

**AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND CASHEL CORPORATION DBA INTEGRATED MEDIA SYSTEMS**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Cashel corporation, a California corporation dba Integrated Media Systems ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".
- D. Insurance. Contractor shall adhere to the insurance requirements outlined in Exhibit "D", unless otherwise waived by the City's Risk Manager.

\* \* \* \* \*

**GENERAL PROVISIONS**

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time,

and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.
8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.
13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
  - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

- b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
18. Non-Discrimination. Contractor shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Contractor shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or any other legally protected characteristic. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Contractor shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.
19. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or

twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
26. Time of Essence. Time is of the essence of this Agreement.
27. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
31. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
32. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
33. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein.  
  
Contractor warrants the system installation for a period of ninety (90) days. Manufacturers' warranties apply to purchased equipment as described herein. Excluded from the warranty is damage or failure due to City's abuse, misuse, or failure to observe equipment operational specifications and limitations. Further, excluded are operational supplies, including lamps and City furnished equipment. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

*SIGNATURES FOLLOW ON NEXT PAGE*



IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 18<sup>th</sup> day of March, 2025.

CITY OF REDONDO BEACH,  
a chartered municipal corporation

CASHEL CORPORATION, a California  
corporation dba Integrated Media Systems

\_\_\_\_\_  
James A. Light, Mayor

DocuSigned by:  
*Brad Caldwell*  
9C95EB427BC8478...  
By: \_\_\_\_\_  
Name: Brad Caldwell  
Title: President

ATTEST:

APPROVED:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

## EXHIBIT "A"

### PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

#### I. **CONTRACTOR'S DUTIES**

Contractor shall provide remote monitoring, support services, preventive maintenance, and equipment maintenance for the City Council Chamber and Library Multi-Purpose Room audiovisual ("AV") and the broadcast AV systems installed by Contractor.

##### A. **System Monitoring**

Contractor shall:

1. Perform remote checks of Internet Service Provider ("ISP") uptimes, slow internet connections (latency), intermittent internet disconnects (packet loss) and Domain Name Server ("DNS") checks to ensure Contractor has system access.
2. Identify the key point devices.
3. Provide automated monitoring and reporting on the key point device status of core components with the AV and Broadcast systems, including but not limited to, routers, switches, control processors, touch panels, video wall display, power distribution, and UPS units

##### B. **Remote Troubleshooting and Management**

Contractor shall:

1. Remotely login into the AV and Broadcast system to troubleshoot and identify the source of problems reported by the monitoring system to attempt to mitigate the issue remotely. If the issue cannot be resolved remotely due to equipment failure or offline devices that cannot be accessed, further troubleshooting will be provided via phone or onsite.
2. Conduct remote troubleshooting and repair of the City Council Chamber and Library Multi-Purpose Room AV and Broadcast systems.

##### C. **Remote Reboot Capabilities**

Contractor shall provide the following services if the equipment supports remote reboot functionality.

1. Remote software reboots to equipment for selected control processors, touch panels, and soft reboots on certain devices where there are remote reboot capabilities.
2. Hard reboots of devices through IP based UPS units and certain network switches.

3. Log in to the system remotely and reboot a device or grouping of devices in the event a device indicates signs of failure or problems.

#### **D. Remote Firmware Updates**

Contractor shall:

1. Perform remote firmware updates when troubleshooting indicates that a firmware update is required to resolve an issue and ensure all devices operate to manufacturer's specifications.
2. Conduct firmware updates reviews as part of Contractor's standard operating procedure during troubleshooting of reported issues.
3. Evaluate the potential risks in downloading firmware remotely to determine the best course of action before proceeding.
4. Perform remote firmware downloads in emergency situations. If the situation is deemed an emergency by the City, and firmware updates are conducted remotely without Contractor personnel onsite, Contractor will not be held liable for failed or faulty firmware downloads.

#### **E. On-Site Preventive Maintenance**

Contractor shall ensure its engineer and technicians perform the following:

1. Conduct four (4) scheduled annual preventive maintenance services, with each visit consisting of up to six (6) hours onsite system testing and adjustment.
2. Perform systematic checks of each device in the system for proper operation.
3. Make any necessary adjustments to the equipment, evaluate the system and devices for any apparent issues, and verify appropriate equipment and system operation.
4. Provide City with a written overall assessment of City's system and a copy of the review checklist with associated notes upon completion of the maintenance check.
5. Address City's inquiries regarding new functionality or products.
6. Perform additional maintenance beyond the scheduled visits only upon City's written approval.
7. Preventive Maintenance Process

Contractor shall:

- a. Perform cleaning, inspection, testing services and adjust equipment.

- b. Converge and color balance the Chamber video wall as appropriate or required, such as at times when modules are replaced or if color balance issues are identified during preventative maintenance.
- c. Perform any required manufacturer maintenance in accordance with the manufacturer's guidelines.
- d. Test, adjust, and balance the audio systems to ensure microphone and audio sources are intelligible in the space.
- e. Perform the following maintenance as part of the Preventative Maintenance Process:
  - i. Video Wall
    - a. Test and confirm video wall control (on/off and input selection).
    - b. Inspect and test video wall operation.
  - ii. Speakers
    - a. Check and confirm speaker audio levels and quality.
    - b. Check and confirm speaker control, including volume, speaker switching, and combining.
  - iii. Microphones
    - a. Perform visual check of microphone connectors and cable conditions.
    - b. Check microphone levels, quality, volume adjustments, and mute controls.
    - c. Check wireless microphone transmitters, windscreens, battery compartments, and connectors.
    - d. Conduct individual check of wireless microphone TX/RX frequency pairing.
  - iv. Dais and table input plates and cable cubbies
    - a. Perform visual check of input jack, connectors, and cables.
    - b. Inspect and repair HDMI pins for misaligned pins.
  - v. Digital Recorders
    - a. Perform a visual check of the recorder's front panel condition.
    - b. Check and confirm recorder transport controls, including stop, play, pause, fast-forward, rewind, and record functions.

- c. Check recorder transport operation through the control panel.
- vi. Broadcast Cameras
  - a. Perform a visual check of camera exterior condition, including mounting hardware and connectors.
  - b. Clean lens as required.
  - c. Check and confirm camera control through the control panel or remote.
  - d. Check and confirm cameras power up and down.
  - e. Check and confirm camera preset positions.
- vii. Broadcast Systems
  - a. Inspect and check control operation.
  - b. Check system start up application.
  - c. Verify operation of all control surfaces.
  - d. Verify control of all devices.
  - e. Verify operation of broadcast devices and output levels.
- viii. Virtual and Hybrid Meeting Systems
  - a. Inspect and check control operation.
  - b. Verify audio and video signal path.
  - c. Perform test calls to verify operation Streaming Systems.
  - d. Inspect and check control operation.
  - e. Verify audio and video signal path.
  - f. Enable test stream to verify operation.
- ix. UPS
  - a. Inspect and check all UPS devices.
  - b. Evaluate battery operating condition to ensure full operations.
- x. Equipment Racks: Inspect and check rack condition including rack mounted equipment
- xi. Touch Panels
  - a. Inspect and check physical condition of the panel; clean or wipe down as necessary.
  - b. Check panel button operation.
  - c. Check all control cable connections. Re-terminate and re-seat connectors, including but not limited to, cases where a touch panel cable has been strained due to aggressive movement of the panel and a connector has been damaged.

xii. Floor Boxes

- a. Clean and inspect all floor boxes for debris and foreign objects.
- b. Inspect and test input, output jacks, and cabling to ensure proper connectivity.

**F. Cisco Switch Maintenance**

Contractor shall:

1. Provide Cisco switch maintenance coverage for network switches that are a part of the AV systems.
2. Provide maintenance coverage for the following switches based on Cisco's end-of-service timeframes as follows:

CATALYST 9300 48-PORT UPOE – 36 Months  
SG350-28MP 28-port Gigabit POE – 19.3 Months  
SG350-10MP 10-port Gigabit POE – 19.3 Months

**G. Preferred Priority Technical Service**

Contractor shall:

1. Respond to monitoring system notifications via email ([service@imsav.com](mailto:service@imsav.com)) or phone requests from the City during normal business hours (Monday through Friday, 8:30 a.m. to 5:00 p.m. PST), identifying or requesting required repair services on covered equipment.
2. Perform remote diagnostics to assess the problem and attempt to fix the issue remotely.
3. If remote troubleshooting and repair is unsuccessful, provide assistance to the City over the telephone.
4. If telephone support does not resolve the issue, dispatch a technician or an engineer to the site during normal business hours.
5. Except as otherwise provided herein, provide the services in this section, on a Time and Materials basis at the hourly rates provided in Section I.A.2 of Exhibit "C" during normal business hours.
6. Offer after-hours support upon City's request, subject to additional charges based on Contractor's hourly rates for after-hours support as defined in Exhibit "C".
7. Not be obligated to provide or perform repair service after normal business hours unless specifically requested by the City.

## H. Field Service Process

Contractor shall:

1. Respond to field service requests on an expedited basis.
2. Ensure its technician performs a system test to duplicate and diagnose the issue once dispatched to the room.
3. Ensure its technician will take one of the following actions once the issue has been diagnosed.
4. Problem diagnosed and resolved: If the issue is resolved during the initial visit, re-test the system to ensure the problem has been resolved and the system is operating per original installation specifications (display, audio and configuration).
5. System equipment repair required: If repair is required for any system component, take the following steps upon City's approval.
  - a. Remove the defective equipment.
  - b. Arrange for an RMA for the defective equipment from the manufacturer or manufacturer authorized repair center and arrange shipment.
  - c. Coordinate equipment repair with the repair provider. Upon completion of the repair and receipt of the returned equipment from the manufacturer or repair center, contact City to determine room availability and schedule a return service visit.
  - d. Reinstall the repaired equipment, reload applicable software and perform appropriate equipment and system testing to ensure device functionality and appropriate interface to the system.

## I. Exclusions

Contractor will not cover the following:

- a. Equipment Alterations
  - i. Unauthorized modifications made by non-Contractor's personnel who have altered, repaired or modified the wiring interconnections or covered equipment of this Agreement, except as expressly directed by Contractor.
  - ii. City furnished equipment or equipment, components, wiring or other parts that have been added to the covered equipment without written notification to, and acceptance by, Contractor.
- b. Computers, network hardware, firmware and software or failures caused by computer or network firmware or software updates to equipment not provided and installed by Contractor.
- c. Projection screens and projection screen control devices, knobs, projection lamps, bulbs, trim, trim parts, LCD optical units, LCD panels, cabinetry, ILA optical units, DMD optical units, DLP optical

- units, or batteries.
- d. Contractor will not provide repairs to covered equipment if the necessary repair support and parts are unavailable from the original manufacturer of the equipment or an authorized repair provider. The City will bear the responsibility to acquire suitable replacement equipment. The City may be responsible for additional equipment or control system programming and system reconfiguration to accommodate the use of replacement equipment.
  - e. Failure of equipment or room functionality caused by fire, utility service disruptions, unconditioned or fluctuating electrical power, or natural and environmental causes such as earthquake, tornado, lightning, corrosion, flood, or other acts of God, or other causes beyond Contractor's reasonable control.
  - f. Failure of equipment or room functionality caused by City abuse, misuse, negligence, or previously installed or used equipment, which is not operating to manufacturer's specifications.
  - g. System alterations or enhancements not provided by Contractor.
  - h. Control system changes or other software programming changes.
  - i. Failures or faults caused by structural, mechanical, electrical, or plumbing systems or devices not installed by the Contractor and not specifically covered under this Agreement.
  - j. Inability of the covered equipment to perform in a manner other than for which it was designed and intended.

## II. CITY'S DUTIES

City will:

- A. Provide all required network infrastructure, internet services and configuration of network and internet access to Contractor's specifications.
- B. Maintain the Contractor installed remote monitoring appliance in the City Council Chamber and Library Multi-Purpose Room, allowing a continuous connection. The appliance will be leased from the Contractor for the duration of this Agreement.
- C. Maintain reliable, timely, electronic connection to the Internet.
- D. Obtain, install, operate and maintain, at City's expense, all necessary hardware, software, and telecommunications connections, services and equipment, compatible to allow the Contractor to continuously monitor the Systems via the Internet.
- E. Use the designated email address [service@imsav.com](mailto:service@imsav.com) for all service requests.



F. Maintain a pre-paid hourly service pool of engineering and technician time as follows:

1. Ten (10) hours of engineering time throughout the duration of this Agreement.
2. Ten (10) hours of technician time throughout the duration of this Agreement.
3. Prepaid hours are included as part of the Agreement.
4. Any hours depleted during a covered year, will be automatically renewed in ten (10) hour increments by the City.
5. Any unused hours at the end of each twelve (12) month period starting from the Agreement's commencement date, shall roll-over for use in the following twelve (12) month period.
6. Any unused hours remaining beyond the roll-over period will be forfeited.

## **EXHIBIT "B"**

### **TERM AND TIME OF COMPLETION**

**TERM.** The term of this Agreement shall commence on March 1, 2025 and expire February 29, 2028 ("Term"), unless otherwise terminated as herein provided.

Upon termination of this Agreement, the Appliance or any other equipment leased from Contractor remains the property of Contractor. City authorizes Contractor to recover any such Appliance or other equipment from the City Council Chamber and Library Multi-Purpose Room in the event City fails to return the same.

**EXHIBIT "C"**  
**COMPENSATION**

Provided Contractor is not in default under this Agreement, Agreement shall be compensated as provided below.

**I. AMOUNT**

**A. Annual Service Fee:** Contractor shall be paid an annual service fee of \$40,240.00 per year for the services described in Exhibit "A", which includes remote system monitoring, troubleshooting and preventive maintenance, and system maintenance. In addition to the annual service fee, the City may utilize a prepaid service pool for engineering and technician time, as detailed below.

| <b>Professional Services</b>  | <b>Amount</b>        |
|---|----------------------|
| First Year of the Plan  | \$ 40,240.00         |
| Second Year of the Plan   | \$ 40,240.00         |
| Third Year of the Plan  | \$ 40,240.00         |
| Professional Services Pool of Time<br>Engineering Services - Ten (10) hours @ \$175.75 per hour | \$ 1,757.50          |
| Professional Services Pool of Time<br>Technician Services - Ten (10) hours @ \$118.75 per hour  | \$ 1,187.50          |
| <b>Total Cost for Three Years</b>   | <b>\$ 123,665.00</b> |

**B. Fees Outside Preventative Maintenance:** Additional fees shall only apply to professional services time, materials and expenses required to diagnose, repair or replace defective equipment or systems if such services fall outside the scope of preventative maintenance as defined in Exhibit "A". Any such additional work will be billed on a Time and Materials basis as set forth below.

| <b>Staff</b>                    | <b>Hourly Rate</b>                  |
|---------------------------------|-------------------------------------|
| Consultant, Principal           | \$237.50                            |
| Engineer                        | \$175.75                            |
| Drafting                        | \$175.75                            |
| Technician                      | \$118.75                            |
| Administration                  | \$ 70.00                            |
| Travel (travel time per person) | At above rate Shipping and Handling |
| After Hours Support – Mon-Fri   | 1.5X above rates                    |
| Weekend Support – Sat & Suni    | 2X above rates                      |
| Expenses                        | At Cost                             |

- C. **Fees After Hours or Weekends:** If repairs are requested after normal business hours (Monday through Friday, 8:30 a.m. to 5:00 p.m. PST) or Weekends (Saturday through Sunday), those repairs will be billed per the hourly rates indicated in the fee schedule provided in Section I.B of this Exhibit “C” for After Hours or Weekend Support, as applicable.
- II. **EXPENSES.** Contractor will be reimbursed for expenses at cost; provided however, that Contractor obtains City’s prior written authorization and provides written documentation evidencing the expenditure. Reimbursable expenses include the following.
- A. Costs of parts
  - B. Replacement items
  - C. Freight and handling
  - D. Expenses directly related to the scope of work, including but not limited to,
  - E. Additional engineering or technician time required above and beyond the prepaid pool hours indicated above.
- III. **NOT TO EXCEED AMOUNT.** In no event shall the total amount paid to Contractor, including the annual service fees, additional pre-paid service pool of engineering and technician hours, additional fees for services outside the scope of preventative maintenance, and after-hours or weekend work exceed \$136,031.50 during the term of this Agreement.
- IV. **METHOD OF PAYMENT.** Contractor shall submit invoices in accordance with the following provisions:
- A. **Initial Year:** The cost for the first year of the plan upon execution of the Agreement, and Contractor’s services shall commence immediately upon execution.
  - B. **Subsequent Years:** Contractor shall invoice the City annually, within forty-five (45) days of each anniversary of the Agreement’s commencement date.
  - C. **Ten Hour Blocks:** Contractor shall invoice the City for additional ten (10) hour blocks of engineering and/or technician hours once 70% of a current block is utilized.
  - D. Invoices shall include the following details:
    - 1. Description of services provided
    - 2. Dates of service

3. Number of hours worked (if applicable)
4. Hourly rate applied
5. Annual service fee as outlined in Section I.A.
6. Prepaid pool hours for engineering and technician time in increments of ten (10) hours.
7. List of equipment received and invoiced if applicable
8. Applicable sales tax and freight costs
9. Itemized expenses incurred (with City's prior authorization)
10. Copies of receipts to substantiate expense requests

Invoices must be itemized, adequately detailed, based on accurate records, in a form reasonably satisfactory to City. If no work is performed in a given month, no invoice is required. Invoices must attach the prior written authorization of the City and copies of receipts to substantiate expense requests. Contractor may be required to provide back-up material upon request.

V. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty (30) days of City's receipt of Contractor's invoice.

VI. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid, email, or personally served, and addressed to the following parties.

Contractor: Cashel Corporation dba Integrated Media Systems  
Corporate Office  
200 McCormick Ave.  
Costa Mesa, CA 92626  
Attention: Brad Caldwell, CEO  
Email: bcaldwell@imsav.com

City: City of Redondo Beach  
Information Technology Department  
415 Diamond Street  
Redondo Beach, CA 90277  
Attention: Information Technology Director  
Email: mike.cook@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received as follows: (1) on the second business day after emailing, provided that no "bounce-back" or similar message indicating non-delivery is received; (2) on the third day after mailing if sent by registered or certified mail; or (3) upon personal delivery. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party in accordance with this section.

## EXHIBIT "D"

### INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

#### Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

#### Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

#### Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

#### Additional Insured Endorsement:

**General Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

**Automobile Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

#### Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

### Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

### Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

### Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/25/2024

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.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

Table with PRODUCER and INSURED information. PRODUCER: Snapp & Associates Insurance Services, LLC. INSURED: Cashel Inc. DBA Integrated Media Systems. Includes contact info and insurer details.

COVERAGES CERTIFICATE NUMBER: 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.

Main table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation, and Cyber Liability.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) RE: Operations of the named insured subject to the terms and conditions of the policy. The City of Redondo Beach, its officers, elected and appointed officials, employees and volunteers are named as additional insured with respects to the General Liability policy per the attached endorsement.

CERTIFICATE HOLDER CANCELLATION

Table with two columns: CERTIFICATE HOLDER (City of Redondo Beach City Clerk's Office) and 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. Includes signature of authorized representative).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESSOWNERS LIABILITY SPECIAL BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

### BUSINESSOWNERS COVERAGE FORM

| SUMMARY OF COVERAGES   | Limits                 | Page |
|--|------------------------|------|
| 1. Additional Insured by Contract, Agreement or Permit                                   | Included               | 1    |
| 2. Additional Insured - Broad Form Vendors   | Included               | 2    |
| 3. Alienated Premises  | Included               | 3    |
| 4. Broad Form Property Damage - Borrowed Equipment, Customers Goods and Use of Elevators | Included               | 3    |
| 5. Incidental Malpractice (Employed Nurses, EMT's and Paramedics)                        | Included               | 3    |
| 6. Personal and Advertising Injury - Broad Form  | Included               | 4    |
| 7.   | Included               | 4    |
| Product Recall Expense Each Occurrence Limit   | \$25,000<br>Occurrence | 5    |
| Product Recall Expense Aggregate Limit   | \$50,000<br>Aggregate  | 5    |
| Product Recall Deductible  | \$500                  | 5    |
| 8. Unintentional Failure to Disclose Hazards   | Included               | 6    |
| 9. Unintentional Failure to Notify   | Included               | 6    |

This endorsement amends coverages provided under the Businessowners Coverage Form through new coverages and broader coverage grants. This coverage is subject to the provisions applicable to the Businessowners Coverage Form, except as provided below.

The following changes are made to **SECTION II - LIABILITY**:

**1. Additional Insured by Contract, Agreement or Permit**

The following is added to **SECTION II - LIABILITY, C. Who Is An Insured**:

**Additional Insured by Contract, Agreement or Permit**

a. Any person or organization with whom you agreed in a written contract, written agreement or permit to add such person or organization as an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

- (1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;

(2) Premises you own, rent, lease or occupy; or

(3) Your maintenance, operation or use of equipment leased to you.

b. The insurance afforded to such additional insured described above:

(1) Only applies to the extent permitted by law; and

(2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

(3) Applies on a primary basis if that is required by the written contract, written agreement or permit.

(4) Will not be broader than coverage provided to any other insured.

(5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.



c. This provision does not apply:

- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".
- (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
- (3) To any lessor of equipment:
  - (a) After the equipment lease expires; or
  - (b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor.
- (4) To any:
  - (a) Owners or other interests from whom land has been leased if the "occurrence" takes place or the offense is committed after the lease for the land expires; or
  - (b) Managers or lessors of premises if:
    - (i) The "occurrence" takes place or the offense is committed after you cease to be a tenant in that premises; or
    - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
- (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and advertising injury" involved the rendering of or failure to render any professional services by or for you.

d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION II - LIABILITY, D. Liability and Medical Expense Limits of Insurance:**

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

1. Required by the contract, agreement or permit described in Paragraph a.; or
2. Available under the applicable Limits of Insurance shown in the Declarations.

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

e. All other insuring agreements, exclusions, and conditions of the policy apply.

2. **Additional Insured - Broad Form Vendors**

The following is added to **SECTION II - LIABILITY, C. Who Is An Insured:**

**Additional Insured - Broad Form Vendors**

a. Any person or organization that is a vendor with whom you agreed in a written contract

additional insured under this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

b. The insurance afforded to such vendor described above:

- (1) Only applies to the extent permitted by law;
- (2) Will not be broader than the insurance which you are required by the contract or agreement to provide for such vendor;
- (3) Will not be broader than coverage provided to any other insured; and
- (4) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto

c. With respect to insurance afforded to such vendors, the following additional exclusions apply:

The insurance afforded to the vendor does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reasons of the assumption of 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;
- (2) Any express warranty unauthorized by you;





- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;
- (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
- (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
- (a) The exceptions contained within the exclusion in subparagraphs (4) or (6) above; or
- (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (9) "Bodily injury" or "property damage" place before you have signed the contract or agreement with the vendor.
- (10) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
- (11) Any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
- d. With respect to the insurance afforded to these vendors, the following is added to **SECTION II - LIABILITY, D. Liability and Medical Expense Limits of Insurance:**
- The most we will pay on behalf of the vendor for a covered claim is the lesser of the amount of insurance:
1. Required by the contract or agreement described in Paragraph a.; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.
- 3. Alienated Premises**
- SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage k. Damage to Property, paragraph (2) is replaced by the following:**
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.
- 4. Broad Form Property Damage - Borrowed Equipment, Customers Goods, Use of Elevators**
- a. The following is added to **SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage, k. Damage to Property:**
- Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.
- Paragraph (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor to the use of elevators.
- b. For the purposes of this endorsement, the following definition is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions:**
1. "Customers goods" means property of your customer on your premises for the purpose of being:
    - a. Worked on; or
    - b. Used in your manufacturing process.
  - c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent or on any other basis.
- 5. Incidental Malpractice - Employed Nurses, EMT's and Paramedics**
- SECTION II - LIABILITY, C. Who Is An Insured, paragraph 2.a.(1)(d) does not apply to a nurse,**



emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

**6. Personal Injury - Broad Form**

a. **SECTION II - LIABILITY, B. Exclusions, 2. Additional Exclusions Applicable only to "Personal and Advertising Injury"**, paragraph e. is deleted.

b. **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions, 14. "Personal and advertising injury"**, paragraph b. is replaced by the following:

b. Malicious prosecution or abuse of process.

c. The following is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions, Definition 14. "Personal and advertising injury"**:

"Discrimination" (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such "discrimination" is:

(1) Not done intentionally by or at the direction of:

- (a) The insured;
- (b) Any officer of the corporation, director, stockholder, partner or member of the insured; and

(2) Not directly or indirectly related to an "employee", not to the employment, prospective employment or termination of any person or persons by an insured.

d. For purposes of this endorsement, the following definition is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions**:

1. "Discrimination" means the unlawful treatment of individuals based upon race, color, ethnic origin, gender, religion, age, or sexual preference. "Discrimination" does not include the unlawful treatment of individuals based upon developmental, physical, cognitive, mental, sensory or emotional impairment or any combination of these.

e. This coverage does not apply if liability coverage for "personal and advertising injury" is excluded either by the provisions of the Coverage Form or any endorsement thereto.

**7. Product Recall Expense**

a. **SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage,**

**o. Recall of Products, Work or Impaired Property** is replaced by the following:

**o. 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, but this exclusion does not apply to "product recall expenses" that you incur for the "covered recall" of "your product".

However, the exception to the exclusion does not apply to "product recall expenses" resulting from:

- (4) Failure of any products to accomplish their intended purpose;
- (5) Breach of warranties of fitness, quality, durability or performance;
- (6) Loss of customer approval, or any cost incurred to regain customer approval;
- (7) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (8) Caprice or whim of the insured;
- (9) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance;
- (10) Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials; or
- (11) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.

b. The following is added to **SECTION II - LIABILITY, C. Who Is An Insured, paragraph 3.b.**:

"Product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.





- c. The following is added to **SECTION II - LIABILITY, D. Liability and Medical Expenses Limits of Insurance:**

**Product Recall Expense Limits of Insurance**

- a. The Limits of Insurance shown in the SUMMARY OF COVERAGES of this endorsement and the rules stated below fix the most that we will pay under this Product Recall Expense Coverage regardless of the number of:

- (1) Insureds;
- (2) "Covered Recalls" initiated; or
- (3) Number of "your products" withdrawn.

- b. The Product Recall Expense Aggregate Limit is the most that we will reimburse you for the sum of all "product recall expenses" incurred for all "covered recalls" initiated during the policy period.

- c. The Product Recall Each Occurrence Limit is the most we will pay in connection with any one defect or deficiency.

- d. All "product recall expenses" in connection with substantially the same general harmful condition will be deemed to arise out of the same defect or deficiency and considered one "occurrence".

- e. Any amount reimbursed for "product recall expenses" in connection with any one "occurrence" will reduce the amount of the Product Recall Expense Aggregate Limit available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

- f. If the Product Recall Expense Aggregate Limit has been reduced by reimbursement of "product recall expenses" to an amount that is less than the Product Recall Expense Each Occurrence Limit, the remaining Aggregate Limit is the most that will be available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

**g. Product Recall Deductible**

We will only pay for the amount of "product recall expenses" which are in excess of the \$500 Product Recall Deductible. The Product Recall Deductible applies separately to each "covered recall". The limits of insurance will not be reduced by the amount of this deductible.

We may, or will if required by law, pay all or any part of any deductible amount, if applicable. Upon notice of our payment

of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

The Product Recall Expense Limits of Insurance 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 the purposes of determining the Limits of Insurance.

- d. The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expense General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit:**

You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

- (1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;

- (2) Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance.

- e. For the purpose of this endorsement, the following definitions are added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions:**

1. "Covered recall" means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

2. "Product recall expense(s)" means:

- a. Necessary and reasonable expenses for:

- (1) Communications, including radio or television announcements or printed advertisements including stationary, envelopes and postage;

- (2) Shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;
  - (3) Remuneration paid to your regular "employees" for necessary overtime;
  - (4) Hiring additional persons, other than your regular "employees";
  - (5) Expenses incurred by "employees" including transportation and accommodations;
  - (6) Expenses to rent additional warehouse or storage space;
  - (7) Disposal of "your product", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal,  
you incur exclusively for the purpose of recalling "your product"; and
- b. Your lost profit resulting from such "covered recall".
- f. This Product Recall Expense Coverage does not apply:
- (1) If the "products - completed operations hazard" is excluded from coverage under this Coverage Part including any endorsement thereto; or
  - (2) To "product recall expense" arising out of any of "your products" that are otherwise excluded from coverage under this Coverage Part including endorsements thereto.
- 8. Unintentional Failure to Disclose Hazards**  
The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expenses General Conditions:**  
**Representations**  
We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.
- 9. Unintentional Failure to Notify**  
The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expenses General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit:**  
Your rights afforded under this Coverage Part shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury", "property damage" or "personal and advertising injury" is not covered under this Policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OTHER INSURANCE - NON-CONTRIBUTORY  
BLANKET ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The following is added to **SECTION IV - CONDITIONS, 5. Other Insurance:**

**Other Insurance - Non-Contributory**

If you agree in a written contract, written agreement, or written permit that a person or organization be included as an Additional Insured under "underlying insurance" for a loss we cover, we will not seek contribution from any other insurance available to that Additional Insured which covers the Additional Insured as a Named Insured except:

(1) For the sole negligence of the Additional Insured; or

(2) When the Additional Insured is an Additional Insured under another liability policy.

This insurance is excess over any other insurance available to the Additional Insured under which the Additional Insured on our policy is also covered as an Additional Insured. This condition does not apply to any policy under which the Additional Insured is a Named Insured where our policy and the policy listed in the schedule of "underlying insurance" are required by written contract, written agreement or written permit to provide coverage to the Additional Insured on a primary and non-contributory basis.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

**SCHEDULE**

| Name Of Person Or Organization          | Location And Description Of Completed Operations |
|---|--|
| LOS ANGELES DEPARTMENT OF WATER & POWER | WHERE WORK IS COMPLETED                          |
| BLANKET- AS REQUIRED BY CONTRACT        | WHERE WORK IS COMPLETED                          |
| CITY OF CHINO HILLS                     | WHERE WORK IS COMPLETED                          |

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

For the purpose of coverage provided by this endorsement, the following changes are made to **SECTION II - LIABILITY**:

**A. The following is added to SECTION II - LIABILITY, C. Who Is An Insured:**

Any person or organization shown in the Schedule above is also an additional insured, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule above, performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or

agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. The following is added to SECTION II - LIABILITY, D. Liability And Medical Expenses Limits Of Insurance:**

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

1. Required by the contract or agreement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

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

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

