

**AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES, INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and International Business Information Technologies, Inc., a Florida Corporation ("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".

* * * * *

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. 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.

19. 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.
20. 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.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. 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.
23. 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.
24. 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.
25. Time of Essence. Time is of the essence of this Agreement.
26. 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.
27. 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."
28. 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.
29. 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.
30. 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.

31. 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.
32. 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; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. 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.
33. 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.
34. 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.
35. 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

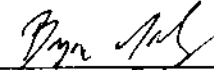


IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 23rd day of May, 2017.

CITY OF REDONDO BEACH

International Business Information
Technologies, Inc.

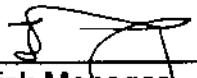

Mayor

By: 
Name: Bryan Selzer
Title: C.E.O.

ATTEST:


City Clerk

APPROVED:


Risk Manager

APPROVED AS TO FORM:


City Attorney's Office



IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 23rd day of May, 2017.

CITY OF REDONDO BEACH

International Business Information
Technologies, Inc.

Mayor

By: _____
Name: _____
Title: _____

ATTEST:

APPROVED:

City Clerk

Risk Manager

APPROVED AS TO FORM:



City Attorney's Office



EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following duties.

1. Install and provide the Managing Employee Training Records ("METR") application.
2. Provide METR user licenses, including but not limited to the following modules, training records, firearms qualifications, exams/tests, training videos, disciplinary actions, issued equipment and attachments.
3. Provide Law Enforcement Field Training Application for Field Training Officers ("LEFTA FTO") and integrate the METR application.
4. Customize applications.
5. Provide virtual training sessions.
6. Provide Active Directory ("AD") authentication.
7. Provide California Peace Officer Standards and Training Reimbursement Request ("POST TRR") forms.
8. Provide annual hosting of application for up to 10 GB of data.
9. Provide annual information technology support, including technical support calls, and upgrades and new versions of the purchased software.



EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence May 23, 2017 and expire May 22, 2022 ("Term"), unless otherwise terminated as herein provided.



EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** Contractor shall be paid in accordance with the following schedule. However, in the event the City has to pay sales tax on any of these items, Contractor's total compensation shall not exceed \$33,500 during the term of this Agreement.

No.	Service	Qty	Unit Price	Total Price
1	METR Employee Training Records Management Application	1	\$2,000	\$2,000
2	User Licenses - METR	175	\$50	\$8,750
3	LEFTA FTO Application and METR Integration	1	\$0	\$0
4	Customization of Application(s)	1	\$0	\$0
5	Virtual Training Sessions	2	\$0	\$0
6	AD Authentication	1	\$1,500	\$1,500
7	California POST TRR Form	1	\$1,500	\$1,500
8	Annual Hosting of Application for up to 10 GB of data (recurring annually)	1	\$900	\$900
9	Annual IT Support (recurring annually)	1	\$2,750	\$2,750
FIRST YEAR TOTAL				\$17,400
SECOND YEAR TOTAL				\$3,650
THIRD YEAR TOTAL				\$3,650
FOURTH YEAR TOTAL				\$3,650
FIFTH YEAR TOTAL				\$3,650
TOTAL				\$32,000

2. **METHOD OF PAYMENT.** Contractor shall provide invoices to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request. Contractor shall invoice the City as follows.



Services	Invoice Method
Services 1 through 7 under Section 1 of this Exhibit "C".	Annual upon commencement of services.
Services 8 through 9 under Section 1 of this Exhibit "C".	Annual upon commencement of services. Thereafter, annually on the anniversary date.

3. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty (30) days of receipt of Contractor's invoice, provided the work is performed to the City's full satisfaction.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor: International Business Information Technologies, Inc.
10950-60 San Jose Blvd., Suite 101
Jacksonville, FL 32223
Attention: Bryan Selzer

City: City of Redondo Beach
Police Department
401 Diamond St.
Redondo Beach, CA 90277
Attention: Debra Kochheim

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by certified or registered mail. 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.



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).

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: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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 policy is 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 are to 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.

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 is to 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 are to 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.



GENERAL LIABILITY ENDORSEMENT
CITY OF REDONDO BEACH
415 DIAMOND STREET
REDONDO BEACH, CA 90277

POLICY INFORMATION

Insurance Company Lloyds Policy Number ESF00200503
Policy Term (From) July 25, 2016 (To) July 25, 2017 Endorsement Effective Date _____
Named Insured: International Business Information Technologies Inc., DBA Lefta Systems
Address of Named Insured 10950-60 San Jose Blvd, Jacksonville, FL 32223
Limit of Liability any One Occurrence/Aggregate \$1,000,000.00/\$2,000,000.00
General Liability Aggregate Applies Separately to This Project/Location: Yes ☒ No
Deductible or Self-Insured Retention (None unless otherwise specified): \$2,500.00
Coverage is equivalent to Commercial General Liability occurrence form CG 0001: Yes _____ No _____

POLICY AMENDMENTS

1. WHO IS AN INSURED (Section II) is amended to include as an insured the City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers, but only with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations.
2. This insurance shall be primary as respects the insured shown in the schedule above, or if excess, shall stand in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Insured scheduled above shall be in excess of this insurance and shall not be called upon to contribute with it.
3. The insurance afforded by this policy shall not be canceled except after thirty days prior written notice by *certified mail return receipt* requested has been given to the City.

INCIDENT AND CLAIM REPORTING PROCEDURE

Incidents and claims are to be reported to the insurer at:

(Name/Department) _____
(Company) _____
(Address) _____
(City/State/Zip) _____
(Phone) _____

SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, Stephen I. Blackford (print/type name), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

Signature - Authorized Representative / Title
Blackford All Lines, LLC
Organization
11481 Old St. Augustine Road, Suite 201
Jacksonville, FL 32258
904-886-4293

Date July 27, 2016



LLOYD'S

Insurance effected through:
CFC Underwriting Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom

This is to Certify that in accordance with the authorisation granted under the Contract (the unique market reference number of which is specified in the Declaration) to the undersigned by certain Underwriters at Lloyd's, whose names and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Policy Signing Office, and in consideration of the premium specified herein, the said Underwriters are hereby bound, each for his own part and not one for another, their Heirs, Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

The subscribing Insurers' obligations under Contracts of Insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

In Witness whereof this Certificate has been signed at the place stated and on the date specified in the Declarations by CFC Underwriting Limited.

Authorised Official

Please examine this Document carefully. If it does not meet your needs, return immediately. In all communications the Number appearing in line one of the Schedule should be quoted. In the event of loss or expense under this Insurance, immediate notice should be given to: CFC Underwriting Limited.

DECLARATIONS

POLICY NUMBER: ESF00200503

UNIQUE MARKET REFERENCES: B087516C9N5007
B1161LS12016

THE INSURED: INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES INC
DBA LEFTA SYSTEMS

ADDRESS: 10950-60 San Jose Blvd
Jacksonville FL 32223
US

THE UNDERWRITERS: Underwritten by certain underwriters at Lloyd's, broken down as follows:

In respect of Insuring Clauses: 1 - 3 & 6 - 8

PEM 4000	20.33900%
BRT 2987	19.59900%
NVA 2007	9.00000%
ENH 5151	13.55900%
XLC 2003	14.16300%
LIB 4472	6.78000%
AES 1225	1.50000%
RNR 1458	1.50000%
NAV 1221	3.39000%
CHB 2488	3.39000%
AMA 1200	3.39000%
CHN 2015	3.39000%

In respect of Insuring Clause: 4
No Cover Given

In respect of Insuring Clause: 5

AML 2001	30.00000%
PEM 4000	6.75000%
ANV 1861	5.00000%
BRT 2987	19.00000%
AMA 1200	7.00000%
RNR 1458	1.50000%
CHB 2488	3.25000%
LIB 4472	12.50000%
ENH 5151	15.00000%

THE INCEPTION DATE: 00:01 Local Standard Time on 25 Jul 2016

THE EXPIRY DATE: 00:01 Local Standard Time on 25 Jul 2017

TOTAL PAYABLE: USD4,022.50

Broken down as follows:

Premium: USD4,022.50

Policy Administration Fee: USD0.00

OPTIONAL EXTENDED REPORTING PERIOD PREMIUM: USD3,552
(only payable if you choose to exercise this option)

BUSINESS ACTIVITIES: Software (Custom / Bespoke Developer)
as more fully described in the application form dated 28 Jun 2016 and
as held on file by CFC Underwriting Limited

TECH

CHOICE OF LAW:	Florida
SERVICE OF SUIT:	Mendes & Mount LLP 750 7th Avenue New York NY10019-9399
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE	Worldwide
US CLASSIFICATION:	Surplus Lines
SURPLUS LINES BROKER:	Licence No. : A165669 5900 Hiatus Road Tamarac FL
RETROACTIVE DATE:	25 Jul 2016
CLAIMS MANAGERS:	CFC Underwriting Limited Please report all new claims to: newclaims@cfcunderwriting.com
PRIVACY BREACH HOTLINE:	In the event of an actual or suspected privacy breach please call our Emergency Response Team at Wilson Elser Toll free 24-hour Privacy Breach Hotline: 1-855.270.0628
WORDING:	TECH US v2.9
ENDORSEMENTS:	PREMIUM PAYMENT CLAUSE INDEMNITY TO PRINCIPALS CLAUSE U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT SANCTION LIMITATION AND EXCLUSION CLAUSE

LIMITS OF LIABILITY AND DEDUCTIBLES

INSURING CLAUSE 1: ERRORS & OMISSIONS

Limit of liability:	USD2,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

INSURING CLAUSE 2: CYBER & PRIVACY

SECTION A: CYBER LIABILITY

Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

SECTION C: PRIVACY BREACH NOTIFICATION COSTS

Aggregate limit of liability:	USD2,000,000	
Deductible:	USD2,500	each and every loss

SECTION D: SYSTEM DAMAGE

NO COVER GIVEN

SECTION E: SYSTEM BUSINESS INTERRUPTION

NO COVER GIVEN

SECTION F: THREATS OR EXTORTION

Aggregate limit of liability:	USD2,000,000	
Deductible:	USD2,500	each and every loss

INSURING CLAUSE 3: MULTIMEDIA LIABILITY AND ADVERTISING INJURY

Limit of liability:	USD2,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

INSURING CLAUSE 4: COMMERCIAL PROPERTY

SECTION A: PROPERTY DAMAGE

NO COVER GIVEN

SECTION B: PERSONAL ACCIDENT

NO COVER GIVEN

SECTION A BUSINESS INTERRUPTION

NO COVER GIVEN

INSURING CLAUSE 5: COMMERCIAL GENERAL LIABILITY

SECTION A: BODILY INJURY AND PROPERTY DAMAGE LIABILITY

Limit of liability:	USD1,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible	USD500	each and every claim, including costs and expenses

SECTION B: PRODUCTS AND COMPLETED OPERATIONS LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible	USD500	each and every claim, including costs and expenses

SECTION C: POLLUTION LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible	USD500	each and every claim, including costs and expenses

SECTION D: TENANTS' LEGAL LIABILITY

Aggregate limit of liability:	USD250,000	including costs and expenses
Deductible	USD500	each and every claim, including costs and expenses

SECTION E: NON-OWNED AND HIRED AUTOMOBILE LIABILITY

Limit of liability:	USD1,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible	USD0	each and every claim, including costs and expenses

SECTION F: LIABILITY FOR DAMAGE TO HIRED OR LEASED AUTOMOBILES

Aggregate limit of liability:	USD50,000	including costs and expenses
Deductible	USD500	each and every claim, including costs and expenses

SECTION G: MEDICAL PAYMENTS

Limit of liability:	USD5,000	each and every claim
Deductible	USD0	each and every claim

SECTION H: EMPLOYEE BENEFITS LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

INSURING CLAUSE 6: COURT ATTENDANCE COSTS

Aggregate limit of liability:	USD100,000	sub-limited to USD2,000 per day
Deductible:	USD0	each and every claim or loss

INSURING CLAUSE 7: LOSS MITIGATION

Limit of liability:	USD2,000,000	each and every claim or loss
Deductible	USD2,500	each and every claim or loss

INSURING CLAUSE 8: REPUTATION AND BRAND PROTECTION

Aggregate limit of liability:	USD100,000	
Deductible:	USD0	each and every claim or loss

OUR REGULATORY STATUS

This insurance is underwritten by CFC Underwriting Limited, 85 Gracechurch Street, London, EC3V 0AA, United Kingdom on behalf of Underwriters at Lloyd's. CFC Underwriting Limited and the Lloyd's Managing Agents of the Syndicates on whose behalf we underwrite are authorised and regulated by the United Kingdom Financial Conduct Authority (FCA). CFC Underwriting Limited's Firm Reference Number at the FCA is 312848. These details may be checked by visiting the Financial Conduct Authority website at <https://register.fca.org.uk/>. Alternatively the Financial Conduct Authority may be contacted on +44 (0)20 7066 1000.

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations to you in respect of insurance policies that we have underwritten on behalf of insurers. This depends on the type of business and the circumstances of the claim. In respect of general insurance business the FSCS will cover 90% of the claim, without any upper limit and for compulsory classes of insurance, the FSCS will cover 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

HOW TO COMPLAIN

We intend to provide an excellent service to you. However, we recognise that there may be occasions when you feel that this has not been achieved. If you are unhappy with any aspect of the service that you receive from us, please contact your insurance broker in the first instance, stating the nature of your complaint, the certificate and/or claim number.

Alternatively, you can contact us directly at enquiries@cfcunderwriting.com or please write to

The Managing Director
CFC Underwriting Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom

If after taking this action you are still unhappy with the response please write to:

Lloyd's Complaints
Fidentia House, Walter Burke Way
Chatham Maritime
Chatham, Kent, ME4 4RN
United Kingdom
Email: complaints@lloyds.com
Telephone: +44 (0)20 7327 5693
Fax: +44 (0)20 7327 5225

Having taken this action, if you feel that your complaint has not been handled satisfactorily, you may seek assistance from

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
United Kingdom
Telephone – +44 (0)845 080 1800
Email – enquiries@financial-ombudsman.org.uk
Website – www.financial-ombudsman.org.uk

The Financial Ombudsman Service will become involved if you are an eligible complainant as defined by the rules of the Financial Conduct Authority.

The existence of this complaints procedure does not affect any right of legal action you may have against CFC Underwriting Limited or Lloyd's as detailed in the Service of Suit condition on the last page of your policy.

PREMIUM PAYMENT CLAUSE

ATTACHING TO POLICY
NUMBER.

ESF00200503

THE INSURED.

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM.

25 Jul 2016

You undertake that the Premium and Policy Administration Fee will be paid in full to CFC Underwriting Ltd within 60 days of the Inception Date (or if inception retrospectively, this 60 day period will be extended to represent 60 days from the date of instruction).

If the Premium and Policy Fee due under this Policy have not been paid to CFC Underwriting Ltd by the 60th day after the Inception Date (or if inception retrospectively, this 60 day period will be extended to represent 60 days from the date of instruction) then we shall have the right to cancel this Policy by providing you with 14 days prior notice of cancellation in writing via your broker.

If the Premium and Policy Fee are paid in full to CFC Underwriting Ltd before the notice period expires, notice of cancellation shall be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

In the event of cancellation, the Policy Fee is due in full and the Premium is due on a pro rata basis for the period that the Policy was in force.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

INDEMNITY TO PRINCIPALS CLAUSE

ATTACHING TO POLICY
NUMBER

ESF00200503

THE INSURED

INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES INC DBA LEFTA SYSTEMS

WITH EFFECT FROM

25 Jul 2016

It is hereby understood and agreed that **Principals** are indemnified under this Policy as an additional Insured, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any claim arising solely out of any wrongful act committed by you or accidental injury or damage in the course of your business activities, provided that had a claim been made against you, then you would be entitled to indemnity under this Policy.

When this clause applies it shall be primary and non-contributory to **Principals'** own insurance but only if you and **Principals** have entered into a contract that contains a provision requiring this.

It is a condition precedent to indemnity under this clause that **Principals** shall prove to our satisfaction that the claim arose solely out of your business activities.

Whilst **Principals** have been named under this Policy as an additional Insured, it is hereby noted and agreed that any claim made by **Principals** against you shall be treated as if **Principals** were a third party.

We shall also endeavour to provide 30 days notice of cancellation to **Principals**; however, not doing so shall not place any additional liability upon us.

It is further understood and agreed that **Principals** are defined as follows

THE CITY OF LONG BEACH, ITS BOARDS AND COMMISSIONS, AND THEIR OFFICIALS,
EMPLOYEES AND AGENTS

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT

ATTACHING TO POLICY
NUMBER

ESF00200503

THE INSURED

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM

25 Jul 2016

This **ENDORSEMENT** is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended, as summarized in the disclosure notice.

In consideration of the additional premium paid (as shown in the Declarations), it is hereby noted and agreed with effect from the Inception Date that the "War and terrorism" **EXCLUSION** to which this Insurance is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this **ENDORSEMENT** is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this **ENDORSEMENT** shall expire at 12.00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the Expiry Date of this Policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The War and terrorism **EXCLUSION**, to which this Insurance is subject, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This **ENDORSEMENT** only affects the "War and terrorism" **EXCLUSION** to which this Insurance is subject. All other terms, **CONDITIONS** and **EXCLUSIONS** of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore we will not be liable for any amounts for which we are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payment for terrorism losses.

LMA5218 (Amended)
12 January 2015

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

SANCTION LIMITATION AND EXCLUSION CLAUSE

ATTACHING TO POLICY
NUMBER

ESF00200503

THE INSURED

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM

25 Jul 2016

It is understood and agreed that the following **EXCLUSION** is added to this Policy.

We shall not be deemed to provide any cover nor shall we be liable to pay any claim or loss or provide any benefit under this Policy to the extent that the provision of such cover, payment or benefit shall expose us to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

**AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES, INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and International Business Information Technologies, Inc., a Florida Corporation ("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".

* * * * *

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. 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.

19. 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.
20. 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.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. 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.
23. 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.
24. 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.
25. Time of Essence. Time is of the essence of this Agreement.
26. 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.
27. 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."
28. 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.
29. 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.
30. 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.

31. 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.
32. 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; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. 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.
33. 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.
34. 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.
35. 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 23rd day of May, 2017.

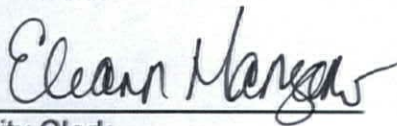
CITY OF REDONDO BEACH

International Business Information
Technologies, Inc.


Mayor

By: 
Name: Bryan Selzer
Title: C.E.O.

ATTEST:


City Clerk

APPROVED:


Risk Manager

APPROVED AS TO FORM:


City Attorney's Office



IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 23rd day of May, 2017.

CITY OF REDONDO BEACH

International Business Information
Technologies, Inc.

Mayor

By: _____
Name: _____
Title: _____


ATTEST:

APPROVED:

City Clerk

Risk Manager

APPROVED AS TO FORM:



City Attorney's Office



EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following duties.

1. Install and provide the Managing Employee Training Records ("METR") application.
2. Provide METR user licenses, including but not limited to the following modules, training records, firearms qualifications, exams/tests, training videos, disciplinary actions, issued equipment and attachments.
3. Provide Law Enforcement Field Training Application for Field Training Officers ("LEFTA FTO") and integrate the METR application.
4. Customize applications.
5. Provide virtual training sessions.
6. Provide Active Directory ("AD") authentication.
7. Provide California Peace Officer Standards and Training Reimbursement Request ("POST TRR") forms.
8. Provide annual hosting of application for up to 10 GB of data.
9. Provide annual information technology support, including technical support calls, and upgrades and new versions of the purchased software.



EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence May 23, 2017 and expire May 22, 2022 ("Term"), unless otherwise terminated as herein provided.



EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** Contractor shall be paid in accordance with the following schedule. However, in the event the City has to pay sales tax on any of these items, Contractor's total compensation shall not exceed \$33,500 during the term of this Agreement.

No.	Service	Qty	Unit Price	Total Price
1	METR Employee Training Records Management Application	1	\$2,000	\$2,000
2	User Licenses - METR	175	\$50	\$8,750
3	LEFTA FTO Application and METR Integration	1	\$0	\$0
4	Customization of Application(s)	1	\$0	\$0
5	Virtual Training Sessions	2	\$0	\$0
6	AD Authentication	1	\$1,500	\$1,500
7	California POST TRR Form	1	\$1,500	\$1,500
8	Annual Hosting of Application for up to 10 GB of data (recurring annually)	1	\$900	\$900
9	Annual IT Support (recurring annually)	1	\$2,750	\$2,750
FIRST YEAR TOTAL				\$17,400
SECOND YEAR TOTAL				\$3,650
THIRD YEAR TOTAL				\$3,650
FOURTH YEAR TOTAL				\$3,650
FIFTH YEAR TOTAL				\$3,650
TOTAL				\$32,000

2. **METHOD OF PAYMENT.** Contractor shall provide invoices to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request. Contractor shall invoice the City as follows.



Services	Invoice Method
Services 1 through 7 under Section 1 of this Exhibit "C".	Annual upon commencement of services.
Services 8 through 9 under Section 1 of this Exhibit "C".	Annual upon commencement of services. Thereafter, annually on the anniversary date.

3. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty (30) days of receipt of Contractor's invoice, provided the work is performed to the City's full satisfaction.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor: International Business Information Technologies, Inc.
10950-60 San Jose Blvd., Suite 101
Jacksonville, FL 32223
Attention: Bryan Selzer

City: City of Redondo Beach
Police Department
401 Diamond St.
Redondo Beach, CA 90277
Attention: Debra Kochheim

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by certified or registered mail. 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.



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).

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: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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 policy is 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 are to 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.

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 is to 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 are to 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.



GENERAL LIABILITY ENDORSEMENT
CITY OF REDONDO BEACH
415 DIAMOND STREET
REDONDO BEACH, CA 90277

POLICY INFORMATION

Insurance Company Lloyds Policy Number ESF00200503

Policy Term (From) July 25, 2016 (To) July 25, 2017 Endorsement Effective Date _____

Named Insured: International Business Information Technologies Inc., DBA Lefta Systems

Address of Named Insured 10950-60 San Jose Blvd, Jacksonville, Fl. 32223

Limit of Liability any One Occurrence/Aggregate \$1,000,000.00/\$2,000,000.00

General Liability Aggregate Applies Separately to This Project/Location: Yes ☒ No ☐

Deductible or Self-Insured Retention (None unless otherwise specified): \$2,500.00

Coverage is equivalent to Commercial General Liability occurrence form CG 0001: Yes _____ No _____

POLICY AMENDMENTS

1. WHO IS AN INSURED (Section II) is amended to include as an insured the City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers, but only with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations.
2. This insurance shall be primary as respects the insured shown in the schedule above, or if excess, shall stand in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Insured scheduled above shall be in excess of this insurance and shall not be called upon to contribute with it.
3. The insurance afforded by this policy shall not be canceled except after thirty days prior written notice by *certified mail return receipt* requested has been given to the City.

INCIDENT AND CLAIM REPORTING PROCEDURE

Incidents and claims are to be reported to the insurer at:

(Name/Department)

(Company)

(Address)

(City/State/Zip)

(Phone)

SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, Stephen I. Blackford (print/type name), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

Signature - Authorized Representative / Title
Blackford All Lines, LLC

Organization
11481 Old St. Augustine Road, Suite 201
Jacksonville, FL 32258
904-886-4293

Date July 27, 2016



LLOYD'S

Insurance effected through:
CFC Underwriting Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom

This is to Certify that in accordance with the authorisation granted under the Contract (the unique market reference number of which is specified in the Declaration) to the undersigned by certain Underwriters at Lloyd's, whose names and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Policy Signing Office, and in consideration of the premium specified herein, the said Underwriters are hereby bound, each for his own part and not one for another, their Heirs, Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

The subscribing Insurers' obligations under Contracts of Insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

In Witness whereof this Certificate has been signed at the place stated and on the date specified in the Declarations by CFC Underwriting Limited.

Authorised Official

Please examine this Document carefully. If it does not meet your needs, return immediately. In all communications the Number appearing in line one of the Schedule should be quoted. In the event of loss or expense under this Insurance, immediate notice should be given to: CFC Underwriting Limited.

DECLARATIONS

POLICY NUMBER: ESF00200503

UNIQUE MARKET REFERENCES: B087516C9N5007
B1161LS12016

THE INSURED: INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES INC
DBA LEFTA SYSTEMS

ADDRESS: 10950-60 San Jose Blvd
Jacksonville FL 32223
US

THE UNDERWRITERS: Underwritten by certain underwriters at Lloyd's, broken down as follows:

In respect of Insuring Clauses: 1 - 3 & 6 - 8

PEM 4000	20.33900%
BRT 2987	19.59900%
NVA 2007	9.00000%
ENH 5151	13.55900%
XLC 2003	14.16300%
LIB 4472	6.78000%
AES 1225	1.50000%
RNR 1458	1.50000%
NAV 1221	3.39000%
CHB 2488	3.39000%
AMA 1200	3.39000%
CHN 2015	3.39000%

In respect of Insuring Clause: 4
No Cover Given

In respect of Insuring Clause: 5

AML 2001	30.00000%
PEM 4000	6.75000%
ANV 1861	5.00000%
BRT 2987	19.00000%
AMA 1200	7.00000%
RNR 1458	1.50000%
CHB 2488	3.25000%
LIB 4472	12.50000%
ENH 5151	15.00000%

THE INCEPTION DATE: 00:01 Local Standard Time on 25 Jul 2016

THE EXPIRY DATE: 00:01 Local Standard Time on 25 Jul 2017

TOTAL PAYABLE: USD4,022.50

Broken down as follows:

Premium: USD4,022.50

Policy Administration Fee: USD0.00

OPTIONAL EXTENDED REPORTING PERIOD PREMIUM: USD3,552
(only payable if you choose to exercise this option)

BUSINESS ACTIVITIES: Software (Custom / Bespoke Developer)
as more fully described in the application form dated 28 Jun 2016 and
as held on file by CFC Underwriting Limited

TECH

CHOICE OF LAW:	Florida
SERVICE OF SUIT:	Mendes & Mount LLP 750 7th Avenue New York NY10019-9399
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE	Worldwide
US CLASSIFICATION:	Surplus Lines
SURPLUS LINES BROKER:	Licence No. : A165669 5900 Hiatus Road Tamarac FL
RETROACTIVE DATE:	25 Jul 2016
CLAIMS MANAGERS:	CFC Underwriting Limited Please report all new claims to: newclaims@cfcunderwriting.com
PRIVACY BREACH HOTLINE:	In the event of an actual or suspected privacy breach please call our Emergency Response Team at Wilson Elser Toll free 24-hour Privacy Breach Hotline: 1-855.270.0628
WORDING:	TECH US v2.9
ENDORSEMENTS:	PREMIUM PAYMENT CLAUSE INDEMNITY TO PRINCIPALS CLAUSE U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT SANCTION LIMITATION AND EXCLUSION CLAUSE

LIMITS OF LIABILITY AND DEDUCTIBLES

INSURING CLAUSE 1: ERRORS & OMISSIONS

Limit of liability:	USD2,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

INSURING CLAUSE 2: CYBER & PRIVACY

SECTION A: CYBER LIABILITY

Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

SECTION C: PRIVACY BREACH NOTIFICATION COSTS

Aggregate limit of liability:	USD2,000,000	
Deductible:	USD2,500	each and every loss

SECTION D: SYSTEM DAMAGE

NO COVER GIVEN

SECTION E: SYSTEM BUSINESS INTERRUPTION

NO COVER GIVEN

SECTION F: THREATS OR EXTORTION

Aggregate limit of liability:	USD2,000,000	
Deductible:	USD2,500	each and every loss

INSURING CLAUSE 3: MULTIMEDIA LIABILITY AND ADVERTISING INJURY

Limit of liability:	USD2,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD2,500	each and every claim, including costs and expenses

INSURING CLAUSE 4: COMMERCIAL PROPERTY

SECTION A: PROPERTY DAMAGE

NO COVER GIVEN

SECTION B: PERSONAL ACCIDENT

NO COVER GIVEN

SECTION C: BUSINESS INTERRUPTION

NO COVER GIVEN

INSURING CLAUSE 5: COMMERCIAL GENERAL LIABILITY

SECTION A: BODILY INJURY AND PROPERTY DAMAGE LIABILITY

Limit of liability:	USD1,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

SECTION B: PRODUCTS AND COMPLETED OPERATIONS LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

SECTION C: POLLUTION LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

SECTION D: TENANTS' LEGAL LIABILITY

Aggregate limit of liability:	USD250,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

SECTION E: NON-OWNED AND HIRED AUTOMOBILE LIABILITY

Limit of liability:	USD1,000,000	each and every claim, including costs and expenses
Aggregate limit of liability:	USD2,000,000	including costs and expenses
Deductible:	USD0	each and every claim, including costs and expenses

SECTION F: LIABILITY FOR DAMAGE TO HIRED OR LEASED AUTOMOBILES

Aggregate limit of liability:	USD50,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

SECTION G: MEDICAL PAYMENTS

Limit of liability:	USD5,000	each and every claim
Deductible:	USD0	each and every claim

SECTION H: EMPLOYEE BENEFITS LIABILITY

Aggregate limit of liability:	USD1,000,000	including costs and expenses
Deductible:	USD500	each and every claim, including costs and expenses

INSURING CLAUSE 6: COURT ATTENDANCE COSTS

Aggregate limit of liability:	USD100,000	sub-limited to USD2,000 per day
Deductible:	USD0	each and every claim or loss

INSURING CLAUSE 7: LOSS MITIGATION

Limit of liability:	USD2,000,000	each and every claim or loss
Deductible:	USD2,500	each and every claim or loss

INSURING CLAUSE 8: REPUTATION AND BRAND PROTECTION

Aggregate limit of liability:	USD100,000	
Deductible:	USD0	each and every claim or loss

OUR REGULATORY STATUS

This insurance is underwritten by CFC Underwriting Limited, 85 Gracechurch Street, London, EC3V 0AA, United Kingdom on behalf of Underwriters at Lloyd's. CFC Underwriting Limited and the Lloyd's Managing Agents of the Syndicates on whose behalf we underwrite are authorised and regulated by the United Kingdom Financial Conduct Authority (FCA). CFC Underwriting Limited's Firm Reference Number at the FCA is 312848. These details may be checked by visiting the Financial Conduct Authority website at <https://register.fca.org.uk/>. Alternatively the Financial Conduct Authority may be contacted on +44 (0)20 7066 1000.

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations to you in respect of insurance policies that we have underwritten on behalf of insurers. This depends on the type of business and the circumstances of the claim. In respect of general insurance business the FSCS will cover 90% of the claim, without any upper limit and for compulsory classes of insurance, the FSCS will cover 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

HOW TO COMPLAIN

We intend to provide an excellent service to you. However, we recognise that there may be occasions when you feel that this has not been achieved. If you are unhappy with any aspect of the service that you receive from us, please contact your insurance broker in the first instance, stating the nature of your complaint, the certificate and/or claim number.

Alternatively, you can contact us directly at enquiries@cfunderwriting.com or please write to:

The Managing Director
CFC Underwriting Limited
85 Gracechurch Street
London EC3V 0AA
United Kingdom

If after taking this action you are still unhappy with the response please write to:

Lloyd's Complaints
Fidentia House, Walter Burke Way
Chatham Maritime
Chatham, Kent, ME4 4RN
United Kingdom
Email: complaints@lloyds.com
Telephone: +44 (0)20 7327 5693
Fax: +44 (0)20 7327 5225

Having taken this action, if you feel that your complaint has not been handled satisfactorily, you may seek assistance from

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
United Kingdom
Telephone – +44 (0)845 080 1800
Email – enquiries@financial-ombudsman.org.uk
Website – www.financial-ombudsman.org.uk

The Financial Ombudsman Service will become involved if you are an eligible complainant as defined by the rules of the Financial Conduct Authority.

The existence of this complaints procedure does not affect any right of legal action you may have against CFC Underwriting Limited or Lloyd's as detailed in the Service of Suit condition on the last page of your policy.

PREMIUM PAYMENT CLAUSE

ATTACHING TO POLICY
NUMBER:

ESF00200503

THE INSURED:

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM:

25 Jul 2016

You undertake that the Premium and Policy Administration Fee will be paid in full to CFC Underwriting Ltd within 60 days of the Inception Date (or if inception retrospectively, this 60 day period will be extended to represent 60 days from the date of instruction).

If the Premium and Policy Fee due under this Policy have not been paid to CFC Underwriting Ltd by the 60th day after the Inception Date (or if inception retrospectively, this 60 day period will be extended to represent 60 days from the date of instruction) then we shall have the right to cancel this Policy by providing you with 14 days prior notice of cancellation in writing via your broker.

If the Premium and Policy Fee are paid in full to CFC Underwriting Ltd before the notice period expires, notice of cancellation shall be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

In the event of cancellation, the Policy Fee is due in full and the Premium is due on a pro rata basis for the period that the Policy was in force.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

INDEMNITY TO PRINCIPALS CLAUSE

ATTACHING TO POLICY
NUMBER:

ESF00200503

THE INSURED:

INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES INC DBA LEFTA SYSTEMS

WITH EFFECT FROM:

25 Jul 2016

It is hereby understood and agreed that **Principals** are indemnified under this Policy as an additional Insured, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising solely out of any **wrongful act** committed by **you** or **accidental injury** or **damage** in the course of **your business activities**, provided that had a **claim** been made against **you**, then **you** would be entitled to indemnity under this Policy.

When this clause applies it shall be primary and non-contributory to **Principals'** own insurance but only if **you** and **Principals** have entered into a contract that contains a provision requiring this.

It is a condition precedent to indemnity under this clause that **Principals** shall prove to our satisfaction that the **claim** arose solely out of **your business activities**.

Whilst **Principals** have been named under this Policy as an additional Insured, it is hereby noted and agreed that any **claim** made by **Principals** against **you** shall be treated as if **Principals** were a **third party**.

We shall also endeavour to provide 30 days notice of cancellation to **Principals**; however, not doing so shall not place any additional liability upon us.

It is further understood and agreed that **Principals** are defined as follows:

THE CITY OF LONG BEACH, ITS BOARDS AND COMMISSIONS, AND THEIR OFFICIALS,
EMPLOYEES AND AGENTS

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT

ATTACHING TO POLICY
NUMBER:

ESF00200503

THE INSURED:

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM:

25 Jul 2016

This **ENDORSEMENT** is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended, as summarized in the disclosure notice.

In consideration of the additional premium paid (as shown in the Declarations), it is hereby noted and agreed with effect from the Inception Date that the "War and terrorism" **EXCLUSION** to which this Insurance is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this **ENDORSEMENT** is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this **ENDORSEMENT** shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the Expiry Date of this Policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The War and terrorism **EXCLUSION**, to which this Insurance is subject, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This **ENDORSEMENT** only affects the "War and terrorism" **EXCLUSION** to which this Insurance is subject. All other terms, **CONDITIONS** and **EXCLUSIONS** of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore we will not be liable for any amounts for which we are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payment for terrorism losses.

LMA5218 (Amended)
12 January 2015

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY

SANCTION LIMITATION AND EXCLUSION CLAUSE

ATTACHING TO POLICY
NUMBER:

ESF00200503

THE INSURED:

International Business Information Technologies Inc DBA Lefta Systems

WITH EFFECT FROM:

25 Jul 2016

It is understood and agreed that the following **EXCLUSION** is added to this Policy:

We shall not be deemed to provide any cover nor shall **we** be liable to pay any **claim** or **loss** or provide any benefit under this Policy to the extent that the provision of such cover, payment or benefit shall expose **us** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY