extra expense".

(2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennae, or satellite dishes, including their lead-in wiring, masts or towers.

(3) Any increase of loss caused by or resulting from:

- (a) Delay in rebuilding, repairing or replacing the property or resuming "operations" due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;
- (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your "business income" during the "period of restoration"; or

(4) Any "extra expense" caused by or resulting from suspension, lapse or cancellation of any license, leases or contract beyond the "period of restoration".

(5) Any increase of loss of Net Income caused by or resulting from improvement(s) in business conditions subsequent to the time of loss.

(6) Any other consequential loss.

(6) Any other consequential loss.

- f. **Leasehold Interest** - We will not pay for any loss caused by:
 - (1) Your canceling the lease;
 - (2) The suspension, lapse or cancellation of any license; or
 - (3) Any other consequential loss.

B. LIMITATIONS

1. We will not pay for loss of or damage to:
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers and equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Building materials and supplies not attached as part of the building or structure (unless held for sale by you) if the loss is caused by or results from theft. This Limitation does not apply to installation.
 - e. Property that is missing, where the only evidence of the loss is

a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

- f. Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
 - g. Property that has been transferred to a person or to a place outside the "described premises" on the basis of unauthorized instructions.
2. We will not pay more for loss of or damage to glass that is part of a building or structure than \$500 for each plate, pane, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than \$1000 for all loss of or damage to building glass that occurs at one time.

This Limitation does not apply:

 - a. To loss or damage by the "specified causes of loss," except vandalism; or
 - b. If Full Glass Breakage is shown as "Included" for the "described premises" in the Declarations.

Full Glass Breakage does not apply to stained glass or art glass.
 3. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass that is part of a building or structure;
 - (2) Containers of property held for sale; or
 - (3) Photographic or scientific instrument lenses.
 4. For loss or damage by theft, the following types of property are covered only up to the limits shown:

- a. \$2500 for furs, fur garments and garments trimmed with fur.
 - b. \$2500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$250 for stamps, letters of credit and tickets, including lottery tickets held for sale.
5. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
- a. Results in discharge of any substance from an automatic fire protection system; or
 - b. Is directly caused by freezing.
6. We will not pay the cost of excavations.

III. ADDITIONAL COVERAGES (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The following Additional Coverages apply only if they are indicated in the Declarations:

- A. Business Income and Extra Expense -**
 We will pay for the actual loss of "business income" you sustain due to the necessary suspension of "operations" during the "period of restoration," but not to exceed 12 consecutive months. The suspension must be caused by direct physical loss of or damage to property at the "described premises," including personal property in the open, or in a vehicle, within 1000 feet, caused by or resulting from a Covered Cause of Loss.

We will also pay necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss of or damage to such property caused by or resulting from a Covered Cause of Loss.

This Additional Coverage is not subject to the Limits of Insurance, except for

the Newly Acquired Properties Extension.

Extensions:

1. **Business Income From Dependent Properties -** We will also pay for the actual loss of "business income" you sustain due to the necessary suspension of "operations" caused by direct physical loss of or damage by a Covered Cause of Loss to "dependent property" at a premises you do not own, lease or operate.
 - a. We will only pay for loss of "business income" that occurs within the lesser of:
 - (1) The "period of restoration" at the "dependent property" where the direct loss or damage occurs; or
 - (2) 30 days.
 - b. We will reduce the amount of your "business income" loss, other than "extra expense", to the extent you can resume "operations", in whole or in part, by using any other available:
 - (1) Source of materials; or
 - (2) Outlet for your products.
2. **Newly Acquired Properties -** We will pay for the actual loss of "business income" and "extra expense" you sustain due to the necessary suspension of "operations" during the "period of restoration" caused by direct physical loss or damage by a Covered Cause of Loss to your property at newly acquired buildings, including personal property in the open, or in a vehicle, within 1000 feet. But this Coverage ends for each newly acquired location upon the earlier of:
 - a. The expiration of this policy;
 - b. The day you report the new property to us; or
 - c. The 180th day after you acquire the property or begin the construction.

We will pay up to the Limit for this Extension shown in the Declarations.

3. **Extended Period of Indemnity -** We will pay for the actual loss of "busi-



ZURICH

precision portfolio policy



Zurich North America
Small Business



service
INSURANCE PROGRAM

Oregon Insurance Guaranty Association Surcharge



ZURICH

Policy Disclosure

Most insurers doing business in Oregon are required to participate in the Oregon Insurance Guaranty Association. In the event an insurer fails, the Association settles unpaid claims on behalf of consumers. Oregon law requires that policies be surcharged directly to recover the costs of handling those claims. If your policy is surcharged, the term surcharge along with an indicated dollar amount will be displayed on the Common Policy Declarations or Information Page.



ZURICH

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY.

THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE OF PREMIUM (RELATING TO DISPOSITION OF TRIA)

SCHEDULE*

(1) Premium attributable to risk of loss from certified acts of terrorism through the end of the policy period based on the extension of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Extension Act of 2005, ("TRIA") for lines subject to TRIA:

18.00

If TRIA terminates, the portion of this premium attributable to the remaining part of the policy period, as modified by any change shown in (2) of this Schedule, applies to the risk of loss from terrorism after the termination of TRIA.

(2) Premium change upon termination of TRIA or upon applicability of a Conditional Endorsement:

No change unless one of the following is completed -

Return Premium: N/A

Additional Premium: N/A

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

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

A. Disclosure of Premium

In accordance with the TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of your premium attributable is shown in the Schedule of this endorsement or in the Declarations.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% (85% for 2007) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The Act currently provides for no insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year. The federal program established by the Act is

scheduled to terminate at the end of December 31, 2007 unless extended by the federal government.

C. Possibility of Additional or Return Premium

The premium attributable to the risk of loss from certified acts of terrorism coverage is calculated based on the coverage (if any) in effect at the beginning of your policy for certified acts of terrorism. If your policy contains a Conditional Endorsement, the termination of TRIA or extension of the federal program with certain modifications (as explained in that endorsement) may modify the extent of coverage (if any) your policy provides for terrorism. If TRIA terminates or the Conditional Endorsement becomes applicable to your policy, the return premium (if any) or additional premium (if any) shown in (2) of the Schedule will apply. If the level or terms of federal participation change, the premium shown in (1) of the Schedule attributable to that part of the policy period extending beyond such a change may not be appropriate and we will notify you of any changes in your premium.

NOTICE TO POLICYHOLDER

COVERAGE CHANGE

NO COVERAGE IS PROVIDED BY THIS POLICYHOLDER NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISION IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS SUMMARY, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

THIS NOTICE HAS BEEN PREPARED IN CONJUNCTION WITH THE IMPLEMENTATION OF CHANGES TO YOUR POLICY.

Your policy has been converted from a term policy with an effective date and an expiration date to a continuous policy that will automatically renew on each policy anniversary date unless cancelled or nonrenewed.

Therefore, your policy will be deemed to expire annually on the anniversary of its inception. We may non-renew the policy effective upon any anniversary date of policy inception subject to any notification requirements imposed by law. We may condition the continuance of coverage beyond any anniversary date of policy inception upon increase in premium, change in limits, change in type of coverage, elimination, reduction or restriction of coverage or increased deductible subject to any notification requirements imposed by law.

If we have not issued notice of nonrenewal effective upon an anniversary date of policy inception, the policy will renew automatically without any lapse in coverage provided timely payment of premium is received. If we condition the continuation of coverage as described above beyond an anniversary of policy inception and you accept the condition(s) by timely payment of premium, the policy will renew automatically without any lapse in coverage.

NOTICE TO POLICYHOLDER

ADDITIONAL INSURED ENDORSEMENTS - OREGON

REDUCTION OF COVERAGE

NO COVERAGE IS PROVIDED BY THIS POLICYHOLDER NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISION OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGE YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

THIS NOTICE HAS BEEN PREPARED IN CONJUNCTION WITH THE IMPLEMENTATION OF CERTAIN CHANGES TO YOUR POLICY. THE NOTICE DESCRIBES INDIVIDUAL ADDITIONAL INSURED ENDORSEMENTS WHICH MAY BE LISTED ON YOUR DECLARATIONS PAGE; HOWEVER, NOT ALL ENDORSEMENTS ARE INCLUDED ON YOUR POLICY.

PLEASE READ THIS NOTICE CAREFULLY.

Your policy will, if applicable and if listed on your Declarations page, include a change at renewal or at the next anniversary date as follows:

CG 20 07 - ADDITIONAL INSURED - ENGINEERS, ARCHITECTS OR SURVEYORS

CG 20 26 - ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

CG 20 28 - ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

These endorsements are replacing 9S2227, 9S2253 and 9S2237 respectively, to add specific wording to provide an additional insured with coverage for their vicarious or contributory negligence only. This is to ensure that the coverage provided to the additional insured is for bodily injury, property damage or personal and advertising injury that is caused in whole or in part by the acts or omissions of either the named insured or those acting on behalf of the named insured. This is being done to prevent any alleged coverage for the additional insured's sole negligence. This will result in a reduction of coverage.

CG 20 15 - ADDITIONAL INSURED - VENDORS

This endorsement is replacing 9S2230 and adds an exclusion for bodily injury or property damage arising out of the liability of the Vendor's own acts or omissions or those of its employees or anyone else acting on its behalf, except as specifically noted. This will result in a reduction of coverage.

CG 32 61 - OREGON ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement is replacing 9S2252 and introduces specific wording to provide an additional insured with coverage for their vicarious or contributory negligence only. This is to ensure that the coverage provided to the additional insured is for bodily injury, property damage or personal and advertising injury that is caused in whole or in part by the negligence of either the named insured or those acting on behalf of the named insured. This is to prevent any alleged coverage for the additional insured's sole negligence. This will result in a reduction of coverage.

RIGHTS AND RESPONSIBILITIES of the insured when submitting a claim covered by the policy for damage to the insured's vehicle.

The insured must give the company or one of our agents written notice of the accident or loss as soon as reasonably possible.

When there is a loss covered by the policy, the insured shall:

- make a prompt report to the police when the loss is a result of theft or larceny.
- protect the damaged vehicle we will pay any reasonable expense to do it.
- show us the damage if we ask.

The insured shall cooperate with the company.

The insured has the right to receive the reasonable cost of repairs for claims covered by the policy.

Oregon law states:

An insurer shall not require that a particular person make the repairs to the insured's motor vehicle as a condition for recovery by the insured under a motor vehicle liability insurance policy.

The policy contract contains the complete statement of rights and responsibilities of both the insured and the company.



ZURICH

MARYLAND CASUALTY COMPANY

ADMINISTRATIVE OFFICES
1 400 AMERICAN LANE
SCHAUMBURG, ILLINOIS 601 96

PRECISION PORTFOLIO POLICY

For

CASCADE SOFTWARE SYSTEMS, INC
911 COUNTRY CLUB RD, SUITE 320
EUGENE OR 97401-6047

By

PACIFIC BENEFIT CONSULTANTS, INC./EUGENE INSU
PO BOX 40250
EUGENE OR 97404-0041

In witness whereof, the MARYLAND CASUALTY COMPANY, a stock company, has caused this policy to be signed by its President and its Secretary at Baltimore, Maryland, and countersigned on the declarations page by a duly authorized representative of the Company.

President

Secretary



ZURICH

PRECISION PORTFOLIO POLICY INDEX

YOUR POLICY CONSISTS OF THE FOLLOWING SECTIONS AND COVERAGE PARTS:

Common Policy Materials

- Common Declarations
- Supplemental Declarations, if necessary
- Common Policy Conditions
- Common Policy Forms and Endorsements, if necessary

Commercial Property Coverage Part

- Property Declarations
- Building and Personal Property Schedule
- Special Schedules of Property, if necessary
- Supplemental Declarations, if necessary
- Building and Personal Property Coverage Form
- Commercial Crime Coverage Form
- Commercial Property Endorsements, if necessary

Commercial General Liability Coverage Part

- Commercial General Liability Declarations
- General Liability Schedule
- Supplemental Declarations, if necessary
- Commercial General Liability Coverage Form
- Commercial General Liability Endorsements, if necessary

Forms and Endorsements Applicable (list)



ZURICH

Disclosure Statement

CASCADE SOFTWARE SYSTEMS, INC

It is our pleasure to present the enclosed policy to you.

NOTICE TO AGENT OR BROKER:

FOR YOUR CONVENIENCE, A COPY OF THE ENCLOSED DISCLOSURE STATEMENT HAS ALREADY BEEN INCLUDED IN THE CUSTOMER'S COPY OF THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



ZURICH

Disclosure Statement

CASCADE SOFTWARE SYSTEMS, INC

ZURICH AGENT/BROKER COMPENSATION DISCLOSURE

Dear Policyholder:

On behalf of Zurich, we are glad you have chosen us as your insurance company. We look forward to meeting your insurance needs and want you to understand clearly our business relationship with the agent or broker you chose to represent your company's interests in the placement of insurance coverages.

As is the case with many insurance companies in the United States, Zurich distributes many of its insurance products through agents or brokers. This means that your agent or broker is not employed by Zurich and, in fact, may represent many insurance companies. Because we do not employ your agent or broker, the way they are compensated may vary. We recommend you discuss these arrangements with your agent or broker.

For an explanation of the nature and range of compensation Zurich may pay to your agent or broker in connection with your business, please go to <http://www.zurichna.com>. Click on the information link located on the Agent/Broker Compensation Disclosure section. Where appropriate, insert the Access Code provided below, and you will be able to view this information. Alternatively, you may call (877) 347-6465 to obtain this type of information.

Thank you.

Access Code: 1514403505

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PPS 41757858	17571837	M013167491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PORTLAND OR			ANNIVERSARY EFF 01/31/2007	



ZURICH

**MARYLAND CASUALTY COMPANY
COMMON POLICY DECLARATIONS
PRECISION PREMIER
SERVICE PROGRAM**

This policy consists of the declarations as well as the coverage forms and endorsements listed on the Forms and Endorsements Applicable List.

<p align="center">NAMED INSURED AND MAILING ADDRESS</p> <p>CASCADE SOFTWARE SYSTEMS, INC 911 COUNTRY CLUB RD, SUITE 320 EUGENE OR 97401-6047</p>	<p align="center">AGENCY NAME AND SERVICING ADDRESS</p> <p>PACIFIC BENEFIT CONSULTANTS, INC./EUGENE INSU PO BOX 40250 EUGENE OR 97404-0041 (541) 484-6624</p>						
<p align="center">BRANCH NAME AND SERVICING ADDRESS</p> <p>ZURICH GROUP-PORTLAND OR P.O. BOX 10197 JACKSONVILLE, FL 32247-0197</p>	<p align="center">POLICY PERIOD</p> <table border="0"> <tr> <td>FROM</td> <td>TO</td> </tr> <tr> <td>01/31/2007</td> <td>UNTIL CANCELLED/ NON-RENEWED</td> </tr> <tr> <td>12:01 a.m.</td> <td></td> </tr> </table> <p align="center">Standard Time At Your Mailing Address Shown Above</p>	FROM	TO	01/31/2007	UNTIL CANCELLED/ NON-RENEWED	12:01 a.m.	
FROM	TO						
01/31/2007	UNTIL CANCELLED/ NON-RENEWED						
12:01 a.m.							

BUSINESS ENTITY: CORPORATION
BUSINESS DESCRIPTION: COMPUTER PROGRAMMING

POLICY PREMIUMS

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

	PREMIUM
COMMERCIAL PROPERTY COVERAGE PART	\$ 217.00
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$ 695.00
TERRORISM PREMIUM	\$ 18.00
TOTAL ANNUAL PREMIUM	\$ 930.00

YOUR PRECISION POLICY RENEWAL PREMIUM INCLUDES A LOSS-FREE CREDIT.

Countersigned by _____ Authorized Representative _____ Date _____

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Copyright, Zurich American Insurance Company 2004

12/27/2006

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PPS 41757858	17571837	MO13167491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PORTLAND OR			ANNIVERSARY EFF 01/31/2007	



ZURICH

**SUPPLEMENTAL DECLARATIONS
PRECISION PREMIER
SERVICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
COMMON	COMMON POLICY DECLARATIONS
U-CL-D-100-A CW 0604	Retained Minimum Premium - \$100

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL AUTO COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF TRANSPORTATION
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such

facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - POLICY TERM

This endorsement modifies provisions in the following forms:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL UMBRELLA COVERAGE PART
COMMON POLICY CONDITIONS
CONTRACTORS EQUIPMENT COVERAGE PART

If your policy does not have a fixed expiration date, it shall be deemed to expire annually on the anniversary of its inception. We may non-renew the policy effective upon any anniversary date of policy inception subject to any notification requirements imposed by law. We may condition the continuance of coverage beyond any anniversary date of policy inception upon increase in premium, change in limits, change in type of coverage, elimination, reduction or restriction of coverage or increased deductible subject to any notification requirements imposed by law.

If we have not issued notice of nonrenewal effective upon an anniversary of policy inception, the policy will continue without any lapse in coverage provided timely payment of premium is received. If we condition the continuation of coverage beyond an anniversary of policy inception and you accept the conditions by timely payment of premium, the policy will continue without any lapse in coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON CHANGES

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 FARM COVERAGE PART - FARM PROPERTY - OTHER FARM PROVISIONS FORM - ADDITIONAL
 COVERAGES, CONDITIONS, DEFINITIONS
 FARM COVERAGE PART - LIVESTOCK COVERAGE FORM
 FARM COVERAGE PART - MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT
 COVERAGE FORM

- A. When this endorsement is attached to the **Standard Property Policy CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:
CONCEALMENT, MISREPRESENTATION OR FRAUD
1. Subject to Paragraphs 2. and 3. below, this entire Coverage Part or Coverage Form will be void if, whether before or after a loss, you have willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject of it, or your interest in it, or in case of any fraud or false swearing by you relating to it.
 2. All statements made by you or on your behalf, in the absence of fraud, will be deemed representations and not warranties. No such statements that arise from an error in the application will be used in defense of a claim under this Coverage Part or Coverage Form unless:
 - a. The statements are contained in a written application; and
 - b. A copy of the application is endorsed upon or attached to this Coverage Part or Coverage Form when issued.
 3. In order to use any representation made by you or on your behalf in defense of a claim under the Coverage Part or Coverage Form, we must show that the representations are material and that we relied on them.
- C. Except as provided in D. below, the **Appraisal** Condition is replaced by the following:
APPRAISAL
- If we and you disagree on the value of the property or the amount of loss ("loss") both parties may agree to an appraisal of the loss and to be bound by the results of that appraisal. If both parties so agree, then each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the other expenses of the appraisal and umpire equally.
- If there is an appraisal, we will still retain our right to deny the claim.
- D. The **Appraisal** Condition in:
1. Business Income Coverage Form (And Extra Expense) **CP 00 30**;
 2. Business Income Coverage Form (Without Extra Expense) **CP 00 32**; and

3. Capital Assets Program Coverage Form (Output Policy) OP 00 01, Paragraph A.7. Business Income And Extra Expense

is replaced by the following:

APPRAISAL

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, both parties may agree to an appraisal of the loss and to be bound by the results of that appraisal. If both parties so agree, then each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

E. The following Loss Conditions:

1. Duties In The Event Of Loss (Or Damage);
2. Duties If You Incur Extra Expense in Extra Expense Coverage Form CP 00 50; and
3. Duties In The Event Of Loss Of Covered Leasehold Interest in Leasehold Interest Coverage Form CP 00 60

are revised as follows:

The provision requiring a signed, sworn proof of loss is replaced by the following:

Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 90 days after you receive the necessary forms from us.

F. The Mortgageholders Condition in the:

1. Commercial Property Coverage Part; and
2. Farm Coverage Part – Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions;

is replaced by the following and the following is added to the Commercial Inland Marine Coverage Part:

MORTGAGEHOLDERS

a. Oregon law states as follows:

- (1) "If loss hereunder is made payable, in whole or in part, to a designated mortgagee not named herein as the insured ('insured'), such interest in this policy may be canceled by giving to such mortgagee a 10 days' written notice of cancellation".
- (2) "If the insured ('insured') fails to render proof of loss such mortgagee, upon notice, shall render proof of loss in the form herein specified within 60 days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit. If this company shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue; or it may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgagee may be added hereto by agreement in writing".

- b. The term mortgageholder includes trustee.
- c. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- d. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- e. If we deny your claim because of your acts or because you have failed to comply with the terms of this insurance, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this insurance at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss in accordance with Paragraph a.(2); and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All the terms of the affected insurance will then apply directly to the mortgageholder.

f. If we cancel this policy, we will give written notice to the mortgageholder:

(1) In accordance with Paragraph a.(1); or

(2) At least:

(a) 10 days before the effective date of the cancellation if we cancel for your nonpayment of premium; or

(b) 30 days before the effective date of cancellation if we cancel for any other reason other than provided for in Paragraph a.(1).

g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

COMMON POLICY CONDITIONS - OREGON

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation (Includes Restrictions Or Abridgments)

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys (Includes Restrictions Or Abridgments)

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy (Includes Restrictions Or Abridgments)

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART

A. Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:

2. If this policy has been in effect for:

- a. Fewer than 60 days and is not a renewal policy, we may cancel for any reason.
- b. 60 days or more or is a renewal policy, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
 - (3) Substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation or court decision;
 - (4) Failure to comply with reasonable loss control recommendations;
 - (5) Substantial breach of contractual duties, conditions or warranties;
 - (6) Determination by the commissioner that the continuation of a line of insurance or class of business to which the policy belongs will jeopardize our solvency or will place us in violation of the insurance laws of Oregon or any other state; or

(7) Loss or decrease in reinsurance covering the risk.

c. 60 days or more or is a renewal policy, we may cancel for any other reason approved by the commissioner by rule, but only with respect to insurance provided under the following:

- (1) A package policy that includes commercial property and commercial liability insurance;
- (2) Commercial Automobile Coverage Part;
- (3) Commercial General Liability Coverage Part;
- (4) Commercial Property Coverage Part - Legal Liability Coverage Form;
- (5) Commercial Property Coverage Part - Mortgageholders Errors And Omissions Coverage Form;
- (6) Employment-Related Practices Liability Coverage Part;
- (7) Farm Coverage Part - Farm Liability Coverage Form;
- (8) Liquor Liability Coverage Part;
- (9) Products/Completed Operations Liability Coverage Part; or
- (10) Professional Liability Coverage Part.

B. Paragraph 3. of the **Cancellation Common Policy Condition** is amended by the addition of the following:

3. We will mail or deliver to the first Named Insured written notice of cancellation, stating the reason for cancellation.

C. The following is added to the **Cancellation Common Policy Condition**:

7. Number Of Days' Notice Of Cancellation:

a. With respect to insurance provided under 2.c.(1) through (10) above, cancellation will not be effective until at least 10 working days after the first Named Insured receives our notice.

b. With respect to insurance other than that provided under 2.c.(1) through (10) above, cancellation will not be effective until at least

(1) 10 days after the first Named Insured receives our notice, if we cancel for nonpayment of premium; or

(2) 30 days after the first Named Insured receives our notice, if we cancel for any other reason.

D. Paragraph 6. of the **Cancellation Common Policy Condition** does not apply.

E. The following are added and supersede any provision to the contrary:

1. Nonrenewal

We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal before the:

a. Expiration date of the policy; or

b. Anniversary date of the policy if the policy is written for a term of more than one year or without a fixed expiration date.

However, if this policy is issued for a term of more than one year and for additional consideration the premium is guaranteed, we may not refuse to renew the policy at its anniversary date.

Nonrenewal will not be effective until at least 45 days after the first Named Insured receives our notice.

2. Mailing Of Notices

a. If notice of cancellation or nonrenewal is mailed, a post office certificate of mailing will be conclusive proof that the first Named Insured received the notice on the third calendar day after the date of the certificate of mailing.

b. The following provision applies with respect to coverage provided under the Farm Coverage Part:

If the first Named Insured has affirmatively consented to our use of an electronic record to deliver notice of cancellation or nonrenewal and has not withdrawn such consent, then the electronic record delivering notice of cancellation or nonrenewal satisfies the requirement that the notice of cancellation or nonrenewal be provided, or made available, to the first Named Insured in writing if we send the first Named Insured the electronic record with a request for a return receipt and we receive the return receipt. If we do not receive the return receipt, we may cancel or nonrenew the policy only after providing or delivering the notice of cancellation or nonrenewal to the first Named Insured in writing, subject to Paragraph 2.a. above.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PPS 41757858		17571837		M013167491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PD						ANNIVERSARY EFF 01/31/2007



ZURICH

**PRECISION PORTFOLIO POLICY
COMMERCIAL PROPERTY DECLARATIONS**

**PRECISION PREMIER
SERVICE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

For descriptions of premiums, see the attached buildings and personal property schedule.

Insurance at the described premises applies only for coverage for which a limit of insurance is shown. These may be found in this declarations and the attached schedules.

PRIMARY PROPERTY COVERAGES	DEDUCTIBLE	LIMITS
SCHEDULED PERSONAL PROPERTY	\$500	SEE SCHEDULE
PEAK SEASON PERSONAL PROPERTY INCREASE	NONE	50% OF LIMIT
ADDITIONAL COVERAGES	DEDUCTIBLE	LIMITS
ACCOUNTS RECEIVABLE*	NONE	\$25,000
ANTENNAE AND SATELLITES*	\$500	\$1,000
BI & EE - DEPENDENT PROPERTIES - 30 DAYS	NONE	ACTUAL LOSS SUSTAINED
BI & EE - NEWLY ACQUIRED PROPERTIES - 180 DAYS	NONE	\$250,000
LOSS OF BUSINESS INCOME (BI) AND EXTRA EXPENSE (EE) - 12 MOS	NONE	ACTUAL LOSS SUSTAINED
DEBRIS REMOVAL - EACH LOCATION	NONE	\$10,000
DEFERRED PAYMENTS	NONE	\$5,000
EDP EQUIPMENT AND MEDIA - BLANKET	\$500	\$35,000
EMPLOYEE DISHONESTY*	NONE	\$10,000
FINE ARTS - BLANKET*	\$500	\$10,000
FIRE DEPARTMENT SERVICE CHARGE	NONE	\$10,000
FIRE EXTINGUISHING EQUIPMENT RECHARGE	NONE	\$1,000
FORGERY OR ALTERATION*	NONE	\$10,000
FREE-STANDING FENCES & WALLS*	\$500	\$2,500

* The limits for these coverages may be increased. Contact your agent.

COMMERCIAL PROPERTY

9S1016 Ed 3-00

INSURED'S COPY

12/27/2006

ness income" you sustain due to the impairment of "operations" during the period that:

- a. Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:
 - (1) The date you could restore "operations" with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred; or
 - (2) 30 consecutive days after the date determined in a. above.

This period is in addition to, and not a part of, the 12-month limitation applicable to this Additional Coverage.

The loss of "business income" must be caused by direct physical loss or damage at the "described premises" caused by or resulting from a Covered Cause of Loss.

4. **Civil Authority** - We will pay for the actual loss of "business income" you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the "described premises" due to direct physical loss of or damage to property, other than at the "described premises," caused by or resulting from any Covered Cause of Loss.

This coverage will begin after the action by civil authority for a period of up to three consecutive weeks after coverage begins.

- B. **Deferred Payments.** We will pay for your interest in lost or damaged Personal Property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers. The loss or damage must be caused by a Covered Cause of Loss.

When a total loss to that property occurs, deferred payments are valued on the amount shown on your books as due from the buyer.

When partial loss to that property occurs and the buyer refuses to continue payment, forcing you to repossess,

deferred payments are valued as follows:

1. If the realized value of the repossessed property is greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; but
2. If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference.

When a partial loss occurs and the buyer continues to pay you, there will be no loss payment.

C. **Off-Premises Power or Water Failure** -

1. We will pay for:

- a. Direct physical loss or damage to Covered Property caused by an interruption of electrical power or water supply services to the "described premises". The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the "described premises":

- (1) Water mains, pipes, aqueducts and other similar means of transporting water or steam;
- (2) Generating plants;
- (3) Switching stations, substations or pumping stations;
- (4) Transformers; and
- (5) Transmission lines, except for overhead transmission lines.

- b. The actual loss of "business income" and necessary "extra expense" you sustain as a result of a power or water supply services failure described in paragraph a. above. But this paragraph b. does not apply unless Business Income and Extra Expense is covered in this Coverage Part.

2. This Additional Coverage does not apply to loss or damage:

- a. To perishable "stock"; or
- b. You incur during the first 12 consecutive hours after the direct

loss or damage to utility supply equipment.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion 1.e. Utility Service Failure.

D. Building Ordinance or Law - If there is an ordinance or law in effect at the time of loss that regulates zoning, land use or construction of a covered building, and if enforcement of that ordinance or law affects the repair or rebuilding of that building following damage by a Covered Cause of Loss:

1. We will pay:

- a. The value of undamaged portions of the building if they must be demolished due to the enforcement of building ordinance or law;
- b. Costs to demolish and clear the site of those undamaged portions;
- c. Increased costs to:
 - (1) Repair or reconstruct damaged portions of that building; and/or
 - (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is the consequence of enforcement of building, zoning or land use ordinance or law.

However, this coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- d. The actual loss of "business income" and "extra expense" you sustain solely because the building ordinance or law was enforced. But this paragraph d. does not apply unless Business Income and Extra Expense is covered in this Coverage Part.

The limit for a. above is included in the Building limit. The limit for covered losses payable under b. and c. above are shown in the Declarations.

2. We will not pay more under paragraphs 1.a. and 1.b. above than if the repaired or replaced building were rebuilt:

- a. At the same location, as soon as reasonably possible;
- b. With the least expensive building materials and construction methods of comparable material and quality;
- c. In the same style and of the same size; and
- d. For the same type of occupancy as the one it replaces

to the extent permitted by the law or ordinance.

If you do not repair or replace the damaged building, we will pay only to demolish and clear the site of the undamaged portions of the building.

This Additional Coverage does not apply to the costs associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any other way respond to or assess the effects of "pollutants."

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion 1.a. Ordinance or Law.

E. Spoilage -

1. We will pay for loss or damage to Personal Property that is perishable "stock" within the "described premises" caused by:

- a. Change in temperature or humidity resulting from:
 - (1) Breakdown of machinery; or
 - (2) Failure of refrigerating, cooling or humidity control equipment

if such machinery or equipment is located at the "described premises";

- b. Contamination by refrigerant; or
- c. Change in temperature or humidity resulting from complete or partial interruption of electrical

power due to conditions beyond your control.

2. We will not pay under this Additional Coverage for loss caused by or resulting from:
 - a. Disconnecting any refrigerating, cooling or humidity control system from its power source, except when done to avoid or reduce another loss covered by this Coverage Part;
 - b. Deactivating electrical power due to the manipulation of any switch or other device used to control the flow of electrical current;
 - c. The inability of a utility company or other power source to provide sufficient power due to:
 - (1) Lack of fuel; or
 - (2) Governmental order;
 - d. The inability of a power source at the "described premises" to provide sufficient power due to lack of generating capacity to meet demand; or
 - e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.
- F. **Fire Department Service Charge** - When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay your liability for fire department charges:
 1. Assumed by contract or agreement prior to loss; or
 2. Required by local ordinance.
- G. **Fire Extinguishing Equipment Recharge** - We will pay for the cost to recharge or refill any fire protective equipment when discharged:
 1. To prevent or control a loss;
 2. Accidentally; or
 3. As a result of malfunction of the equipment.
- H. **Lock and Key Replacement** - We will pay the cost of:
 1. Premises entry key replacement, if keys are stolen; or

2. Premises entry lock repair or replacement made necessary by theft or attempted theft at the "described premises".

- I. **Inventory and Appraisal** - We will pay for the following expenses you incur at our request, as required by this Coverage Part, to prepare a claim:
 1. The cost of taking inventories;
 2. The cost of making appraisals; and
 3. The cost of preparing a statement of loss and other supporting exhibits.

We will not pay for any expenses billed by and payable to independent or public insurance adjusters or for expenses to prepare claims not covered by this Coverage Part.

- J. **Pollutant Clean-Up and Removal** - We will pay your expenses to extract "pollutants" from land or water at the "described premises" if the release, discharge, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing performed in the course of extracting "pollutants" from the land or water.

The most we will pay for each location under this Additional Coverage is the limit shown in the Declarations for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

- K. **Debris Removal** - We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

1. The most we will pay under this Additional Coverage is 25% of:

- a. The amount we pay for the direct physical loss or damage to Covered Property; plus
- b. The deductible in this policy applicable to that loss or damage.

2. But if:

- a. The sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance for the Covered Property; or
- b. The debris removal expense exceeds the amount payable under the 25% limitation

we will pay up to the additional amount shown in the Declarations for Debris Removal for each location in any one occurrence.

3. This coverage does not apply to costs to:

- a. Extract "pollutants" from land or water; or
- b. Remove, restore or replace polluted land or water.

L. Preservation of Property - If it is necessary to move Covered Property from the "described premises" to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- 1. While it is being moved or while temporarily stored at another location; and
- 2. Only if the loss or damage occurs within 30 days after the property is first moved.

This Additional Coverage is part of, and not in addition to, the Limit of Insurance applicable to the Covered Property.

M. Damage By Water, Other Liquid, Powder or Molten Material - If loss or damage caused by or resulting from water or other liquid, powder or molten material damage loss occurs, we will pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

This Additional Coverage is part of, and not in addition to the Limit of Insurance for Building.

N. Leasehold Interest - We will pay for loss of "net leasehold interest" you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss or damage at the "described premises" caused by or resulting from a Covered Cause of Loss.

- 1. We will not pay more than the total "net leasehold interest" at the time of the cancellation of the lease. But if your lease is cancelled and your landlord lets you continue to use your premises under a new lease, we will not pay more than:
 - a. The rent you will pay under the new lease; minus
 - b. The rent you now pay.

2. We will not pay under this Additional Coverage if:

- a. The premises where the lease is cancelled has been vacant for more than 60 consecutive days; and
- b. You have not entered into an agreement to sublease the premises.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion 1.a. Ordinance or Law.

O. Arson or Fraud Reward - In the event that a covered loss was a result of arson or fraud, we will, at our discretion, reimburse you up to \$5,000 for rewards you pay for information leading to arrest and conviction for that act of arson or fraud.

P. Equipment Breakdown - We will pay for loss or damage caused by or resulting from risks of direct physical loss due to:

- (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force.
- (2) Artificially generated electric current, including electric arcing, that disturbs electrical devices and appliances.

But this additional coverage does not apply to the following types of property:

Steam pipes, steam engines, steam turbines, including their accessories and components

We will pay up to \$25,000 for any additional expenses you incur for:

- (1) Cleanup;
- (2) Repair or replacement; or
- (3) Disposal

of covered property that is damaged, contaminated or polluted as a result of an "accident" by a substance declared by a governmental agency to be hazardous to health. This limitation does not apply to damage, contamination or pollution caused by ammonia.

LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- A. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance for each coverage shown in the Declarations, except as provided below.
- B. **Automatic Building Increase**
 1. The Limits of Insurance for covered Buildings will automatically increase by the Automatic Building Increase percentage shown in the Declarations:
 2. The percentage applies proportionally throughout each year. The actual amount of increase available on the day of loss or damage will be:
 - a. The last limit fixed for the property in this policy, at inception, at anniversary or as subsequently endorsed; times
 - b. The Automatic Building Increase percentage from the Declarations; times
 - c. The number of days since the limit was last fixed; divided by
 - d. 365.
- C. **Peak Season Personal Property Increase**
 1. The Limits of Insurance for covered Personal Property will automatically increase by 50% to provide for seasonal variations.
 2. The increase will apply only if the Limit of Insurance shown for Personal Property in the Declarations is

at least 90% of your average monthly values during the lesser of:

- a. The 12 months immediately preceding the date the loss or damage occurs; or
- b. The period of time you have been in business as of the date the loss or damage occurs.

DEDUCTIBLE

We will not pay for loss or damage incurred in any one occurrence until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

Separate Deductibles. Certain Coverages are subject to separate Deductibles as shown in the Declarations.

Multiple Deductibles. More than one Deductible may apply to loss or damage arising out of a single occurrence covered by this Coverage Part. If so, we will not deduct more from the entire amount of loss or damage than the largest Deductible applying to the occurrence.

COMMERCIAL PROPERTY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The following conditions apply in addition to the Common Policy Conditions:

IV. LOSS CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- A. **Abandonment** - There can be no abandonment of any property to us.
- B. **Appraisal** - If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties In The Event Of Loss Or Damage -

1. In the event of loss or damage to Covered Property, you must:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage. Include a description of the property involved.
 - c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible. If you:
 - a. Do not resume "operations"; or

- b. Do not resume "operations" as quickly as possible;

we will pay for loss of "business income," if covered in this policy, based on the length of time it would have taken to resume "operations" as quickly as possible.

3. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

D. Loss Adjustment -

1. This condition is intended to facilitate payment of insurance proceeds in the event of loss of or damage to Covered Property from a Covered Cause of Loss that is covered by:
 - a. This Commercial Property Coverage Part; and
 - b. Boiler and Machinery insurance.It applies when there is a disagreement between the insuring companies as to the amount of loss to be paid by each company.
2. The provisions of paragraph 3. of this condition apply only if all of the following requirements are met:
 - a. The Boiler and Machinery insurance carried by the Named Insured and insuring the Covered Property contains a provision with substantially the same requirements, procedures and conditions as stated here.
 - b. The damage to the Covered Property was caused by a loss for which both we and the Boiler and Machinery insurer admit to some liability for payment under the respective policies.
 - c. The total amount of the loss is agreed to by you, the Boiler and Machinery insurer and us.
 - d. We and the Boiler and Machinery insurer disagree as to the amount of loss that each of us should pay that is attributable to:

- (1) A Covered Cause of Loss under this Coverage Part; and
 - (2) An "accident" covered under the Boiler and Machinery insurance as defined in that policy.
3. If the requirements listed in paragraph 2. above are satisfied, we and the Boiler and Machinery insurer will make payments as follows:
- a. At your written request:
 - (1) We will pay the entire amount of loss that we have agreed as being covered by this Commercial Property coverage and one-half the amount of loss that is in disagreement.
 - (2) The Boiler and Machinery insurer will pay the entire amount of loss that they have agreed as being covered by the Boiler and Machinery insurance and one-half the amount of loss that is in disagreement.
 - b. The amount in disagreement to be paid by us under this condition will not exceed the amount payable under the equivalent Loss Adjustment provisions of the Boiler and Machinery insurer.
 - c. The amount to be paid under this condition will not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss.
 - d. Acceptance by you of sums paid under this insurance does not alter, waive or surrender any other rights against us.
 - e. The Boiler and Machinery insurer and we agree to submit our differences to arbitration within 90 days after loss payment made under these terms.
 - f. You agree to cooperate with any arbitration procedures. There will be three arbitrators. We will appoint one and the Boiler and Machinery insurer will appoint another. The two arbitrators will select a third arbitrator. If they

cannot agree, either may request that a judge of a court having jurisdiction make selection. A decision agreed to by two of the three arbitrators will be binding on both parties. Judgment on any award can be entered in any court that has jurisdiction.

E. Loss Payment -

1. In the event of loss or damage covered by this Coverage Part, at our option we will either:
 - a. Pay the value of lost or damaged property;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild or replace the property with other property of comparable kind and quality.
2. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
3. We will not pay you more than your financial interest in the Covered Property.
4. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of loss; or
 - b. An appraisal award has been made.

- F. Pair, Sets or Parts -** In case of loss of or damage to:

1. Any part of a pair or set, we may:
 - a. Repair or replace any part or set to its value before the loss or damage; or
 - b. Pay the difference between the value of the pair or set before and after the loss or damage.
2. Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

G. Recovered Property - If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

H. Reinstatement After Loss - The Limits of Insurance will not be reduced by the payment of any claim, except for total loss of a scheduled item, in which event we will refund the unearned premium on that item.

I. Vacancy -

1. Description of Terms

- a. As used in this Vacancy Condition, the term building and the term vacant have meanings set forth in a.(1) and a.(2) below:
 - (1) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
 - (2) When this policy is issued to the owner of a building, building means the entire building. Such building is vacant when 70% or more of its total square footage:
 - (a) Is not rented; or
 - (b) Is not used to conduct customary operations.

- b. Buildings under construction or renovation are not considered vacant.

2. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage:

- a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

- (1) Vandalism;
- (2) Sprinkler leakage, unless you have protected the system against freezing;
- (3) Building glass breakage;
- (4) Water damage;
- (5) Theft; or
- (6) Attempted theft.

- b. With respect to Covered Causes of Loss other than those listed in 2.a.(1) through 2.a.(6) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

J. Valuation -

1. For property valued on a Replacement Cost Basis, we will determine the value of Covered Property in the event of loss or damage at the cost to replace the lost or damaged property with new property:

- a. Of comparable kind and quality;
- b. On the same premises (regardless of where the rebuilding actually occurs); and
- c. Intended for the same occupancy or use

without deduction for depreciation. But if the damaged or destroyed property is not repaired or replaced, we will not pay more than its actual cash value at the time of loss or damage.

You may make a preliminary claim for loss or damage covered by this insurance on an Actual Cash Value Basis. In the event you do, you may still make a claim on a Replacement Cost Basis if you notify us of your

intent to do so within 180 days after the loss or damage.

2. **Penalty for Underinsurance** - If the property is covered on a Replacement Cost Basis and the value shown in the Declarations for the Covered Property is less than 80% of its replacement cost value at the time of loss or damage, we will value the property at its actual cash value instead. This condition applies to Coverages A, B, C and D of SECTION I - COVERED PROPERTY.

3. **Special Valuations** - Regardless of the method of valuation shown in the Declarations, we will value the types of property shown below as follows:

a. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

b. Glass, other than art glass, at the cost of replacement with safety glazing material if required by law plus the cost to replace lettering and ornamentation. Building glass valuation will also include:

- (1) Attached frames; and
- (2) The portions of burglar alarms, accessories and devices that are attached to or incorporated within the glass, up to a maximum of \$1,000 in any one occurrence.

c. "Improvements and betterments" at:

- (1) Actual cash value or replacement cost, whichever applies to personal property at the same building, if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Divide the number of days from the loss or damage to the end of the lease by the number of days from the installation of the "improvements and betterments" to the end of the lease; and

(b) Multiply the result of (a) by the original cost.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in paragraph (a) above.

(3) Nothing if others pay for repairs or replacement.

d. Valuable Papers and Records, including negatives, transparencies, tapes and prints, at the cost of:

(1) Blank materials for reproducing the materials; plus

(2) Labor to transcribe or copy the records when there is a duplicate.

e. Prepackaged software programs and electronic data processing equipment that cannot be replaced, at the cost of functionally equivalent software and hardware.

f. Precious metals such as gold, silver and platinum, at the average market cost of replacement on the date of loss, or the actual cost of replacement, if less.

g. Property that cannot be replaced with new property, at actual cash value.

GENERAL CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

A. **Concealment, Misrepresentation And Fraud**

- This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. **Contract Of Sale** - If you have entered into a contract for the sale of Covered Property with a Loss Payee shown in the Declarations, for the property that is the subject of that sale:

1. We will adjust losses with you and pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
 2. The word "you" in the Other Insurance condition below includes the Loss Payee.
- C. Control Of Property** - Any act or neglect of any person other than you beyond your control will not affect this insurance.
- The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.
- D. Insurance Under Two Or More Coverages** - If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.
- E. Legal Action against Us** - No one may bring a legal action against us under this Coverage Part unless:
1. There has been full compliance with all of the terms of this Coverage Part; and
 2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.
- F. Liberalization** - If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will automatically apply to this Coverage Part.
- G. Loss Payable** - For Covered Property in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:
1. Adjust losses with you; and
 2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- H. Mortgage Holders, Including Lender's Loss Payable** -
1. In this condition, the term "lienholder" includes:
 - a. Mortgage holders or trustees of real property; and
 - b. Creditors or trustees with whom you have entered into a contract for the sale of personal property and whose interest in that property is established by such written contracts as:
 - (1) Warehouse receipts;
 - (2) A contract for a deed;
 - (3) Bills of lading; or
 - (4) Financing statements.
 2. For Covered Property in which both you and a lienholder have an insurable interest:
 - a. We will pay for covered loss of or damage to Covered Property to each lienholder shown in the Declarations in their order of precedence, as their interests may appear.
 - b. The lienholder has the right to receive loss payment even if the lienholder has started foreclosure or similar action on the Covered Property.
 - c. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the lienholder will still have the right to receive loss payment if the lienholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the lienholder.

All of the terms of this Coverage Part will then apply directly to the lienholder.
 - d. If we pay the lienholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The lienholder's rights will be transferred to us to the extent of the amount we pay; and
 - (2) The lienholder's rights to recover the full amount of the lienholder's claim will not be impaired.

At our option, we may pay to the lienholder the whole principal on the debt plus any accrued interest. In this

- event, you will pay your remaining debt to us.
3. If we elect to cancel this policy, we will give written notice to the lienholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
 4. If we elect not to renew this policy, we will give written notice to the lienholder at least 10 days before the expiration of this policy.
- I. **No Benefit to Bailee** - No person or organization, other than you, having custody of Covered Property will benefit from this insurance.
- J. **Other Insurance** -
1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
 2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- K. **Policy Period, Coverage Territory** - Under this Coverage Part:
1. We cover loss or damage commencing:
 - a. During the Policy Period shown in the Declarations; and
 - b. Within the Coverage Territory.
 2. The Coverage Territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

- d. With respect to equipment covered under the Electronic Data Processing Equipment and Media blanket limit in the Declarations, the Coverage Territory is Anywhere in the World.
- L. **Transfer Of Rights Of Recovery Against Others To Us** - If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:
1. Prior to a loss to your Covered Property or Covered Income.
 2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- A. "Accident" means a sudden and accidental breakdown of any:
1. Fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
 2. Refrigerating or air conditioning system, piping and its accessory equipment; and
 3. Mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.

At the time the breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the equipment or a part of the equipment.

If covered electrical equipment requires drying out as a result of flood, the drying out will be considered an "accident".

If an initial "accident" causes other "accidents", all will be considered one "accident". All "accidents" at any one location that become apparent at the same time and are the

result of the same cause will be considered one "accident".

- B. "Business Income" means the:
1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
 2. Continuing normal operating expenses incurred, including payroll if there had been no direct physical loss or damage.
- C. "Dependent Property" means premises operated by others on whom you depend to:
1. Deliver materials or services to you, or to others for your account (not including water, communication or power supply services);
 2. Accept your products or services;
 3. Manufacture products for delivery to your customers under contract of sale; or
 4. Attract customers to your business.
- D. "Described Premises" means the locations described in the Building and Personal Property Schedule. If you are a tenant, "described premises" means the portions of the building which you rent, lease or occupy, including all routes within the building to gain access to the described premises.
- E. "Extra Expense" means necessary costs incurred to:
1. Avoid or minimize the suspension of business and continue "operations":
 - a. At the "described premises"; or
 - b. At replacement premises or temporary locations, including:
 - (1) Relocation expenses; and
 - (2) Costs to equip and operate the replacement or temporary locations.
 2. Minimize the suspension of business if you cannot continue "operations".
 3.
 - a. Repair or replace any property; or
 - b. Research, replace or restore the lost information on damaged Valuable Papers and Records

to the extent it reduces the amount of loss that otherwise would be payable under paragraphs 1. and 2. above, or as "business income".

- F. "Gross Leasehold Interest" means:

1. The monthly rental value of the premises you lease on the date the direct physical loss or damage occurs; minus
2. The actual monthly rent you pay, including taxes, insurance, janitorial or other service you pay as part of the rent.

Example:

Rental value of your leased premises	\$500
Monthly rent including taxes, insurance, janitorial or other services that you pay for as part of the rent	-400
"Gross Leasehold Interest"	\$100

- G. "Improvements and Betterments" means fixtures, alterations, installations or additions:
1. Made a part of a building or structure you occupy but do not own; and
 2. You acquired or made at your expense but cannot legally remove.
- H. "Monthly Leasehold Interest" means the original costs you made for:
1. Bonus Payments – Money you originally paid to acquire your lease, but not including rent, prepaid rent or security; and
 2. Prepaid Rent – Advance rent you paid that will not be refunded to you, other than periodic rental payments

divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment and/or Prepaid Rent	\$4,000
With 20 months left in the lease at time of payment	/20
"Monthly Leasehold Interest"	\$200

- I. "Net Leasehold Interest" means the sum of:
1. The net present value of your "gross leasehold interest" for each remaining month of your lease discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
 2. Your "monthly leasehold interest" times the number of months left in your lease on the date the direct physical loss or

damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% prime rate:

"Gross Leasehold Interest"	\$100
NPV Factor for 20 months	x 18.419
Subtotal (A)	\$1,842
"Monthly Leasehold Interest"	\$200
With 20 months left in lease	x20
Subtotal (B)	\$4,000
"Net Leasehold Interest" Subtotal (A) + Subtotal (B)	\$5,842

J. "Operations" means your business activities occurring at the "described premises".

K. "Period of Restoration" means the period of time that:

1. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the "described premises";, and
2. Ends on the earlier of:
 - a. The date when the property at the "described premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - b. The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

1. Regulates the construction, use or repair, or requires the tearing down of any property; or
2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants."

The expiration date of this policy will not cut short the "period of restoration".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Specified Causes of Loss" means:

1. Fire;
2. Lightning;
3. Explosion;
4. Windstorm or hail;
5. Aircraft or vehicles;
6. Riot or civil commotion;
7. Vandalism;
8. Leakage from fire extinguishing equipment;
9. Sinkhole collapse, meaning the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - a. The cost of filling sinkholes; or
 - b. Sinking or collapse of land into man-made underground cavities;
10. "Volcanic action";
11. Falling objects, which does not include loss of or damage to:
 - a. Personal property in the open; or
 - b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object;
12. Weight of snow, ice or sleet; or
13. Water damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

N. "Stock" means merchandise held in storage or for sale, raw materials and in-processed or finished goods, including supplies used in their packing or shipping.

O. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

1. Airborne volcanic blast or airborne shock waves;
2. Ash, dust or particulate matter; or
3. Lava flow;

"Volcanic action" does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the "described premises."

COMMERCIAL CRIME COVERAGE FORM - OREGON

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

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

Other words and phrases in quotation marks have special meaning. Refer to the DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS) section of this form.

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS) form and the BUILDING AND PERSONAL PROPERTY COVERAGE FORM, except as noted below.

QUICK REFERENCE

Section of this Form	Begins on Page
I. Coverage (Includes Restrictions or Abridgments)	1
II. Exclusions	2
III. Limits of Insurance	3
IV. Deductible	3
V. Crime Conditions (Includes Restrictions or Abridgments)	3
VI. Definitions (Includes Restrictions or Abridgments)	6

I. COVERAGE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

We will pay for the following for which a limit is shown in the Declarations:

- A. **Employee Dishonesty** - Loss of, and direct loss from damage to, "money," "securities" and "property other than money and securities" resulting directly from employee dishonesty.

Employee dishonesty means dishonest acts committed by an "employee" acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

1. Cause you to sustain loss; and also
2. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - a. The "employee"; or
 - b. Any person or organization intended by the "employee" to receive that benefit.

Extension - Employees Outside Coverage Territory. Employee Dishonesty Coverage includes loss caused by an "employee" while temporarily outside the Coverage Territory for a period of 90 days or less.

- B. **Money And Securities** - Loss of "money" and "securities" resulting directly from "theft," disappearance or destruction.

1. Separate limits apply to loss to property that is:

- a. **Inside The Premises:** Inside the "premises" or a "banking premises."
- b. **Outside The Premises:** Outside the "premises" while in the care and custody of:
 - (1) A "messenger"; or
 - (2) An armored motor vehicle company.

2. **Extensions:**

- a. **Containers** - We will pay for loss of, or loss from damage to, "containers" resulting directly from actual or attempted:
 - (1) "Theft" of; or
 - (2) Unlawful entry into

those "containers."

- b. **Premises Damage** - We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of your "money" or "securities" if you are the owner of the "premises" or liable for damage to it.

The amount we will pay under these Extensions is included in the Limit of Insurance for Inside the Premises.

- C. **Forgery Or Alteration** - Loss of a "covered instrument" resulting directly from forgery or alteration of, on or in the "covered instrument."

Extension - Legal Expenses. If you are sued for refusing to pay any "covered instrument" on the basis that it has been forged or altered and you have our written consent to defend against the suit, we will pay any reasonable legal expenses you incur and pay in that defense. If we pay or offer to pay the Limit of Insurance for this Coverage, our obligation to pay legal expenses ceases. The amount we pay under this Extension is in addition to the Limit of Insurance for Forgery or Alteration Coverage.

- D. **Money Orders And Counterfeit Currency** - Loss of "money," "securities" or "property other than money and securities" resulting directly from the acceptance in good faith of:

1. A post office or express money order or bank certified check; or
2. Counterfeit United States or Canadian paper currency.

The most we will pay due to the acceptance of any one item under this Coverage is \$1000.

- E. **Unauthorized Business Card Use** - Loss of "money" resulting directly from "theft," forgery or unauthorized use of credit, debit or charge cards issued in your name, including:

1. Fund transfer cards;
2. Charge plates; and
3. Telephone cards.

The most we will pay for all loss under this Coverage during each 12 month period of this policy (including any extension of less than one year), is \$5000.

II. EXCLUSIONS

A. Applicable To All Coverages:

We will not pay for:

1. **Acts Committed By You Or Your Partners** - Loss resulting from any dishonest or criminal act committed by you or any of your partners, whether acting alone or in collusion with other persons.
2. **Acts Of Employees, Directors, Trustees Or Representatives** - Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees or authorized representatives:
 - a. Acting alone or in collusion with others; or
 - b. While performing services for you or otherwise.

This Exclusion does not apply to acts by "employees" that are covered by Employee Dishonesty Coverage.

3. **Governmental Action** - Loss resulting from seizure or destruction of property by order of governmental authority.
4. **Indirect Loss** - Any indirect result of an act or "occurrence" including but not limited to:
 - a. Your inability to realize income that you would have realized had there been no loss, or loss from damage to, "money," "securities" or "property other than money and securities."
 - b. Payment of damages of any type for which you are legally liable. But we will pay compensatory damages arising directly from a covered loss.
 - c. Payment of costs, fees or other expenses you incur in establishing either the existence or amount of loss.
5. **Legal Expenses** - Expenses related to any legal action. This Exclusion does not apply to Forgery Or Alteration Coverage.
6. **Nuclear** - Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

7. **War And Similar Actions** - Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

B. Applicable Only to Employee Dishonesty Coverage:

We will not pay for:

1. **Employee Cancelled Under Prior Insurance** - Loss caused by any "employee" for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
2. **Inventory Shortages** - Loss as to which the proof of its existence or amount is dependent upon:
 - a. An inventory computation; or
 - b. A profit and loss computation.

C. Applicable Only to Money And Securities Coverage:

We will not pay for:

1. **Accounting Or Arithmetical Errors Or Omissions** - Loss resulting from accounting or arithmetical errors or omissions.
2. **Exchanges Or Purchases** - Loss resulting from the giving or surrendering of property in any exchange or purchase.
3. **Fire** - Loss from damage to the "premises" resulting from fire, however caused.
4. **Money Operated Devices** - Loss of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
5. **Transfer Or Surrender Of Property** -
 - a. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (1) On the basis of unauthorized instructions; or
 - (2) As a result of a threat to do bodily harm to any person or damage to any property.
 - b. But this exclusion does not apply to loss of property while in the

care and custody of a "messenger" if you:

- (1) Did not know of any threat at the time the conveyance began; or
- (2) Did know of a threat at the time the conveyance began, but the loss had nothing to do with that threat.

6. **Vandalism** - Loss from damage to the "premises," its exterior, or "containers" by vandalism or malicious mischief.

D. Applicable Only to Unauthorized Business Card Use Coverage:

We will not pay for:

Personal Credit Cards - Loss resulting from the use of any credit, debit or charge card issued in the name of anyone other than you, whether or not customarily used in your business.

III. LIMITS OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance for each Coverage shown in the Declarations.

IV. DEDUCTIBLE

We will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

Multiple Deductibles. More than one Deductible may apply to loss or damage arising out of a single "occurrence" covered by this Coverage Part. If so, we will not deduct more from the entire amount of loss or damage than the largest Deductible applying to the "occurrence."

V. CRIME CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions, except as noted:

A. Consolidation - Merger -

1. Subject to paragraph 2. below, through consolidation or merger with, or purchase of assets of, some other entity:

a. Any additional persons become "employees"; or

b. You acquire the use and control of any additional "premises"

any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises."

2. Paragraph 1. above applies only if you:

a. Give us written notice within 180 days of the addition; and

b. Pay us an additional premium.

B. Discovery Period For Loss - We will pay only for covered loss discovered no later than one year from the end of the Policy Period.

C. Duties In The Event Of Loss - The following supersedes the Commercial Property Duties in the Event of Loss or Damage Loss Condition (COMMERCIAL PROPERTY CONDITIONS Section, Paragraph I.C. of the Building and Personal Property Coverage Form).

After you discover a loss or a situation that may result in a loss of, or loss from damage to, covered property, you must:

1. Notify us as soon as possible.

For losses under Unauthorized Business Card Use Coverage, you must also immediately notify the issuers of any lost or stolen cards.

2. Submit to examination under oath at our request and give us a signed statement of your answers.

3. Give us a detailed, sworn proof of loss within 120 days.

For losses under Forgery Or Alteration Coverage or Money Orders And Counterfeit Currency Coverage, you must include with your proof of loss any instrument involved in that loss or, if that is not possible, an affidavit stating the amount and cause of loss.

4. Cooperate with us in the investigation and settlement of any claim.

D. Joint Insured -

1. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other insured for all purposes

of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

2. If any insured or partner or officer of that insured had knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.

3. An "employee" of any insured is considered to be an "employee" of every insured.

4. If this insurance or any of its coverages is cancelled or terminated as to any insured, loss sustained by that insured is covered only if discovered no later than one year from the date of that cancellation or termination.

5. We will not pay more for loss sustained by more than one insured than the amount we would pay if all the loss had been sustained by one insured.

E Loss Sustained During Prior Insurance -

1. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:

a. This insurance became effective at the time of cancellation or termination of the prior insurance; and

b. The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

2. The insurance under paragraph 1. above is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

a. This insurance as of its effective date; or

b. The prior insurance had it remained in effect.

3. If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

F. Non-Accumulation Of Limit Of Insurance - Regardless of the number of years this insurance remains in force or the number of premiums paid, the Limits of Insurance do not accumulate from year to year or period to period.

G. Ownership Of Property, Interests Covered - The property covered under this insurance is limited to property:

- 1. That you own or hold; or
- 2. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

H. Records - You must keep records of all property so that we can verify the amount of any loss.

I. Recoveries -

- 1. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - a. To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible amount, if any;
 - b. Then to us, until we are reimbursed for the settlement made;
 - c. Then to you for any remainder.
- 2. Recoveries do not include any recovery:
 - a. From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - b. Of original "securities" after duplicates of them have been issued.

J. Valuation - Settlement - We will determine the value of:

- 1. "Money" at its face value. At our option, we may value "money" issued by any country other than the United

States of America in the US dollar equivalent determined by the rate of exchange on the day the loss was discovered.

2. "Securities" at their value on the close of business on the day the loss was discovered. At our option, we may:

- a. Replace the "securities" in kind. If we do, you must assign to us all your rights, title and interest in and to those "securities"; or

- b. Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities." But we won't pay more than the cost of a bond having a penalty of the lesser of:

- (1) The value of the "securities" at the close of business on the day the loss was discovered; or

- (2) The Limit of Insurance.

3. "Property other than money and securities" at its actual cash value on the day the loss was discovered. At our option, we may pay the cost of:

- a. Repairing the property; or

- b. Replacing the property with other property of comparable kind and quality.

K. Applicable Only to Employee Dishonesty Coverage - Cancellation As To Any Employee - Employee Dishonesty Coverage is cancelled as to any "employee":

1. Immediately upon discovery by:

- a. You; or

- b. Any of your partners, officers or directors not in collusion with the "employee"

of any prior dishonest act committed by that "employee" whether before or after becoming employed by you.

2. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last known address will be sufficient proof of notice. Delivery of notice is the same as mailing.

L. **Applicable Only to Forgery Or Alteration Coverage -**

1. **Facsimile Signature** - We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.
2. **Coverage Territory** - We will cover loss you sustain anywhere in the world.

VI. **DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**

- A. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- B. "Container" means a locked safe, vault, cash register, cash box or cash drawer located in the "premises."
- C. "Covered Instrument" means a check, draft, promissory note or similar written promise, order or direction to pay a sum certain in "money" that is:
1. Made or drawn by or drawn upon you; or
 2. Made or drawn by one acting as your agent
- or that is purported to have been so made or drawn.
- D. 1. "Employee" means any natural person:
- a. While in your service and for 30 days after termination of service;
 - b. Whom you compensate directly by salary, wages or commissions; and
 - c. Whom you have the right to direct and control while performing services for you.
2. "Employee" also means any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you. This does not include any such person who has care and custody of property outside the "premises."
3. But "employee" does not mean any:
- a. Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

b. Director or trustee, except while performing acts coming within the scope of the usual duties of an employee.

E. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside the "premises."

F. "Money" means:

1. Currency, coins and bank notes in current use and having a face value; and
2. Travelers checks, register checks and money orders held for sale to the public.

G. "Occurrence" means:

1. For Employee Dishonesty Coverage, all loss caused by or involving one or more "employees," whether the result of a single act or a series of acts.
2. For Forgery Or Alteration Coverage, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
3. For all other Coverages:
 - a. An act or series of related acts involving one or more persons; or
 - b. An event, or a series of related events not involving any person.

H. "Premises" means the interior of that portion of any building you occupy in conducting your business.

I. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value.

J. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money."

K. "Theft" means any act of stealing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES

This endorsement modifies provisions in the following forms:

COMMERCIAL PROPERTY COVERAGE PART

The following additional exclusion supersedes any policy provision to the contrary.

1. Except as specifically provided for in 2. of this endorsement, we will not pay for any **Software Loss**. This exclusion does not apply if the **Software Loss** results solely from direct physical loss of, or direct physical damage to, the equipment, hardware, media or device on which the program, computer software or operating systems, programming instructions, or data are transported, processed or contained.
Software Loss means loss of or damage to any program(s), computer software or operating system(s), programming instruction(s) or data arising out of or resulting from any failure, malfunction, deficiency, fault, **Virus**, deletion or corruption. **Software loss** includes, but is not limited to, loss or damage resulting from any authorized or unauthorized access in, of or to any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, any program, computer software or operating systems, programming instructions or data.
2. This exclusion does not apply to direct physical loss or direct physical damage to tangible property that results from a **Software Loss**. For the purposes of this endorsement, program(s), computer software or operating system(s), programming instruction(s) and data are not tangible property.
3. **Virus** means software, data or code that affects the operation or functionality of any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, program, computer software or operating systems, programming instructions or data including, but not limited to, any destructive program, computer code, computer virus, worm, logic bomb, denial of service attack, smurf attack, vandalism, Trojan Horse or any other data introduced into any electronic system causing deletion, destruction, degradation, corruption, malfunction or compromise to your data, software or electronic business systems.

All other terms, conditions and limitations of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS INCOME - COMMUNICATION SATELLITE EXCLUSION

This endorsement modifies insurance provided under the following
COMMERCIAL PROPERTY COVERAGE PART

- A. The following is added to **SECTION II.A.3.e, EXCLUSIONS** – Business Income and Extra Expense:
We will not pay for any loss caused by or resulting from, whether directly or indirectly, the loss of use of any communication satellite.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GLASS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:
COMMERCIAL PROPERTY COVERAGE PART

Under **COVERAGE** Section I. **COVERED PROPERTY**, Paragraph E. **Personal Property**, the following is added to Subparagraph 1.:

- e. Building glass, if you are a tenant and no Limit of Insurance is shown in the Declarations for Building property. The glass must be owned by you or you must be legally responsible to insure the glass under the terms of your lease.

Under **COVERAGE** Section II. **COVERED CAUSES OF LOSS**, Paragraph B. **LIMITATIONS**, Subparagraph 2. is replaced by the following:

2. We will not pay more for loss or damage to glass that is part of a building or structure than \$1000 for each plate, pane, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than \$2000 for all loss of or damage to building glass that occurs at one time.

This limitation does not apply:

- a. To loss or damage by the "specified causes of loss", except vandalism; or
- b. If Full Glass Breakage is shown as "Included" for the "described premises" in the Declarations.

Full Glass Breakage does not apply to stained glass or art glass.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENANTS LEASE PROTECTION - OREGON

This endorsement modifies insurance provided under the following:
COMMERCIAL PROPERTY COVERAGE PART

Subject to all the provisions of the Commercial Property Coverage Part which do not conflict with any of the provisions of this Endorsement, we will pay for:

Tenants Lease Protection:

A. COVERAGE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

If you are a tenant and your lease is canceled due to direct physical loss resulting from a covered cause of loss at the "described premises", we will pay for:

1. **Your Lost Lease Interest**, meaning the difference between the rent you pay at the "described premises" and rental value of the "described premises" that you lease, up to the lesser of:
 - (a) Your Lost Lease Interest for the 12 months following the "period of restoration"; or
 - (b) Your Lost Lease Interest for the period beginning with the end of the "period of restoration" and ending with the normal expiration date of the canceled lease;
 whichever is less.

This coverage for Lost Lease Interest is not limited by the expiration date of this policy.

2. **Bonus Payments**, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is money that you paid to acquire your lease. It does not include rent, prepaid rent, or security deposit.

- (a) Determine your Monthly Bonus Payments Leasehold Interest by dividing your original costs of Bonus Payments by the number of months remaining in your lease at the time the Bonus Payments were made.

Example:

Original cost of Bonus Payments	\$12,000
With 24 months left in the lease at the time of the Bonus Payment	
	$\$12,000 / 24$
Monthly Bonus Payments Leasehold Interest	\$500

- (b) Determine the amount we will pay by multiplying the Monthly Bonus Payments Leasehold Interest by the number of months remaining in your lease.

Example:

Monthly Bonus Payments Leasehold Interest	\$500
With 10 months left in lease	
	$\$500 \times 10$
We will pay	\$5,000

3. **Prepaid Rent**, meaning the unamortized portion of advance rent you paid that will not be refunded to you. This does not include the customary rent due at period intervals.

- (a) Determine your Monthly Prepaid Rent Leasehold Interest by dividing your original cost of Prepaid Rent by the number of months remaining in your lease at the time that the Prepaid Rent is made.

Example:

Original cost of
Prepaid Rent \$6,000

With 24 months left in
the lease at the time
of the Prepaid
Rent \$6,000 / 24

Monthly Prepaid Rent
Leasehold Interest \$250

- (b) Determine the amount we will pay by multiplying the Monthly Prepaid Rent Leasehold Interest by the number of months left in the lease.

Example:

Monthly Prepaid Rent
Leasehold Interest \$250

With 6 months left
in lease \$250 x 6

We will pay \$1,500

B. LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The most we will pay for all loss due to any one occurrence under this coverage is the limit shown in the schedule of this endorsement.

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**PRECISION PORTFOLIO POLICY
 COMMERCIAL GENERAL LIABILITY DECLARATIONS
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This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

COVERAGES AND LIMITS OF INSURANCE	
Some of these coverages are sublimits or are subject to aggregate limits. Refer to your policy to determine how they apply.	
GENERAL AGGREGATE	\$2,000,000
PRODUCTS AND COMPLETED OPERATIONS AGGREGATE	\$2,000,000
EACH OCCURRENCE	\$1,000,000
TENANTS LEGAL LIABILITY	\$1,000,000
MEDICAL EXPENSES - EACH PERSON	\$ 10,000
HIRED AND NON-OWNED AUTOMOBILE LIABILITY	\$1,000,000

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**PRECISION PORTFOLIO POLICY
 COMMERCIAL GENERAL LIABILITY DECLARATIONS
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EXCLUSIONS AND LIMITATIONS

- ABSOLUTE ASBESTOS EXCLUSION
- FUNGUS EXCLUSION
- ELECTRONIC DATA PROCESSING COMPUTER CONSULTING OR PROGRAMMING PROF EXCLUSION
- EXCLUSION - INTERNET SERVICE / ACCESS PROVIDERS ERRORS AND OMISSIONS
- PROFESSIONAL LIABILITY EXCLUSION - WEB SITE DESIGNERS
- COMMUNICATION SATELLITE LIABILITY EXCLUSION
- PERSONAL & ADVERTISING INJURY EXCLUSION

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PRECISION PORTFOLIO POLICY
COMMERCIAL GENERAL LIABILITY SCHEDULE
PRECISION PREMIER

LOC #	CLASS CODE	LOCATION ADDRESS (IF APPLICABLE) CLASSIFICATION NAME	RATING BASIS	ANNUAL EXPOSURE
01	73711	911 COUNTRY CLUB RD, SUITE 320 EUGENE OR ZIP CODE: 97401 COMPUTER PROGRAMMING	RECEIPTS	\$1,126,000

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
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**PRECISION PORTFOLIO POLICY
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SERVICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY 9S2244 0600	<p>WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US</p> <hr/> <p>NAME OF PERSON OR ORGANIZATION: COUNTY OF SAN BERNARDINO DESCRIPTION OF CONTRACT OR PROJECT: ANNUAL SOFTWARE SUPPORT & MAINTENANCE COST OF CONTRACT OR PROJECT: \$36,000</p>
LIABILITY 9S2008 0300	<p>CERTIFICATE OF INSURANCE RECIPIENTS</p> <hr/> <p>NAME OF PERSON OR ORGANIZATION: ADAMS COUNTY DEPT OF PUBLIC WORKS ATTN TODD O'BRIEN 210 WEST ALDER RITZVILLE WA 99169</p>
LIABILITY 9S2008 0300	<p>CERTIFICATE OF INSURANCE RECIPIENTS</p> <hr/> <p>NAME OF PERSON OR ORGANIZATION: ALPINE COUNTY DEPT OF PUBLIC WORKS ATTN JUDI NAGEL 50 DIAMOND VALLEY RD MARKLEVILLE CA 96120</p>
LIABILITY 9S2008 0300	<p>CERTIFICATE OF INSURANCE RECIPIENTS</p> <hr/> <p>NAME OF PERSON OR ORGANIZATION: BENTON COUNTY PERSONNEL RESOURCES ATTN RISK MANAGER 7320 W QUINALT AVE KENNEWICK WA 99336</p>
LIABILITY 9S2008 0300	<p>CERTIFICATE OF INSURANCE RECIPIENTS</p> <hr/> <p>NAME OF PERSON OR ORGANIZATION: CITY OF EUGENE DEPT OF PUBLIC WORKS ATTN JULIE CONE 858 PEARL ST EUGENE OR 97401</p>

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY 9S2008	0300	CERTIFICATE OF INSURANCE RECIPIENTS
		NAME OF PERSON OR ORGANIZATION: CLALLAM COUNTY PUBLIC WORKS DEPT ATTN LYNN FOX 223 E 4TH STE 6 PORT ANGELES WA 98362-3015
LIABILITY 9S2008	0300	CERTIFICATE OF INSURANCE RECIPIENTS
		NAME OF PERSON OR ORGANIZATION: COUNTY OF FRESNO DEPT OF PUBLIC WORKS & PLANNING ATTN PENNY PETERSON 2220 TULARE ST 6TH FLOOR FRESNO CA 93721
LIABILITY 9S2008	0300	CERTIFICATE OF INSURANCE RECIPIENTS
		NAME OF PERSON OR ORGANIZATION: COUNTY OF LASSEN DEPARTMENT OF PUBLIC WORKS ATTN LARRY MILLAR 707 NEVADA ST SUSANVILLE CA 96130
LIABILITY 9S2008	0300	CERTIFICATE OF INSURANCE RECIPIENTS
		NAME OF PERSON OR ORGANIZATION: COUNTY OF MARIPOSA DEPARTMENT OF PUBLIC WORKS ATTN: JOHN PETROPULOS 4639 BEN HUR RD MARIPOSA CA 95338
LIABILITY 9S2008	0300	CERTIFICATE OF INSURANCE RECIPIENTS
		NAME OF PERSON OR ORGANIZATION: COUNTY OF SANTA CRUZ DEPARTMENT OF PUBLIC WORKS 701 OCEAN ST RM 410 SANTA CRUZ CA 95060

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**PRECISION PORTFOLIO POLICY
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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: EL DORADO COUNTY GENERAL SERVICES DEPT ATTN PAMELA CARLONE 360 FAIR LN PLACERVILLE CA 95667
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: MARIN COUNTY DEPT OF PUBLIC WORKS ATTN MAUREEN MCCLAIN P O BOX 4186 SAN RAFAEL CA 94913
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: NEVADA COUNTY, TRANSPORTATION & SANITATION DEPT ATTN DONNA SWITZER 950 MAIDU AVE NEVADA CITY CA 95959
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: OKANOGAN COUNTY DEPT OF PUBLIC WORKS ATTN ROBERT MCGAUGHEY P E 1234 SECOND AVE S OKANOGAN WA 98840
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: SAN MATEO COUNTY DEPT OF PUBLIC WORKS 555 COUNTY CENTER 5TH FLOOR REDWOOD CITY CA 94063

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PRECISION PORTFOLIO POLICY
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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND SUPPLEMENTAL INFORMATION
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: SKAMANIA COUNTY DEPT OF PUBLIC WORKS ATTN TOD LEFEVRE P O BOX 790 STEVENSON WA 98648
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: TEHAMA COUNTY DEPT OF PUBLIC WORKS ATTN VALORIE 9380 SAN BENITO AVE GERBER CA 96035
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: TRINITY COUNTY GENERAL SERVICES DEPT ATTN BONNIE P O BOX 2700 WEAVERVILLE CA 96093
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: TULARE COUNTY RESOURCE MANAGEMENT AGENCY ATTN ROGER HUNT 5961 S MOONEY BLVD VISALIA CA 93277
LIABILITY 9S2008 0300	CERTIFICATE OF INSURANCE RECIPIENTS NAME OF PERSON OR ORGANIZATION: WALLA WALLA COUNTY ITS OFFICERS OFFICIALS EMPLOYEES & AGENTS ATTN JAY WINTER/RISK MANAGER 315 W MAIN ST WALLA WALLA WA 99362

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PRECISION PORTFOLIO POLICY
 SUPPLEMENTAL DECLARATIONS
 PRECISION PREMIER
 (CONTINUED)

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
<p>LIABILITY</p> <p>CG3261 1005</p>	<p>OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION</p> <p>NAME OF ADDITIONAL INSURED(S) OR ORGANIZATION(S)</p> <p>NAME 1 SHASTA COUNTY ITS ELECTED OFFICIALS</p> <p>NAME 2 OFFICERS EMPLOYEES AGENTS ET AL</p> <p>ADDRESS 1 ATTN RISK MANAGEMENT DEPT</p> <p>ADDRESS 2 1600 COURT ST</p> <p>CITY REDDING STATE CA ZIP 97601</p> <p>LOCATION(S) OF COVERED OPERATIONS</p> <p>TBD</p>

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
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**PRECISION PORTFOLIO POLICY
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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION
CG3261	1005	NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S) NAME 1 KERN COUNTY NAME 2 ROADS DEPARTMENT ADDRESS 1 2700 M ST STE 400 ADDRESS 2 CITY BAKERSFIELD STATE CA ZIP 93301 LOCATION(S) OF COVERED OPERATIONS TBD

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
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 PRECISION PREMIER
 (CONTINUED)**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY CG3261 1005	OREGON-ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION NAME OF ADDITIONAL INSURED(S) OR ORGANIZATION(S) NAME 1 COUNTY OF MONTEREY, ITS AGENTS, NAME 2 OFFICERS AND EMPLOYEES ADDRESS 1 DEPT OF PUBLIC WORKS ADDRESS 2 168 W ALISAL 2ND FLOOR CITY SALINAS STATE CA ZIP 93901 LOCATION(S) OF COVERED OPERATIONS TBD

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION
CG3261	1005	NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S) NAME 1 SAN JUAN COUNTY, ITS OFFICERS, ELECTED NAME 2 OFFICIALS, EMPLOYEES AND AGENTS ADDRESS 1 DEPARTMENT OF PUBLIC WORKS ADDRESS 2 915 SPRING STREET CITY FRIDAY HARBOR STATE WA ZIP 98250 LOCATION(S) OF COVERED OPERATIONS TBD

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION
CG3261	1005	NAME OF ADDITIONAL INSURED(S) OR ORGANIZATION(S) NAME 1 COUNTY OF IMPERIAL NAME 2 DEPARTMENT OF PUBLIC WORKS ADDRESS 1 155 SOUTH 11TH STREET ADDRESS 2 CITY EL CENTRO STATE CA ZIP 92243-3853 LOCATION(S) OF COVERED OPERATIONS TBD

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY CG3261 1005	OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION NAME OF ADDITIONAL INSURED(S) OR ORGANIZATION(S) NAME 1 COUNTY OF SAN BERNARDINO NAME 2 C/O INSURANCE DATA SERVICES ADDRESS 1 P O BOX 12010 - CB ADDRESS 2 CITY HEMET STATE CA ZIP 92546-8010 LOCATION(S) OF COVERED OPERATIONS TBD

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S) NAME 1 WHITMAN COUNTY NAME 2 DEPARTMENT OF PUBLIC WORKS ADDRESS 1 ATTN JUDY MCMURRAY ADDRESS 2 P O BOX 430 CITY COLFAX STATE WA ZIP 99111-0430 LOCATION(S) OF COVERED OPERATIONS TBD
CG3261	1005	

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND SUPPLEMENTAL INFORMATION
LIABILITY CG3261 1005	<p>OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION</p> <p>NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S)</p> <p>NAME 1 ISLAND COUNTY NAME 2 DEPT OF PUBLIC WORKS ADDRESS 1 ATTN COLLEEN JOKINEN ADDRESS 2 P O BOX 5000 CITY COUPEVILLE STATE WA ZIP 98239-5000</p> <p>LOCATION(S) OF COVERED OPERATIONS TBD</p>

COMMERCIAL GENERAL LIABILITY

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED-PERSON OR ORGANIZATION
CG3261	1005	NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S) NAME 1 DOUGLAS COUNTY & CO'S OFFICERS NAME 2 EMPLOYEES & AGENTS ADDRESS 1 ATTN DANA EPPERLY ADDRESS 2 1036 SE DOUGLAS CITY ROSEBURG STATE OR ZIP 97470 LOCATION(S) OF COVERED OPERATIONS TBD

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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER		FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION
CG3261	1005	NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S) NAME 1 COUNTY OF PEND OREILLE NAME 2 DEPARTMENT OF PUBLIC WORKS ADDRESS 1 ATTN TERESA BROOKS ADDRESS 2 PO BOX 5040 CITY NEWPORT STATE WA ZIP 99156-5040 LOCATION(S) OF COVERED OPERATIONS TBD

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
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COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY CG3261 1005	<p>OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION</p> <p>NAME OF ADDITIONAL INSUREDS PERSON(S) OR ORGANIZATION(S)</p> <p>NAME 1 KERN COUNTY FIRE DEPARTMENT</p> <p>NAME 2 ATTN MICHAEL CLARK</p> <p>ADDRESS 1 5642 VICTOR STREET</p> <p>ADDRESS 2</p> <p>CITY BAKERSFIELD STATE CA ZIP 93308</p> <p>LOCATION(S) OF COVERED OPERATIONS TBD</p>

COMMERCIAL GENERAL LIABILITY COVERAGE FORM OREGON

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

Coverage provided by this form is also subject to all the Conditions in the **COMMON POLICY CONDITIONS** form.

QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Section I - Coverages	1
Coverage A. Bodily Injury and Property Damage Liability	1
Coverage B. Personal and Advertising Injury Liability	6
Coverage C. Medical Expenses	7
Supplementary Payments - Coverages A and B	7
Section II - Who Is An Insured	8
Section III - Limits of Insurance	10
Section IV - Commercial General Liability Conditions	11
Section V - Definitions	13
Section VI - Broad Form Nuclear Exclusion	17

SECTION I - COVERAGES (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking dam-

ages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements

under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) The "bodily injury" or "property damage" occurs during the policy period.
- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be dam-

ages because of "bodily injury" or "property damage", provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and

- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

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

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or pro-

cessed as waste by or for any insured or any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat,

smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft you do not own that you charter with crew.

h. Mobile Equipment

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

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises.
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are per-

forming operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Tenants Legal Liability as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Professional

- (1) "Bodily injury" or "property damage" arising out of the rendering or failure to render any professional service, including but not limited to:

- (a) Accounting, advertising, architectural drafting, engineering, financial, insurance or legal services, advice and instruction;
- (b) Medical, cosmetic, dental, ear piercing, hair dressing, massage, physical therapy, veterinary, nursing, surgical or x-ray services, advice and instruction;
- (c) Use of any tanning booth, tanning bed, tanning equipment or tanning device;
- (d) Laboratory operations or services, whether medical or not; and
- (e) Services performed as a funeral director or as an operator of a cemetery; and
- (f) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

- (2) This exclusion does not apply to:

- (a) Pharmacological services if:

- (i) You do business as a retail drug store and do not manufacture or compound in bulk pharmaceuticals for sale by others; and
- (ii) The "bodily injury" or "property damage" is not caused by the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals by or with the knowledge or consent of any insured;

- (b) Optical or hearing aid services, including the prescribing, preparation, production, mounting, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid services.

p. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through o. do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Tenants Legal Liability, as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**; and
 - (2) Our right and duty to defend end when we have used up the appli-

cable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

- a. "Personal and advertising injury":
 - (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
 - (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
 - (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
 - (4) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any insured;
 - (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
 - (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
 - (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
 - (8) Arising out of the wrong description of the price of goods, prod-

ucts or services stated in your "advertisement";

- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs 1.4.a, b. and c. of "personal and advertising injury" under SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS); or
 - (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any loss, cost or expense arising out of any:
- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

COVERAGE C. MEDICAL PAYMENTS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. The 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.

- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 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 \$250 a day because of time off from work.
- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

- (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Your subsidiaries, and subsidiaries of subsidiaries, are insureds if:
 - (1) They are legally incorporated entities; and
 - (2) You own more than 50% of the voting stock in them as of the effective date of this policy.

If such subsidiaries are not shown in the Declarations, you must report them to us within 180 days of the inception of this policy.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"em-

ployee" as a consequence of Paragraph (1)(a) above;

- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
- (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - e. Any person or organization with whom you agree, because of a written contract, to provide insurance such as is afforded under this policy, but only with respect to liability arising out of your operations, "your work" or facilities owned or used by you.
- This provision does not apply:
- (1) To any vendor, concessionaire, lessor of leased equipment, grantor of a franchise, engineer, architect or surveyor; or
 - (2) Unless the contract has been signed prior to the date of "bodily injury",

"property damage", or "personal or advertising injury".

- f. Any person or organization to whom you are obligated by virtue of a written "insured contract" to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance, or use of that part of any premises leased to you. This does not apply to:
- (1) Any "occurrence" that takes place after you cease to be a tenant on those premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such insured.
- g. Any state or political subdivision, but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit in connection with premises you own, rent, or control for one of the hazards listed below:
- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (2) The construction, erection or removal of elevators; or
 - (3) The ownership, maintenance or use of any elevators covered by this insurance.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any

person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - 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 and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - b. Damages under Coverage B.The General Aggregate Limit applies separately to each location owned by or rented to you. Location, as used here, means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily

injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage Cbecause of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the Tenants Legal Liability Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or "offense" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

- e. Knowledge of "occurrence", claim or "suit" by an agent, servant or "employee" of an insured (other than an officer or partner) does not imply knowledge by the insured unless the insured has received notice from the agent, servant or "employee".

- f. Failure by an agent, servant or "employee" of an insured (other than an "executive officer", manager or partner) to notify us of an "occurrence" will not be considered an failure to comply with paragraphs a. and b. above.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Motor Vehicle Laws

With respect to "mobile equipment" to which this insurance applies:

- a. When this Coverage Part is certified as proof of financial responsibility under the provisions of any motor vehicle financial responsibility law, the insurance provided by the Coverage Part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. We will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That insures for direct physical loss to premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS).
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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

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

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method Of Sharing

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

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

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically

assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

This condition does not apply to Coverage C. Medical Expenses.

10. Unintentional Errors And Omissions

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. But you must report such error or omission to us as soon as practicable after its discovery.

11. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
- 2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
- 3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.
- 4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
- 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 damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's

rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical explo-

ration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment with a gross vehicle weight of 1000 lbs. or more and designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy;

- f. Misappropriation of advertising ideas or style of doing business; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Also includes "bodily injury" and "property damage" arising from the consumption of food or beverages sold, handled or distributed as "your product" at any premises you own or rent.
 - c. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of that vehicle;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in this Coverage Part, states that products-completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes:
- a. Warranties or representations made at any time with respect to the fitness,

quality, durability, performance or use of "your product"; and

- b. The providing of or failure to provide warnings or instructions:

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

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

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- b. The providing of or failure to provide warnings or instructions.

SECTION VI - NUCLEAR ENERGY LIABILITY EXCLUSION (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The insurance does not apply:

1. Under any Liability Coverage, to "bodily injury" or "property damage":
 - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limits of liability; or
 - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

2. Under any Medical Expenses coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- a. The "nuclear material" (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured, or (2) has been discharged or dispersed therefrom;
- b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any insured; or
- c. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material," "special nuclear material," and "by-product material," which have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor";

"Waste" means any waste material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC DATA LIABILITY AMENDMENT ENDORSEMENT

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. Paragraphs d. & e. of the definition of "personal and advertising injury" in **SECTION V - DEFINITIONS** are deleted and replaced by the following:
 - d. Publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services.
 - e. Publication, in any manner, of material that violates a person's right of privacy.
 2. In **SECTION V - DEFINITIONS** paragraphs 1., 4. and 17. are deleted and replaced by the following:
 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
 4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damages occurs in the course of travel or transportation between any places in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication
- provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
17. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.

As used in this definition, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from, computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

3. 2. Exclusions, a. (2) and (3) of **SECTION I - COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** are deleted and replaced by the following:

This insurance does not apply to:

a. "Personal and advertising injury":

(2) Arising out of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(3) Arising out of publication of material whose first publication took place before the beginning of the policy period.

4. Exclusion (9) of **SECTION I - COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**, 2. Exclusions, a. is deleted and replaced by the following:

(9) Committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web-sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 1 4. a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising for you or others anywhere on the Internet is not, by itself, considered the business of advertising, broadcasting, publishing or telecasting.

5. The following additional exclusions are added to **SECTION I - COVERAGE B. PERSONAL AND ADVERTISING INJURY**, 2. Exclusions, a.:

(11) Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control;

(12) Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights;

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan; or

(13) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion i. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

i. War

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

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

B. The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

WAR

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- a. War, including undeclared or civil war; or
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- C. Exclusion h. under Paragraph 2., **Exclusions of Section I - Coverage C - Medical Payments** does not apply. Medical payments due to war are now subject to Exclusion g. of Paragraph 2., **Exclusions of Section I - Coverage C - Medical Payments** since "bodily injury" arising out of war is now excluded under Coverage A.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE ASBESTOS EXCLUSION

This endorsement modifies insurance provided under coverage parts as designated below. This endorsement contains two sections and each section pertains to a different coverage part. Please compare the coverage parts listed on the Declarations page with the coverage parts referenced in both Section 1 and 2 of this endorsement to determine the applicability of each section. PLEASE READ THIS ENTIRE ENDORSEMENT CAREFULLY.

1. This section modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph 2. Exclusions of Section I Coverage A Bodily Injury And Property Damage Liability and Coverage B Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Asbestos

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- (2) Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - (a) Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - (b) Claim or "suit" for damages arising out of or relating in any way to any

request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or

- (3) Any other loss, cost or expense arising out of or relating in any way to asbestos.

2. This section modifies insurance provided under the:

Commercial Property Coverage Part

Notwithstanding any other provision of this policy, the insurance provided by any of the above does not apply to any of the following:

- a. Any physical loss or damage caused by or resulting from asbestos, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage; or
- b. Any demand, requirement, order, direction, determination, or request that you or any other entity pay, repay or reimburse sums expended or to be expended to test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- c. Any demand, requirement, order, direction, determination, or request that you or any other entity test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- d. Any sums that you become legally obligated to pay because of the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos.

However, this section does not exclude coverage for debris removal, including the removal of asbestos debris, if the debris is caused by or results from a Covered Cause of Loss that occurs during the policy period and such coverage is otherwise provided under the applicable

coverage part(s) (See Additional Coverages provisions of applicable coverage part). The coverage for debris removal, if any, shall be subject to all of the terms, conditions and limitations prescribed in the applicable coverage part for such coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - PERSONAL AND ADVERTISING INJURY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COVERAGE B (Section I) does not apply and none of the references to it in the Coverage Part apply.



Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
PPS 41757858	01/31/2007	01/31/2008		17571837	\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph 2. Exclusions of Section I. – Coverage A – Bodily Injury And Property Damage Liability and paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 1. "Fungi" or "bacteria"; or
 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or by-products produced or released by fungi.
 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - INTERNET SERVICE PROVIDERS AND INTERNET ACCESS PROVIDERS ERRORS AND OMISSIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

- a. An error, omission, defect or deficiency in any evaluation, consultation or advice that is given by or on behalf of any insured concerning Internet service or Internet access; or

- b. The failure of any insured to adequately provide Internet services or Internet access.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION - WEB-SITE DESIGNERS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any act, error or omission with respect to web-site designer or consultant services, rendered by or that should have been rendered by:

1. The insured; or
2. Any person or organization:
 - a. For whose acts, errors or omissions the insured is legally responsible; or
 - b. From whom the insured assumed liability by reason of a contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION - ELECTRONIC DATA PROCESSING SERVICES AND COMPUTER CONSULTING OR PROGRAMMING SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Section I - Coverage B - Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, electronic data processing, computer consulting or

computer programming services, advice or instruction by:

- a. The insured; or
- b. Any person or organization:
 - (1) For whose acts, errors or omissions the insured is legally responsible; or
 - (2) From whom the insured assumed liability by reason of a contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

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

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION - COMPUTER SOFTWARE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to **Section I - Coverage A - Bodily Injury And Property Damage Liability** and **Section I - Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

- B. With respect to the rendering of or failure to render any service by you or on your

behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, **Exclusion 2.b. - Contractual Liability** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO LIABILITY OREGON

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. HIRED AUTO LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The insurance provided under SECTION I - COVERAGE A applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

B. NON-OWNED AUTO LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The insurance provided under SECTION I - COVERAGE A applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person other than you.

C. With respect to the insurance provided by this endorsement:

1. Exclusions c., e., g., h., and j. through o. under SECTION I - COVERAGE A are deleted.

2. The following exclusions are added:

a. (1) "Bodily injury" to:

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

(i) Employment by the insured; or

(ii) Performing duties related to the conduct of the insured's business; or

(b) The spouse, child, parent, brother or sister of that "em-

ployee" as a consequence of paragraph (a) above.

(2) This exclusion applies:

(a) Whether the insured may be liable as an employer or in any other capacity; and

(b) To any obligation to share damages with or repay someone else who must pay damages because of injury.

(3) This exclusion does not apply to:

(a) Liability assumed by the insured under an "insured contract"; or

(b) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

b. "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS) is replaced by the following:

a. Each of the following is an insured under this insurance to the extent set forth below:

- (1) You;
 - (2) Any other person using a "hired auto" with your permission;
 - (3) With respect to a "non-owned auto," any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business;
 - (4) Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under (1), (2), or (3) above.
- b. None of the following is an insured:

- (1) Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" of such person injured in the course of employment;
- (2) Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business," other than an "auto business" you operate;
- (4) The owner or lessee (of whom you are a sub-lessee) of a "hired auto" or the owner of a "non-

owned auto" or any agent or "employee" of any such owner or lessee;

- (5) Any person or organization 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.

D. LIMITS OF INSURANCE

The General Aggregate limit stated in the Commercial General Liability Declarations does not apply to the insurance provided by this endorsement. Otherwise, there is no other change in the application of SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

E. ADDITIONAL DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The following additional definitions apply:

1. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos."
2. "Hired auto" means any "auto" you lease, hire or borrow. This does not include any "auto" you lease, hire or borrow from any of your "employees" or members of their households, or from any partner or "executive officer" of yours.
3. "Non-owned auto" means any "auto" you do not own, lease, hire or borrow which is used in connection with your business. However, if you are a partnership a "non-owned auto" does not include any auto owned by any partner.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**TWO OR MORE COVERAGE FORMS OR POLICIES
ISSUED BY US - OREGON**

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "occurrence", offense, claim or "suit", the Limits of Insurance (includes restrictions or abridgements) under all the Coverage Forms or policies applicable to such "occurrence", offense, claim or "suit" shall not exceed the highest applicable Limits of Insurance (includes restrictions or abridgements) under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or affiliated company specifically to apply as excess insurance over this Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICATION SATELLITE LIABILITY EXCLUSION OREGON

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following Exclusion is added to **SECTION 1 - COVERAGES (INCLUDES RESTRICTIONS OR ABRIDGMENTS), COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Damages claimed for any loss, cost or expense incurred by you or others resulting, directly or indirectly, from the loss of use of a communication satellite.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF INSURING AGREEMENT - KNOWN INJURY OR DAMAGE - OREGON

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART (OCCURRENCE VERSION)

Paragraph 1 . Insuring Agreement of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

1. **Insuring Agreement (Includes Restrictions Or Abridgments)**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance (Includes Restrictions Or Abridgments); and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B (Includes Restrictions Or Abridgments).

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1 . of Section II - Who Is An Insured (Includes Restrictions Or Abridgments) and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1 . of Section II - Who Is An Insured (Includes Restrictions Or Abridgments) or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1 . of Section II - Who Is An Insured (Includes Restrictions Or Abridgments) or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - OREGON

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS) (INCLUDES RESTRICTIONS OR ABRIDGMENTS) is amended by the addition of the following:

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

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY
CG 32 61 10 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s):

Location(s) Of Covered Operations:

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

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused by your ongoing operations for the additional insured(s) at the location(s) designated above and only to the extent that such "bodily injury", "property damage" or "personal and advertising injury" is caused by your negligence or the negligence of those performing operations on your behalf.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

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

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

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PPS 41757858		17571837		M013167491-001-00001	ANNUAL
BRANCH ZURICH GROUP-PO						ANNIVERSARY EFF 01/31/2007



ZURICH

**PRECISION PORTFOLIO POLICY
 FORMS AND ENDORSEMENTS APPLICABLE
 PRECISION PREMIER
 MARYLAND CASUALTY COMPANY**

FORM NUMBER	PROP	LIAB	AUTO	UMV	FORM OR ENDORSEMENT NAME
* 9S5008	0300		X		SUPPLEMENTAL DECLARATIONS
* 1L0139	1202	X			OREGON CHANGES
* 9S1016	0300	X			PROPERTY DECLARATION
* 9S1017	0601	X			BUILDING AND PERSONAL PROPERTY SCHEDULE
* 9S1001	0600	X			OREGON BUILDING AND PERSONAL PROPERTY COVERAGE FORM
* 9S1220	0701	X			EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES
* 9S2102	0601		X		ELECTRONIC DATA LIABILITY AMENDMENT ENDORSEMENT
* 9S1002	0600	X			OREGON CRIME COVERAGE FORM
* 9S1103	0302	X			GLASS AMENDATORY ENDORSEMENT
* 9S1054	0600	X			OREGON TENANTS LEASE PROTECTION
* 9S1056	0499	X			BUSINESS INCOME - COMMUNICATIONS SATELLITE EXCLUSION
* 9S2008	0300		X		COMMERCIAL GENERAL LIABILITY DECLARATIONS
* 9S2009	0300		X		COMMERCIAL GENERAL LIABILITY SCHEDULE
* 9S2001	0600		X		OREGON COMMERCIAL GENERAL LIABILITY COVERAGE FORM
* CG0062	1202		X		WAR LIABILITY EXCLUSION

* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PPS 41757858		17571837		MO13167491-001-00001	ANNUAL
BRANCH ZURICH GROUP-PD						ANNIVERSARY EFF 01/31/2007



ZURICH

**PRECISION PORTFOLIO POLICY
 FORMS AND ENDORSEMENTS APPLICABLE
 PRECISION PREMIER
 MARYLAND CASUALTY COMPANY
 (CONTINUED)**

FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
* 9S2002	0600		X		OREGON HIRED AUTO AND NON-OWNED AUTO LIABILITY
* 9S2332	0902		X		TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US-OREGON
* 9S2096	0600		X		OREGON COMMUNICATION SATELLITE LIABILITY EXCLUSION
* 15153	0803	X	X		ABSOLUTE ASBESTOS EXCLUSION
* CG2138	1185		X		EXCLUSION - PERSONAL AND ADVERTISING INJURY
* 9S2249	0600		X		OREGON AMENDMENT OF INSURING AGREEMENT - KNOWN INJURY OR DAMAGE
* U-GL-1171-A-CW	0703		X		FUNGI OR BACTERIA EXCLUSION ENDORSEMENT
* CG2298	1001		X		EXCLUSION - INTERNET SERVICE PROVIDERS AND INTERNET ACCESS PROVIDERS ERRORS AND OMISSIONS
* CG2299	1001		X		PROFESSIONAL LIABILITY EXCLUSION - WEB-SITE DESIGNERS
* 9S2244	0600		X		WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US
* CG3261	1005		X		OREGON ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS-SCHEDULED PERSON OR ORGANIZATION
* CG2288	0798		X		PROFESSIONAL LIABILITY EXCLUSION-ELECTRONIC DATA PROCESSING SERVICES AND COMPUTER CONSULTING OR PROGRAMMING SERVICES
* CG2147	0798		X		EMPLOYMENT-RELATED PRACTICES EXCLUSION
* CG2275	0798		X		PROFESSIONAL LIABILITY EXCLUSION - COMPUTER SOFTWARE
* 1L0021	0498		X		NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)

* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PPS 41757858	17571837	M013167491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PORTLAND OR			ANNIVERSARY EFF 01/31/2007	



ZURICH

LIST OF ADDITIONAL FORMS ENCLOSED - NON-POLICY FORMS
MARYLAND CASUALTY COMPANY

FORM NUMBER	FORM DESCRIPTION
9S5001 10-92	PRECISION POLICY MAILING SHEET - AGENT, INSURED AND OTHER RECIPIENTS
UGU674B 04-04	OREGON INSURANCE GUARANTY ASSOCIATION SURCHARGE
9C0015 01-96	COMMISSION SCHEDULE
9C0518 11-99	NOTICE TO POLICYHOLDERS
UA160 05-93	RIGHTS AND RESPONSIBILITIES OF THE INSURED WHEN SUBMITTING A CLAIM

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PPS 41757858	17571837	MO13167491-001-00001	ANNUAL
BRANCH ZY ZURICH GROUP-PORTLAND OR				ANNIVERSARY EFF 01/31/2007

**PRECISION PREMIER
SERVICE PROGRAM

COMMISSION SCHEDULE**

LINE OF BUSINESS	COMMISSION
Commercial Property Coverage Part	15.0
Commercial General Liability Coverage Part	15.0

SCGB855P.61

PRECISION POLICY STATISTICAL REPORT
COMMERCIAL PROPERTY

TR POLICY NUMBER 41757858
 TRANS EFF 01/07
 TERM 12
 EFFECT DATE 01/31/07
 EXP DATE 01/08
 CO 02
 B0 ZY
 PRODUCER 17571837
 AUDIT/RETRO 4
 STAT PLAN 9
 INSTALLMENT NUMBER 9

ASSUREDS NAME CASCADE SOFTWARE SYS
 R/A DATE 01/17
 SIC CODE 7371
 GAC CODE JNT
 IC CODE NNNN
 A/C TRANS EFF DATE 01/07
 COMM IND C
 BACKOUT/REISSUE INDICATOR

POLICY CANCEL DATE
 AUDIT DATE
 COVERAGE EFF DATE 01/31/2007
 REASON AMENDED
 RECEIVABLE CATEGORY RN

P A R L L I N E S T C A S H Z I P F I R E
 D G P M R A T E P R E M I U M C O D E C O D E D I S T R
 1.....2.....3.....4.....5.....6.....6
 5 0 5 0 5 0 5 0 5 0 5 0 5 0 5

0 2 0 0 0527 36	150	51.00	97401	0128791573711	00001601002251020050001000	3107
0 2 0 0 0527 36	150	113.00	97401	0128791573711	0000160100P451020050001000	3107
0 2 0 0 0527 36	150	4.00	97401	0128791573711	00001601002251020050001000	3107
0 2 0 0 0527 36	150	53.00	97401	0128791573711	39	107
TOTAL						221.00

SG0885P.61

PRECISION POLICY STATISTICAL REPORT
COMMERCIAL GENERAL LIABILITY

PAGE 1
PROCESS DATE 12/21/2006

TR POLICY NUMBER 41757858
 TRANS EFF DATE 01/07
 TERM 12
 EFFECT DATE 01/31/07
 EXP DATE 01/08
 C0 BO 02 ZY 17571837
 PRODUCER
 AUDIT/RETRO 4
 STAT PLAN 9
 INSTALLMENT NUMBER 9

ASSUREDS NAME
 R/A DATE 01/17
 SIC CODE 7371
 GAC CODE JNT
 IC CODE NNNNN
 A/C TRANS EFF DATE 01/07
 COMM IND C
 BACKOUT/REISSUE INDICATOR

POLICY CANCEL DATE
 AUDIT DATE
 COVERAGE EFF DATE 01/31/2007
 EXP DATE 01/31/2008
 REASON AMENDED
 RECEIVABLE CATEGORY RN

P A R L L I N E S T C O M M R A T E C A S H P R E M I U M Z I P C O D E F I R E D I S T R
 D G P M
 0 3 0 0 0 528 36 150 36.00 97401 97401 0128791573711 07 107
 0 3 0 H 0 528 36 150 529.00 97401 97401 01287915737115000112610024 0000001000 3107
 0 3 0 0 0 528 36 150 50.00 CR 97401 97401 0128791573711 R4 107
 0 3 0 0 0 528 36 150 70.00 97401 97401 0128791573711 13 107
 0 3 0 0 0 528 36 150 110.00 97401 97401 0128791573711 14 107
 0 3 0 0 0 528 36 150 .00 97401 97401 0128791573711 D4 107
 0 3 0 0 0 528 36 150 14.00 97401 97401 01287915737115000112610024 0000001000 3107

TOTAL 709.00

SCGB855P.61

PRECISION POLICY STATISTICAL REPORT
POLICY PREMIUM TOTALS

PAGE 2
PROCESS DATE 12/27/2006

TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	C0	B0	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
21	PPS 41757858	01/07	12	01/31/07	01/08	02	ZY	17571837	4	9	9
	ASSUREDS NAME	R/A DATE	SIC CODE	GAC CODE	IC CODE	A/C TRANS EFF DATE	COMML IND	BACKOUT/REISSUE INDICATOR			
	CASCADE SOFTWARE SYS	01/17	7371	JNT	NNNNN	01/07	C				
	POLICY CANCEL DATE	AUDIT DATE	COVERAGE EFF DATE	COVERAGE EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY					
			01/31/2007	01/31/2008		RN					

PROPERTY TOTAL PREMIUM	221.00
LIABILITY TOTAL PREMIUM	709.00
AUTOMOBILE TOTAL PREMIUM00
UMBRELLA TOTAL PREMIUM00
TAX TOTAL PREMIUM00
TOTAL FULL TERM PREMIUM	930.00



COUNTY OF MONTEREY PURCHASE ORDER

ORDER DATE 11-24-2010

SC 3000 0000001041

IMPORTANT

THE ABOVE NUMBER AND SHIP TO DEPARTMENT MUST APPEAR ON ALL SHIPPING LABELS, PACKING SLIPS, TRANSPORT DOCUMENTS, INVOICES AND CORRESPONDENCE.

CASCADE SOFTWARE SYSTEMS INC

P O Box 10723

Eugene OR 97440

VENDOR NUMBER: CV000002007

SHIP TO
PUBLIC WRK
168 W. ALISAL ST.,
2ND FLOOR
SALINAS CA 93901

BILL TO
RMA FINANCE
168 W ALISAL STREET
2ND FLOOR
SALINAS CA 93901

F.O.B.:

DELIVERY DATE:

ITEM	QUANTITY	UNIT	COMMODITY CODE	ITEM DESCRIPTION	UNIT PRICE	SALES TAX	EXTENDED PRICE
1	0.0		92045	PURCH DESC: *****CHANGE ORDER NO. 2***** PER AMENDMENT NO. 5 TO AGREEMENT NO. A-10268 THIS PURCHASE ORDER IS ISSUED TO CASCADE SOFTWARE SYSTEMS, INC. TO PROVIDE CONTINUED SERVICES FOR MAINTENANCE & MODIFICATIONS TO WIN-CAMS. ALL SERVICES SHALL BE PROVIDED IN ACCORDANCE WITH TERMS, CONDITIONS, AND EXHIBITS OF THE APPROVED COUNTY OF MONTEREY AGREEMENT. TERM OF THE AGREEMENT 7/1/05 THROUGH 12/31/11 UNLESS SOONER TERMINATED PURSUANT TO THE TERM OF THE AGREEMENT. THE TOTAL AGREEMENT AMOUNT IS NOT TO EXCEED \$333,700.00. THE PURCHASE ORDER TOTAL IS NOT TO EXCEED \$41,559.59. THIS PURCHASE ORDER IS VALID FOR THE PERIOD OF 7/1/10 TO 6/30/11 FOR FISCAL YEAR 2011. (REPLACES PRIOR YEAR PO# R194910141). COMM LINE DESC: Software Maint/Supp EXTENDED DESC: CASCADE: MAINTENANCE & MODIFICATIONS TO WINCAM (R194910141) : 001 - 3000 - 8222 - RMA013 - 6613 - 41559.59	.00	.00	41,559.59

THE SHADED ROWS ARE FOR MONTEREY COUNTY DEPARTMENT USE ONLY

All Vendors are required to review the Monterey County general terms and conditions which apply to all contracts, purchase orders, and other electronic procurements made with the County unless otherwise noted. Said terms and conditions can be found on the County website at http://www.co.monterey.ca.us/admin/terms_conditions.htm

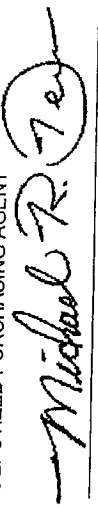
TAX EXEMPTION INFORMATION:
FEDERAL EXCISE TAX EXEMPTION NUMBER 94-6000524

ORDER TOTAL 41,559.59

COUNTY BUYER INFORMATION
Jaime Ayala
EMAIL: ayalaj@co.monterey.ca.us

TELEPHONE: (831)755-4998 x4998

AUTHORIZED BY COUNTY OF MONTEREY
DEPUTIZED PURCHASING AGENT



PRINT DATE: 11/29/10

CONTRACTS/PURCHASING DIVISION
168 W. Alisal St. 3rd Floor, Salinas, CA 93901

Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No. A-10268

- a. Approve Amendment No. 6 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to continue to provide services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency and implement an interface of data between Win-CAMS and Advantage, the County's financial system, in the amount of \$34,347.51 for a total amount not to exceed \$368,047.51 for a term through June 30, 2012; and
- b. Authorize the Contracts/Purchasing Officer to execute Amendment No. 6 to Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.....

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta, and carried by those members present, the Board hereby;

- a. Approved Amendment No. 6 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to continue to provide services associated with maintenance and modifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency and implement an interface of data between Win-CAMS and Advantage, the County's financial system, in the amount of \$34,347.51 for a total amount not to exceed \$368,047.51 for a term through June 30, 2012; and
- b. Authorized the Contracts/Purchasing Officer to execute Amendment No. 6 to Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.


PASSED AND ADOPTED on this 23rd day of August, 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter
 NOES: None
 ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on August 23, 2011.

Dated: August 29, 2011

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

By 
 Deputy

**AMENDMENT NO. 6
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 6 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Cascade Software Systems, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the County and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with County on September 20, 2005, (hereinafter, "Agreement") to provide maintenance services and program modifications for the specialized Windows-based Cost Accounting Management System (Win-CAMS); and

WHEREAS, Agreement was amended by the Parties on April 20, 2006 (hereinafter, "Amendment No. 1"), January 22, 2007 (hereinafter, "Amendment No. 2"), April 16, 2008 (hereinafter, "Amendment No. 3"), June 12, 2009 (hereinafter, "Amendment No. 4"), and November 8, 2010 (hereinafter, "Amendment No. 5"); and

WHEREAS, the Parties wish to amend the Agreement to include additional remaining maintenance and modifications services to Win-CAMS for Fiscal Year (FY) 2011 – 2012; and

WHEREAS, the Parties wish to further amend the Agreement to include programming services associated with the implementation of an interface of data between Win-CAMS and Advantage, the County's financial system; and

WHEREAS, additional funding in the amount of \$34,347.51 is necessary to pay for continuation of services associated with the maintenance and modifications to Win-CAMS for FY 2011-2012 and the required interface between Win-CAMS and Advantage.

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

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2, A-3, A-4 and A-5 in conformity with the terms of this Agreement. The services are generally described as follows: Provide maintenance services and program modifications for the specialized Windows-based Cost Accounting Management System (Win-CAMS) and an interface between Win-CAMS and Advantage, the County's financial system.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2, A-3, A-4 and A-5, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$368,047.51.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2005 to June 30, 2012, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-5 - Scope of Services/Payment Provisions".
5. All other terms and conditions of the Agreement remain unchanged and in full force.
6. This Amendment No. 6 shall be attached to the Agreement and incorporated therein as if fully set in the Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Amendment No. 6 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Contracts/Purchasing Officer

Date: 9/24

CONTRACTOR*

Cascade Software Systems, Inc.
Contractor's Business Name

By: [Signature]
(Signature of Chair, President or Vice President)

Its: AAD F. ALKEMADE, PRESIDENT
(Print Name and Title)

Date: 7/19/11

Approved as to Form and Legality
Office of the County Counsel

By: [Signature]
Deputy County Counsel

Date: 7-29-11

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

Its: Rachelle L.K. Alkemade, CFO
(Print Name and Title)

Date: 7/21/11

Approved as to Fiscal Provisions

By: [Signature]
Auditor/Controller

Date: RISK MANAGEMENT

Approved as to Indemnity, Insurance Provisions/
CITY OF MONTEREY

INSURANCE LANGUAGE

By: [Signature]
Risk Management

Date: 8-9-11

ENTERED
SEP 09 2011
CCC

*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.

EXHIBIT A-5 – SCOPE OF SERVICES/PAYMENT PROVISIONS

**CASCADE SOFTWARE SYSTEMS, INC.
MAINTENANCE AND MODIFICATIONS TO WIN-CAMS AND
WIN-CAMS/ADVANTAGE INTERFACE**

July 13, 2011

MAINTENANCE AND MODIFICATIONS TO WIN-CAMS

In accordance with the current Win-CAMS Agreement for Maintenance and Modifications to Win-CAMS, listed below are updated and actual costs for FY 2011-2012 (July 1, 2011 – June 30, 2012):

FY 2010-2011 Maintenance Fee	\$ 27,020.67
FY 2010-2011 New Additions	\$ 0.00
Cost of Living Increase: 1.5 %	\$ 405.31
FY 2011-2012 Maintenance Fee	\$ 27,425.98
FY 2011-2012 Upgrade Document	\$ 5,404.13
Total (for FY 2011-2012)	\$ 32,830.11

A portion of the updated and actual costs listed above were included under Amendment No. 5 to the Agreement for the period of July 1, 2011 through December 31, 2011 and are as follows:

Estimated Maintenance Fees	\$ 15,000.00
Estimated Unforeseen Maintenance and/or Modifications	\$ 2,732.60
Total (for 7/1/11 – 12/31/11)	\$ 17,732.60

Based on the updated and actual costs listed above, the remaining costs for the period of January 1, 2012 through June 30, 2012 are as follows:

Remaining Maintenance Fees	\$12,425.98
Credit for Estimated Unforeseen Maintenance and/or Modifications (for 7/1/11 – 12/31/11)	-\$ 2,732.60
FY 2011-2012 Upgrade Document	\$ 5,404.13
Total Increase Amount (for 1/1/12 – 6/30/12)	\$ 15,097.51

The following hourly billing rates will be in effect during FY 2011-2012:

Programming Rate per Hour	\$ 140.00
SQL/DBE Services Rate per Hour	\$ 150.00
Onsite Rate per Hour	\$ 150.00

Rates decrease using sliding scale depending on total number of hours.

WIN-CAMS/ADVANTAGE INTERFACE

PRIORITY I:

1. **Interface the Accounts Payable (AP) and purchasing transactions between the Win-CAMS software application to the Advantage software application.**
 - a. Map/interface all AP payment requests from Win-CAMS to Advantage General Accounting Expenditure (GAX) and Payment Request Commodity (PRC) payments (multiple versions, including PRC "final" payment that liquidates an encumbrance). RMA Finance staff shall assign transaction number.

EXHIBIT A-5 – SCOPE OF SERVICES/PAYMENT PROVISIONS

- b. Map/interface all **requisitions/purchasing/Purchase Orders (PO)/contract documents** (multiple versions) from **Win-CAMS to Advantage**, including Delivery Order (DO). RMA staff shall assign transaction number. **The documents to be included are as follows:**

Document Type	Document Code	Document Name
PO	BPO	Blanket PO
PO	BSC	Blanket Service Contract
PO	CT	Construction Contract
PO	DO	Delivery Order
PO	ECT	Emergency Construction
PO	EPO	Emergency PO
PO	LPO	Leased PO
PO	PO	Purchase Order
PO	SC	Service Contract

2. Cascade will create or rename unused existing fields in Win-CAMS for the following elements that **will be made available to Advantage:**
- a. Program (part of Win-CAMS Project No.)
 - b. Major Program (part of Win-CAMS Project No.)
3. **System Updates/Validations** done for certain data groupings in Advantage (see list below) will be made available to Win-CAMS via the interface. Periodically, the entire respective elements/files will be updated with the most current ones from Advantage (uploaded via Win-CAMS grid if necessary):
- a. **Validate Chart of Account Elements** (specific elements, such as Objects, Funds, Department, Units, Departmental Revenue/Objects, etc. can be downloaded but RMA Finance staff will create the appropriate account string in Win-CAMS as many in Advantage will not apply to RMA)
 - b. **Validate Vendors**
 - c. **Validate Commodity Codes**
 - d. **Validate Location Codes**

The validation will be done by RMA Finance staff after the import prior to posting/updating in Win-CAMS. Cascade will ensure Win-CAMS can accommodate import file.

PRIORITY II:

1. **Advantage to Win-CAMS Fiscal Transactions** - Interface data/documents/Advantage-created reports (see list below) **from Advantage to Win-CAMS** (bring into Win-CAMS with the ability to edit and/or add those data elements that are only in Win-CAMS prior to posting in Win-CAMS (e.g., project, cost center, road number, milepost, etc.)). Will only bring over transactions in Advantage that were entered for RMA accounting (Dept. 3000).
- a. Journals/Internal Exchange Transaction's (including payroll and benefits)
 - b. Fixed Assets
 - c. Cash Receipts
 - d. Payment Confirmation Data (automatic disbursement warrant numbers, vendor information number, electronic fund transfer's and related dates (funded as part of 1.a.))

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/20/2011

PRODUCER 541.484.6624 FAX 541.686.2726
Pacific Benefit Consultants, Inc.
450 Country Club Road #330
Eugene, OR 97401

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED CASCADE SOFTWARE SYSTEMS, INC
P. O. BOX 10723
EUGENE, OR 97440

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Maryland Casualty Co.

19356

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COPY

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	PPS041757858	01/31/2011	01/31/2012	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$ Excluded
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$ 2,000,000
		<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG	\$ 2,000,000
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	\$
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		<input type="checkbox"/> HIRED AUTOS					
		<input type="checkbox"/> NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC	\$
						AUTO ONLY: AGG	\$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$
							\$
		<input type="checkbox"/> DEDUCTIBLE					\$
		<input type="checkbox"/> RETENTION \$					\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS	OTH-ER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
		OTHER				E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder listed below is an additional insured per #CG 32 61 10 05.

*except 10 days notice of cancellation for non-payment of premium

CERTIFICATE HOLDER

COUNTY OF MONTEREY
ITS AGENTS OFFICERS AND EMPLOYEES
DEPT OF PUBLIC WORKS
ATTN GUS CAPINGUIAN
168 W ALISAL 2ND FLOOR
SALINAS, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Caralie Gunderson/CSG

Caralie Gunderson



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/19/2011

PRODUCER COLGAN INSURANCE AGENCY 1369 W 6th Ave., Ste 240 Eugene, Or 97402 541-687-0778	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED ADRIANUS ALKEMADE PO BOX 10723 EUGENE OR 97440	INSURERS AFFORDING COVERAGE INSURER A: ALLSTATE PROPERTY & CASUALTY INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # _____ _____ _____ _____

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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 type="checkbox"/> LOC				EACH OCCURRENCE \$ _____ DAMAGES RENTED PREMISES (EA OCCURRENCE) \$ _____ MED EXP (Any one person) \$ _____ PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS - COMP/OP AGG \$ _____
A	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	917465945	03/10/2011	09/10/2011	COMBINED SINGLE LIMIT (EA accident) \$ _____ BODILY INJURY (Per person) \$ 250,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$ 500,000
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN EA ACC \$ _____ AUTO ONLY: AGG \$ _____
	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE _____ RETENTION _____				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____ \$ _____ \$ _____ \$ _____
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS: _____ OTH-FR: _____ E.L. EACH ACCIDENT \$ _____ E.L. DISEASE - EA EMPLOYEE \$ _____ E.L. DISEASE - POLICY LIMIT \$ _____
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER MONTEREY COUNTY RESOURCE MANAGEMENT AGENCY MS. SHELLEY DICKINSON 168 W ALISAL, 2ND FLOOR SALINAS, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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ACORD 25 (2009/01)

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

OREGON WORKERS COMPENSATION CERTIFICATE OF INSURANCE



CERTIFICATE HOLDER:

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN SHELLEY DICKINSON
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2011 to 07/01/2012	07/19/2011

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:

LIMITS OF LIABILITY:

Bodily Injury by Accident	\$1,000,000	each accident
Bodily Injury by Disease	\$1,000,000	each employee
Body Injury by Disease	\$1,000,000	policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

AUTHORIZED REPRESENTATIVE

A handwritten signature in black ink that reads "Brenda JP Recklin" with a long horizontal flourish extending to the right.

President and CEO

400 High Street SE
Salem, OR 97312
P: 800.285.8525
F: 503.373.8020

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s): County of Monterey Its Agents, Officers and Employees
Dept of Public Works Attn Gus Capinguian 168 W Alisal 2nd Floor Salinas CA 93901
Location(s) Of Covered Operations:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused by your ongoing operations for the additional insured(s) at the location(s) designated above and only to the extent that such "bodily injury", "property damage" or "personal and advertising injury" is caused by your negligence or the negligence of those performing operations on your behalf.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

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

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

COMMERCIAL GENERAL LIABILITY COVERAGE FORM OREGON

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

Coverage provided by this form is also subject to all the Conditions in the **COMMON POLICY CONDITIONS** form.

QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Section I - Coverages	1
Coverage A. Bodily Injury and Property Damage Liability	1
Coverage B. Personal and Advertising Injury Liability	6
Coverage C. Medical Expenses	7
Supplementary Payments - Coverages A and B	7
Section II - Who Is An Insured	8
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SECTION I - COVERAGES (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking dam-

ages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements

under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

- b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and

(2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be dam-

ages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

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

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or pro-

cessed as waste by or for any insured or any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat,

smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and

- (b) Not being used to carry persons or property for a charge;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft you do not own that you charter with crew.

h. Mobile Equipment

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

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises.
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are per-

forming operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3), and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Tenants Legal Liability as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Professional

- (1) "Bodily injury" or "property damage" arising out of the rendering or failure to render any professional service, including but not limited to:

(a) Accounting, advertising, architectural, drafting, engineering, financial, insurance or legal services, advice and instruction;

(b) Medical, cosmetic, dental, ear piercing, hair dressing, massage, physical therapy, veterinary, nursing, surgical or x-ray services, advice and instruction;

(c) Use of any tanning booth, tanning bed, tanning equipment or tanning device;

(d) Laboratory operations or services, whether medical or not; and

(e) Services performed as a funeral director or as an operator of a cemetery; and

(f) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

- (2) This exclusion does not apply to:

(a) Pharmacological services if:

- (i) You do business as a retail drug store and do not manufacture or compound in bulk pharmaceuticals for sale by others; and
- (ii) The "bodily injury" or "property damage" is not caused by the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals by or with the knowledge or consent of any insured;

(b) Optical or hearing aid services, including the prescribing, preparation, production, mounting, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid services.

p. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through o. do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Tenants Legal Liability, as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**; and
- (2) Our right and duty to defend end when we have used up the appli-

cable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any insured;
- (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, prod-

ucts or services stated in your "advertisement";

- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs 1.4.a, b. and c. of "personal and advertising injury" under SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS); or
 - (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

COVERAGE C. MEDICAL PAYMENTS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. The 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.

- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 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 \$250 a day because of time off from work.
- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Your subsidiaries, and subsidiaries of subsidiaries, are insureds if:
 - (1) They are legally incorporated entities; and
 - (2) You own more than 50% of the voting stock in them as of the effective date of this policy.

If such subsidiaries are not shown in the Declarations, you must report them to us within 180 days of the inception of this policy.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"em-

ployee" as a consequence of Paragraph (1)(a) above;

- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

e. Any person or organization with whom you agree, because of a written contract, to provide insurance such as is afforded under this policy, but only with respect to liability arising out of your operations, "your work" or facilities owned or used by you.

This provision does not apply:

- (1) To any vendor, concessionaire, lessor of leased equipment, grantor of a franchise, engineer, architect or surveyor; or
- (2) Unless the contract has been signed prior to the date of "bodily injury",

"property damage", or "personal or advertising injury".

- f. Any person or organization to whom you are obligated by virtue of a written "insured contract" to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance, or use of that part of any premises leased to you. This does not apply to:
- (1) Any "occurrence" that takes place after you cease to be a tenant on those premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such insured.
- g. Any state or political subdivision, but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit in connection with premises you own, rent, or control for one of the hazards listed below:
- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (2) The construction, erection or removal of elevators; or
 - (3) The ownership, maintenance or use of any elevators covered by this insurance.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any

person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - 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 and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - b. Damages under Coverage B.The General Aggregate Limit applies separately to each location owned by or rented to you. Location, as used here, means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily

- injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
 5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
 6. Subject to 5. above, the Tenants Legal Liability Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".
 7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or "offense" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
 - c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
 - d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
 - e. Knowledge of "occurrence", claim or "suit" by an agent, servant or "employee" of an insured (other than an officer or partner) does not imply knowledge by the insured unless the insured has received notice from the agent, servant or "employee".
 - f. Failure by an agent, servant or "employee" of an insured (other than an "executive officer", manager or partner) to notify us of an "occurrence" will not be considered an failure to comply with paragraphs a. and b. above.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Motor Vehicle Laws

With respect to "mobile equipment" to which this insurance applies:

- a. When this Coverage Part is certified as proof of financial responsibility under the provisions of any motor vehicle financial responsibility law, the insurance provided by the Coverage Part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. We will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That insures for direct physical loss to premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS).
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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

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

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method Of Sharing

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

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

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically

assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

This condition does not apply to Coverage C. Medical Expenses.

10. Unintentional Errors And Omissions

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. But you must report such error or omission to us as soon as practicable after its discovery.

11. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.
4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
- 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 damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's

rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical explo-

ration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment with a gross vehicle weight of 1000 lbs. or more and designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy;

- f. Misappropriation of advertising ideas or style of doing business; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Also includes "bodily injury" and "property damage" arising from the consumption of food or beverages sold, handled or distributed as "your product" at any premises you own or rent.
 - c. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of that vehicle;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in this Coverage Part, states that products-completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes:
- a. Warranties or representations made at any time with respect to the fitness,

quality, durability, performance or use of "your product"; and

- b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

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

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- b. The providing of or failure to provide warnings or instructions.

SECTION VI - NUCLEAR ENERGY LIABILITY EXCLUSION (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The insurance does not apply:

1. Under any Liability Coverage, to "bodily injury" or "property damage":

- a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limits of liability; or

- b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

2. Under any Medical Expenses coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization;

3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- a. The "nuclear material" (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured, or (2) has been discharged or dispersed therefrom;

- b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any insured; or

- c. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material," "special nuclear material," and "by-product material," which have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor";

"Waste" means any waste material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

RECEIVED

JUL 01 2011

PUBLIC WORKS - ADMIN

ALLSTATE LIENHOLDER SERVICE CENTER
PO BOX 660349
DALLAS, TX 75266-0349



THE CNTY OF MONTEREY
168 W ALISAL ST FL 2
SALINAS CA 93901-2487

Date: 06/28/11

CERTIFICATE OF INSURANCE

EFFECTIVE DATE
OF CERTIFICATE
JUNE 28, 2011

ALLSTATE INSURANCE COMPANY
Northbrook, Illinois, certifies that the following insurance is in force:

POLICYHOLDER	POLICY NUMBER	POLICY PERIOD	
ADRIANUS & RACHELLE ALKEMADE PO BX 10723 EUGENE OR 97440-2723	9 17 465945 03/10	MARCH 10, 2011 SEPTEMBER 10, 2011	At 12:01 A.M. Standard Time

The person or organization designated below is described in the policy as:

THE CNTY OF MONTEREY
168 W ALISAL ST FL 2
SALINAS CA 93901-2487

<input type="checkbox"/>	LIENHOLDER (Loss Payable Clause)
<input checked="" type="checkbox"/>	ADDITIONAL INTERESTED PARTY

AGENT COLGAN INSURANCE
PHONE (541) 687-0778

Coverages designated below are afforded for each described vehicle:

BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2011 XC60
PD \$500,000 EA.OCC.	YV4940DZ0B2168875
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2004 GRND CHEROKE
PD \$500,000 EA.OCC.	1J8GW58N94C368331
Collision- \$500 DED.	Comprehensive- \$100 DED.
BI \$250,000 EA.PERS.- \$500,000 EA.OCC.	2011 RAV4
PD \$500,000 EA.OCC.	JTMRK4DV6B5099279
Collision- \$500 DED.	Comprehensive- \$100 DED.

See reverse side for provisions concerning Loss Payable Clause and Additional Interested Party.

This Certificate of Insurance neither affirmatively nor negatively amends, extends or alters the coverage afforded by the policy referred to above.

D1696

500003605898367287600101





Allstate

You're in good hands.

831 755-4958

ALLSTATE PROPERTY AND CASUALTY INSURANCE COMPANY Calendar Date: 05/13/2009
 Home Office Policy Number: 917465945 03 / 10
 Northbrook, Illinois
 Insured: ADRIANUS & RACHELLE ALKEMADE Address: PO BX 10723
 City: EUGENE St: OR Zip: 97440 Home: 541 - 343 - 3558

ADD INTERESTED PARTY
 THE CNTY OF MONTEREY
 168 W ALISAL ST 2 FL
 SALINAS CA 93901

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY NOTED ABOVE IS CURRENTLY IN FORCE

The County of Monterey, its agents, officers and employees are named as additional insureds for liability arising out of this agreement and any operation thereto. The named insurance is to be primary insurance. The insurance of the Additional Insured's shall not be called upon to contribute to loss covered by the Contractor's Insurance.

County of Monterey, Roselle

 Policyholder's Signature Effective 12 : 01 AM 03 / 10 / 2009


Roselle

 Agent's Signature 014629 0AC 8776870778
 SAR42-12 Agent # Location Agent's Phone #

MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05
To: Nick Baldo
From: Steven F. Manick, Risk Manager 
Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and # 917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.



COUNTY OF MONTEREY PURCHASE ORDER

ORDER DATE 09-22-2011

SC 3000 0000001896

IMPORTANT

THE ABOVE NUMBER AND SHIP TO DEPARTMENT MUST
APPEAR ON ALL SHIPPING LABELS, PACKING SLIPS,
TRANSPORT DOCUMENTS, INVOICES AND CORRESPONDENCE.

VENDOR
CASCADE SOFTWARE SYSTEMS INC
P O Box 10723
Eugene OR 97440

SHIP TO
PUBLIC WRK
168 W. ALISAL ST.,
2ND FLOOR
SALINAS CA 93901

BILL TO
RMA FINANCE
168 W ALISAL STREET
2ND FLOOR
SALINAS CA 93901

VENDOR NUMBER: CV000002007

DELIVERY DATE:

F.O.B.:

ITEM	QUANTITY	UNIT	COMMODITY CODE	ITEM DESCRIPTION	UNIT PRICE	SALES TAX	EXTENDED PRICE
1	0.0		92045	<p>PURCH DESC: PER AGREEMENT NO. A-10288 WITH CASCADE SOFTWARE SYSTEMS, INC. TO PROVIDE CONTINUED SERVICES FOR MAINTENANCE & MODIFICATIONS TO WIN-CAMS. ALL SERVICES SHALL BE PROVIDED IN ACCORDANCE WITH TERMS, CONDITIONS, AND EXHIBITS OF THE APPROVED COUNTY OF MONTEREY AGREEMENT. TERM OF THE AGREEMENT 7/01/05 THROUGH 06/30/2006 UNLESS SOONER TERMINATED PURSUANT TO THE TERM OF THE AGREEMENT. TOTAL AMOUNT OF THE AGREEMENT NOT TO EXCEED \$42,000.00.</p> <p>AMENDMENT NO. 1 ISSUED TO INCREASE AMOUNT OF THE AGREEMENT BY \$55,000.00 FOR A TOTAL NOT TO EXCEED THE SUM OF \$97,000. AMENDMENT NO. 2 ISSUED TO INCREASE AMOUNT BY \$60,000. AND TO EXTEND TERM OF THE AGREEMENT TO 6/30/2008. AMENDMENT NO. 3 ISSUED TO INCREASE AMOUNT BY \$40,000, ALSO TO EXTEND THE TERM OF THE AGREEMENT TO 06/30/2009. AMENDMENT NO. 4 ISSUED TO INCREASE AMOUNT BY \$101,700 FOR A TOTAL AMOUNT NOT TO EXCEED \$298,700 AND EXTEND THE TERM THROUGH 12/31/2010. AMENDMENT NO. 5 ISSUED IN THE AMOUNT OF \$35,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$333,700 AND EXTEND THE TERM THROUGH 12/31/2011. AMENDMENT NO. 6 ISSUED TO EXTEND THE TERM OF THE PSA TO 06/30/2012, AND TO INCREASE PSA AMOUNT BY \$34,347.51 FOR A TOTAL AMOUNT NOT TO EXCEED \$368,047.51.</p> <p>THIS PURCHASE ORDER IS VALID FOR THE PERIOD OF 7/01/2011 TO 06/30/2012. (REPLACES PRIOR YEAR PO# SC0000001041).</p>	.00	.00	78,578.81
				<p>COMM LINE DESC: Software Maint/Supp</p> <p>EXTENDED DESC: CASCADE: MAINTENANCE & MODIFICATIONS TO WINCAMs (R194910141)</p>			
				001 - 3000 - 8222 - RMA013 - 6613 - - - - - 78578.81			

THE SHADED ROWS ARE FOR MONTEREY COUNTY DEPARTMENT USE ONLY

All Vendors are required to review the Monterey County general terms and conditions which apply to all contracts, purchase orders, and other electronic procurements made with the County unless otherwise noted. Said terms and conditions can be found on the County website at http://www.co.monterey.ca.us/admin/terms_conditions.htm

TAX EXEMPTION INFORMATION:

FEDERAL EXCISE TAX EXEMPTION NUMBER 94-6000524

AUTHORIZED BY COUNTY OF MONTEREY
DEPUTIZED PURCHASING AGENT

COUNTY BUYER INFORMATION

Jaime Ayala
TELEPHONE: (831)755-4998 x4998

EMAIL: ayalaj@co.monterey.ca.us



Monterey County

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

Board Order

Agreement No.: A-10268

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

- a. Approved Amendment No. 7 to Professional Services Agreement No. A-10268 with Cascade Software Systems, Inc. to continue to provide services associated with maintenance and codifications to the Windows-based Cost Accounting Management System (Win-CAMS) for the Resource Management Agency, including maintenance to the interface between Win-CAMS and Advantage, the County's financial system, in the amount of \$35,013.96 for a total amount not to exceed \$403,061.47 for a term through June 30, 2013; and
- b. Authorized the Contracts/Purchasing Officer to execute Amendment No. 7 to Professional Services Agreement No. A-10268 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

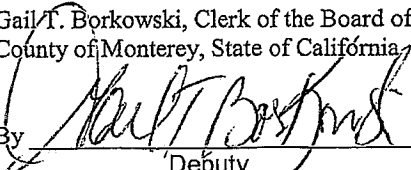
PASSED AND ADOPTED on this 12th day of June 2012, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on June 12, 2012.

Dated: June 25, 2012
File Number: 12-326

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

By 
Deputy

**AMENDMENT NO. 7
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
CASCADE SOFTWARE SYSTEMS, INC.**

THIS AMENDMENT NO. 7 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Cascade Software Systems, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the County and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with County on September 20, 2005, (hereinafter, "Agreement") to provide maintenance services and program modifications for the specialized Windows-based Cost Accounting Management System (Win-CAMS); and

WHEREAS, Agreement was amended by the Parties on April 20, 2006 (hereinafter, "Amendment No. 1"), January 22, 2007 (hereinafter, "Amendment No. 2"), April 16, 2008 (hereinafter, "Amendment No. 3"), June 12, 2009 (hereinafter, "Amendment No. 4"), and November 8, 2010 (hereinafter, "Amendment No. 5"); and

WHEREAS, Agreement was further amended by the Parties on September 12, 2011 (hereinafter, "Amendment No. 6") to continue to provide services associated with maintenance and program modifications to Win-CAMS and implement an interface of data between Win-CAMS and Advantage, the County's financial system; and

WHEREAS, the CONTRACTOR's expertise in maintenance and program modifications to Win-CAMS for Fiscal Year (FY) 2012 – 2013, including maintenance to the Win-CAMS and Advantage interface, continue to be needed by the County; and

WHEREAS, the Parties wish to further amend the Agreement to increase the amount by \$35,013.96 and extend the term to June 30, 2013 to allow CONTRACTOR to continue to provide tasks identified and as amended by this Amendment No. 7.

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

1. Amend Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2, A-3, A-4, A-5 and A-6 in conformity with the terms of this Agreement. The services are generally described as follows: Provide maintenance services and program modifications for the specialized

Windows-based Cost Accounting Management System (Win-CAMS) and an interface between Win-CAMS and Advantage, the County's financial system.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2, A-3, A-4, A-5 and A-6, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$403,061.47.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2005 to June 30, 2013, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-6 - Scope of Services/Payment Provisions".

5. Revise County's Contract Administrator's name and title, address, and phone under Paragraph 14, "Notices", to read as follows:

Dalia Mariscal-Martinez, Management Analyst II

Name and Title

County of Monterey Resource Management Agency
168 West Alisal Street, 2nd Floor
Salinas, CA 93901

Address

(831) 755-8966

Phone

6. All other terms and conditions of the Agreement remain unchanged and in full force.
7. This Amendment No. 7 shall be attached to the Agreement and incorporated therein as if fully set in the Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Amendment No. 7 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: [Signature]
Contracts/Purchasing Officer

Date: 8-1-12

CONTRACTOR*

Cascade Software Systems, Inc.
Contractor's Business Name

By: [Signature]
(Signature of Chair, President or Vice President)

Its: AAD F. ALKEMADE, PRES.
(Print Name and Title)

Date: 4/23/12

Approved as to Form and Legality
Office of the County Counsel

By: [Signature]
Deputy County Counsel

Date: 5-6-12

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

Its: Rachelle L. K. Alkemade, Sec.
(Print Name and Title)

Date: 4/23/12

Approved as to Fiscal Provisions

By: [Signature]
Auditor/Controller

Date: RISK MANAGEMENT

Approved as to Indemnity, Insurance Provisions
CITY OF MONTEREY
APPROVED AS TO INDEMNITY/
INSURANCE LANGUAGE

By: [Signature]
Risk Management

Date: 5-17-12

*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.

JUL 31 2012

EXHIBIT A-6 – SCOPE OF SERVICES/PAYMENT PROVISIONS



Memo

RECEIVED
 APR 03 2012
 PUBLIC WORKS
 ADMINISTRATION

To: Gus Capinguan
From: Aad F. Alkemade
CC:
Date: 4/1/2012
Re: RMA CAMS Maintenance Rates for FY 2012-2013

In accordance with the current CAMS Agreement for Maintenance and System Services I hereby submit updated rates for FY 2012-2013:

FY 2011-2012 Maintenance Fee	attached	\$ 27,425.98
FY 2011-2012 New Additions (see Memo)		\$ 125.00
FY 2011-2012 New Additions		\$ 1,155.00
- Advantage / WIN-CAMS Interfaces		
Cost of Living Increase: 3.0 %		\$ 822.78
FY 2012-2013 Maintenance Fee		\$ 29,528.76
FY 2012-2013 2012 Upgrade Document		\$ 5,485.20
Total		\$ 35,013.96

*OK - Shawson
 4/5/12*

The following hourly billing rates will be in effect during FY 2012-2013:
 Programming Rate per Hour \$ 145.00
 SQL/DBE Services Rate per Hour \$ 155.00
 Onsite Rate per Hour \$ 155.00
 Rates decrease using sliding scale depending on total number of hours.

AA
 Contractor's Initials

4/23/12
 Date

**Cascade Software
Systems, Inc.**

Memo

To: WIN-CAMS Administrator
From: Aad F. Alkemade
Date: 04/01/12
Re: WIN-CAMS 4.5: Maintenance Agreement -- Internet & Expenses

As part of our Maintenance Fees we have submitted itemized invoices for Internet and Long Distance related expenses twice annually.

We would like to change this procedure and include these expenses in our annual Maintenance and Upgrade fees. This will reduce the number of invoices and it will make the Maintenance and Upgrade fees fixed annual amounts without a variable factor.

To that end, this year's Maintenance Rates Memo includes a one-time Adjustment of \$ 125 (12 times \$ 10.00 Internet Charge plus \$ 5.00 for Long Distance).

Please contact me if you have any comments or questions.

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 Pacific Benefit Consultants, Inc. 450 Country Club Road #330 Eugene, OR 97401	CONTACT NAME: Caralie Gunderson
	PHONE (A/C, No, Ext): 541.484.6624 FAX (A/C, No): 541.686.2726
E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE	
INSURER A:	Maryland Casualty Co. NAIC # 19356
INSURED CASCADE SOFTWARE SYSTEMS, INC P. O. BOX 10723 EUGENE, OR 97440	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES CERTIFICATE NUMBER: 12-13 Certs REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY	X		PPS041757858	01/31/2012	01/31/2013	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
	CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ Excluded
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ 2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB						EACH OCCURRENCE	\$
	EXCESS LIAB						AGGREGATE	\$
	DED							\$
	RETENTION \$							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						OTH-ER	
	If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

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

See attached additional insured endorsement #CG 32 61 10 05.

CERTIFICATE HOLDER COUNTY OF MONTEREY ITS AGENTS OFFICERS AND EMPLOYEES DEPT OF PUBLIC WORKS ATTN GUS CAPINGUIAN 168 W ALISAL 2ND FLOOR SALINAS, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Caralie Gunderson</i> Caralie Gunderson/CSG
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www.saif.com

OREGON WORKERS COMPENSATION CERTIFICATE OF INSURANCE



CERTIFICATE HOLDER:

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN DALIA M. MARISCAL-MARTINEZ
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2011 to 07/01/2012	04/19/2012

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:

LIMITS OF LIABILITY:

Bodily Injury by Accident	\$1,000,000	each accident
Bodily Injury by Disease	\$1,000,000	each employee
Body Injury by Disease	\$1,000,000	policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:

IMPORTANT:

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above.

AUTHORIZED REPRESENTATIVE

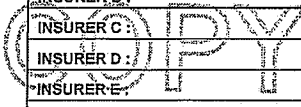
President and CEO

400 High Street SE
Salem, OR 97312
P: 800.285.8525
F: 503.373.8020

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 Pacific Benefit Consultants, Inc. 450 Country Club Road #330 Eugene, OR 97401	CONTACT NAME: Caralie Gunderson
	PHONE (A/C, No, Ext): 541.484.6624 FAX (A/C, No): 541.686.2726
INSURED Cascade Software Systems Inc P O Box 10723 Eugene, OR 97440	E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE
	INSURER A: United States Liability Ins Co
	INSURER B:
	INSURER C:
	INSURER D:
INSURER E:	
INSURER F:	



COVERAGES **CERTIFICATE NUMBER: 12-13 Certs** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Technology Professional Liability Policy-Claims Made.			TK1001919H	03/03/2012	03/03/2013	\$1,000,000 Each Claim Limit \$2,000,000 Annual Aggregate \$2,500 Deductible Each Claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, If more space is required)

CERTIFICATE HOLDER FAX: 831.755.4958 COUNTY OF MONTEREY ITS AGENTS OFFICERS AND EMPLOYEES DEPT OF PUBLIC WORKS ATTN GUS CAPINGUIAN 168 W ALISAL 2ND FLOOR SALINAS, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Caralie Gunderson</i> Caralie Gunderson/CSG
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OREGON ADDITIONAL INSURED - OWNERS,
LESSEES OR CONTRACTORS - SCHEDULED PERSON
OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s): County of Monterey Its Agents, Officers and Employees
Dept of Public Works Attn Gus Capinguian 168 W Alisal 2nd Floor Salinas CA 93901
Location(s) Of Covered Operations:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused by your ongoing operations for the additional insured(s) at the location(s) designated above and only to the extent that such "bodily injury", "property damage" or "personal and advertising injury" is caused by your negligence or the negligence of those performing operations on your behalf.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

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

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

COMMERCIAL GENERAL LIABILITY COVERAGE FORM OREGON

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS form.

QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Section I - Coverages	1
Coverage A. Bodily Injury and Property Damage Liability	1
Coverage B. Personal and Advertising Injury Liability	6
Coverage C. Medical Expenses	7
Supplementary Payments - Coverages A and B	7
Section II - Who Is An Insured	8
Section III - Limits of Insurance	10
Section IV - Commercial General Liability Conditions	11
Section V - Definitions	13
Section VI - Broad Form Nuclear Exclusion	17

SECTION I - COVERAGES (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking dam-

ages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS); and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements

under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be dam-

ages because of "bodily injury" or "property damage", provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and

- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

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

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or pro-

cessed as waste by or for any insured or any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat,

smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft you do not own that you charter with crew.

h. Mobile Equipment

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

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises.
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are per-

forming operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Tenants' Legal Liability as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Professional

- (1) "Bodily injury" or "property damage" arising out of the rendering, or failure to render any professional service, including but not limited to:

(a) Accounting, advertising, architectural, drafting, engineering, financial, insurance or legal services, advice and instruction;

(b) Medical, cosmetic, dental, ear piercing, hair dressing, massage, physical therapy, veterinary, nursing, surgical or x-ray services, advice and instruction;

(c) Use of any tanning booth, tanning bed, tanning equipment or tanning device;

(d) Laboratory operations or services, whether medical or not; and

(e) Services performed as a funeral director or as an operator of a cemetery; and

(f) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

- (2) This exclusion does not apply to:

(a) Pharmacological services if:

(i) You do business as a retail drug store and do not manufacture or compound in bulk pharmaceuticals for sale by others; and

(ii) The "bodily injury" or "property damage" is not caused by the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals by or with the knowledge or consent of any insured;

(b) Optical or hearing aid services, including the prescribing, preparation, production, mounting, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid services.

p. **Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through o. do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Tenants Legal Liability, as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS).

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. **Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But

(1) The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS); and

(2) Our right and duty to defend end when we have used up the appli-

cable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)**.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. **Exclusions**

This insurance does not apply to:

a. "Personal and advertising injury":

(1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";

(2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;

(4) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any insured;

(5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;

(6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";

(7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(8) Arising out of the wrong description of the price of goods, prod-

ucts or services stated in your "advertisement";

- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs 1.4.a, b, and c. of "personal and advertising injury" under SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS); or
 - (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. Any loss, cost or expense arising out of any:
- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

COVERAGE C. MEDICAL PAYMENTS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. The 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.

- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 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 \$250 a day because of time off from work.
- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

- f. The indemnitee:

- (1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and "directors" are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Your subsidiaries, and subsidiaries of subsidiaries, are insureds if:

- (1) They are legally incorporated entities; and
- (2) You own more than 50% of the voting stock in them as of the effective date of this policy.

If such subsidiaries are not shown in the Declarations, you must report them to us within 180 days of the inception of this policy.

2. Each of the following is also an insured:

a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"em-

ployee" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

e. Any person or organization with whom you agree, because of a written contract, to provide insurance such as is afforded under this policy, but only with respect to liability arising out of your operations, "your work" or facilities owned or used by you.

This provision does not apply:

(1) To any vendor, concessionaire, lessor of leased equipment, grantor of a franchise, engineer, architect or surveyor; or

(2) Unless the contract has been signed prior to the date of "bodily injury",

"property damage", or "personal or advertising injury".

- f. Any person or organization to whom you are obligated by virtue of a written "insured contract" to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance, or use of that part of any premises leased to you. This does not apply to:
- (1) Any "occurrence" that takes place after you cease to be a tenant on those premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such insured.
- g. Any state or political subdivision, but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit in connection with premises you own, rent, or control for one of the hazards listed below:
- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (2) The construction, erection or removal of elevators; or
 - (3) The ownership, maintenance or use of any elevators covered by this insurance.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any

person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - 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 and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - b. Damages under Coverage B.The General Aggregate Limit applies separately to each location owned by or rented to you. Location, as used here, means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily

injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the Tenants Legal Liability Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or "offense" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and

- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

- e. Knowledge of "occurrence", claim or "suit" by an agent, servant or "employee" of an insured (other than an officer or partner) does not imply knowledge by the insured unless the insured has received notice from the agent, servant or "employee".

- f. Failure by an agent, servant or "employee" of an insured (other than an "executive officer", manager or partner) to notify us of an "occurrence" will not be considered an failure to comply with paragraphs a. and b. above.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Motor Vehicle Laws

With respect to "mobile equipment" to which this insurance applies:

- a. When this Coverage Part is certified as proof of financial responsibility under the provisions of any motor vehicle financial responsibility law, the insurance provided by the Coverage Part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. We will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That insures for direct physical loss to premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of SECTION 1 - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (INCLUDES RESTRICTIONS OR ABRIDGMENTS).
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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

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

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

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

c. Method Of Sharing

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

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

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically

assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

This condition does not apply to Coverage C: Medical Expenses.

10. Unintentional Errors And Omissions

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. But you must report such error or omission to us as soon as practicable after its discovery.

11. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.
4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
- 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 damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's

rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical explo-

ration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment with a gross vehicle weight of 1000 lbs. or more and designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy;

- f. Misappropriation of advertising ideas or style of doing business; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Also includes "bodily injury" and "property damage" arising from the consumption of food or beverages sold, handled or distributed as "your product" at any premises you own or rent.
 - c. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of that vehicle;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in this Coverage Part, states that products-completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes:
- a. Warranties or representations made at any time with respect to the fitness,

quality; durability, performance or use of "your product"; and

- b. The providing of or failure to provide warnings or instructions;

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

- a. Work or operations performed by you or on your behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

- b. The providing of or failure to provide warnings or instructions.

SECTION VI - NUCLEAR ENERGY LIABILITY EXCLUSION (INCLUDES RESTRICTIONS OR ABRIDGMENTS)

The insurance does not apply:

1. Under any Liability Coverage, to "bodily injury" or "property damage":

- a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limits of liability; or

- b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

2. Under any Medical Expenses coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization;

3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- a. The "nuclear material" (1) is, at any nuclear facility owned by, or operated by or on behalf of, an insured, or (2) has been discharged or dispersed therefrom;

- b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any insured; or

- c. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material," "special nuclear material," and "by-product material," which have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor";

"Waste" means any waste material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.



ALLSTATE FIRE AND CASUALTY INSURANCE COMPANY

Calendar Date: 04/23/2012

Home Office
Northbrook, Illinois

Policy Number: 976109703 03 / 10

Insured: ADRIANUS F AND RACHELLE L ALKEMADE
City: EUGENE

Address: 34276 COUNTRY VIEW D
St: OR Zip: 97408 Home: 541 - 343 - 3558

USAGE AND RATE CLASSIFICATION

	2011	2011
	RAV4	XC60
Est. Ann. Miles (000):	010	002
Principle Use	: Work/Sch 02	Pleasure

REMARKS AGENT REMARKS

THE COUNTY OF MONTEREY, ITS AGENTS, OFFICERS AND EMPLOYEES A
RE NAMED AS ADDITIONAL INSUREDS. THE NAMED INSURANCE IS TO B
E PRIMARY INSURANCE. THE INSURANCE OF THE ADDITIONAL INSURE
D'S SHALL NOT BE CALLED UPON TO CONTRIBUTE TO THE LOSS COVER
GED BY THE CONTRACTOR'S INSURANCE

THIS REQUEST IS SUBJECT TO POLICY TERMS AND IS EFFECTIVE ONLY IF THE POLICY
NOTED ABOVE IS CURRENTLY IN FORCE

Adrianus F Alkemade

Policyholder's Signature

Effective 12 : 01 AM 04 / 23 / 2012

Ruby Q

Agent's Signature

014629 0AC 8776870778
Agent # Location Agent's Phone #

SAR42-12


MEMORANDUM

RISK MANAGEMENT & BENEFITS

County Administrative Office
County of Monterey

Date: 3/25/05

To: Nick Baldo

From: Steven F. Mauck, Risk Manager 

Subject: Cascade Software System, Inc. Policy # TK1001919 & TK1001919A, and # 917465945

We have reviewed the attached PSA, insurance documentation, scope of work and requested insurance waivers. Given the scope of work, nature of services and associated risks, as identified in the attached documentation, risk management agrees that the requested waiver & modification of coverage requirement are appropriate. The out of state contractor's W.C. coverage may be reduced to \$ 500,000, as per their state of residency requirements. The PL aggregate of \$ 1,000,000 is acceptable given the relatively low degree of risk associated with the contractor's work and proven 13 years work history, without damage or loss to the County. The GL "primary" language is stated in the policy language and "non-contributory" language is waived in as much as contractor has agreed to a "type I" indemnity agreement and agreed to the County of Monterey's standard contract wording regarding defense & indemnification. The County of Monterey has been properly named as an additional insured; and given the limited risk and nature of professional services provided, the County of Monterey's interests appear to be adequately protected.

www.saif.com

OREGON WORKERS COMPENSATION CERTIFICATE OF INSURANCE

**CERTIFICATE HOLDER:**

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY
ATTN DALIA M. MARISCAL-MARTINEZ
168 WEST ALISAL, 2ND FLOOR
SALINAS, CA 93901

The policy of insurance listed below has been issued to the insured named below for the policy period indicated. The insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy.

POLICY NO.	POLICY PERIOD	ISSUE DATE
424976	07/01/2012 to 07/01/2013	07/26/2012

INSURED:

CASCADE SOFTWARE SYSTEMS INC
PO BOX 10723
EUGENE, OR 97440-2723

BROKER OF RECORD:**LIMITS OF LIABILITY:**

Bodily Injury by Accident	\$1,000,000	each accident
Bodily Injury by Disease	\$1,000,000	each employee
Body Injury by Disease	\$1,000,000	policy limit

DESCRIPTION OF OPERATIONS/LOCATIONS/SPECIAL ITEMS:**IMPORTANT:**

The coverage described above is in effect as of the issue date of this certificate. It is subject to change at any time in the future.

This certificate is issued as a matter of information only and confers no rights to the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies above. This certificate does not constitute a contract between the issuing insurer, authorized representative or producer and the certificate holder.

AUTHORIZED REPRESENTATIVE

Brenda JP Rocklin

President and CEO

400 High Street SE
Salem, OR 97312
P: 800.285.8525
F: 503.373.8020



COUNTY OF MONTEREY

PURCHASE ORDER

ORDER DATE 08-13-2012

SC 3000 0000003061

IMPORTANT

THE ABOVE NUMBER AND SHIP TO DEPARTMENT MUST APPEAR ON ALL SHIPPING LABELS, PACKING SLIPS, TRANSPORT DOCUMENTS, INVOICES AND CORRESPONDENCE.

VENDOR
 CASCADE SOFTWARE SYSTEMS INC
 P O Box 10723
 Eugene OR 97440

S H I P T O
 PUBLIC WRK
 168 W. ALISAL ST.,
 2ND FLOOR
 SALINAS CA 93901

B I L L T O
 RMA FINANCE
 168 W ALISAL STREET
 2ND FLOOR
 SALINAS CA 93901

VENDOR NUMBER: CV000002007

DELIVERY DATE:

F.O.B.:

ITEM	QUANTITY	UNIT	COMMODITY CODE	ITEM DESCRIPTION	UNIT PRICE	SALES TAX	EXTENDED PRICE
1	0.0		92045	PURCH DESC: PER AGREEMENT NO. A-10268 WITH CASCADE SOFTWARE SYSTEMS, INC. TO PROVIDE CONTINUED SERVICES FOR MAINTENANCE & MODIFICATIONS TO WIN-CAMS. ALL SERVICES SHALL BE PROVIDED IN ACCORDANCE WITH TERMS, CONDITIONS, AND EXHIBITS OF THE APPROVED COUNTY OF MONTEREY AGREEMENT. TERM OF THE AGREEMENT 7/01/05 THROUGH 06/30/2006 UNLESS SOONER TERMINATED PURSUANT TO THE TERM OF THE AGREEMENT. TOTAL AMOUNT OF THE AGREEMENT NOT TO EXCEED \$42,000.00. AMENDMENT NO. 1 ISSUED TO INCREASE AMOUNT OF THE AGREEMENT BY \$55,000.00 FOR A TOTAL NOT TO EXCEED THE SUM OF \$97,000. AMENDMENT NO. 2 ISSUED TO INCREASE AMOUNT BY \$60,000, AND TO EXTEND TERM OF THE AGREEMENT TO 6/30/2008. AMENDMENT NO. 3 ISSUED TO INCREASE AMOUNT BY \$40,000, ALSO TO EXTEND THE TERM OF THE AGREEMENT TO 06/30/2009. AMENDMENT NO. 4 ISSUED TO INCREASE AMOUNT BY \$101,700 FOR A TOTAL AMOUNT NOT TO EXCEED \$298,700 AND EXTEND THE TERM THROUGH 12/31/2010. AMENDMENT NO. 5 ISSUED IN THE AMOUNT OF \$35,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$333,700 AND EXTEND THE TERM THROUGH 12/31/2011. AMENDMENT NO. 6 ISSUED TO EXTEND THE TERM OF THE PSA TO 06/30/2012, AND TO INCREASE PSA AMOUNT BY \$34,347.51 FOR A TOTAL AMOUNT NOT TO EXCEED \$368,047.51. AMEND#7 ISSUED TO EXTEND THE TERM FROM 6/30/12 TO 6/30/13, AND TO INCREASE PSA AMOUNT BY \$35,013.96 FOR A TOTAL AMOUNT NOT TO EXCEED \$403,061.47. THIS PURCHASE ORDER IS VALID FOR THE PERIOD OF 7/01/2012 TO 06/30/2013. (REPLACES PRIOR YEAR PO# SC0000001896). COMM LINE DESC: Software Maint/Supp EXTENDED DESC: CASCADE: MAINTENANCE & MODIFICATIONS TO WINCAMs (R194910141)	.00	.00	61,318.88
001 - 3000 - 8222 - RMA013 - 6613 - - - - 61318.88							

RECEIVED
 BY *VMC* DATE 8/14/12

THE SHADED ROWS ARE FOR MONTEREY COUNTY DEPARTMENT USE ONLY

ORDER TOTAL 61,318.88

All Vendors are required to review the Monterey County general terms and conditions which apply to all contracts, purchase orders, and other electronic procurements made with the County unless otherwise noted. Said terms and conditions can be found on the County website at http://www.co.monterey.ca.us/admin/terms_conditions.htm

TAX EXEMPTION INFORMATION:
 FEDERAL EXCISE TAX EXEMPTION NUMBER 94-6000524

COUNTY BUYER INFORMATION
 Jaime Ayala
 EMAIL: ayalaj@co.monterey.ca.us

TELEPHONE: (831)755-4998 x4998

AUTHORIZED BY COUNTY OF MONTEREY
 DEPUTIZED PURCHASING AGENT

Michael R. Ten...