Board Office Use: Legislative File Info.					
File ID Number: 14-0538					
Introduction Date: 04/09/2014					
Enactment Number:					
Enactment Date:					



# Memo

To: Board of Education

From: GARY YEE, EdD, ACTING SUPERINTENDENT; By: MARIA SANTOS, Deputy Superintendent

Board Meeting Date: 04/09/2014

**Subject:** Professional Service Contract

**Contractor:** EAST BAY INNOVATIONS of San Leandro, C.

**Services for:** 400-ADULT EDUCATION

# Board Action Requested Ratification by the Board of and Recommendation: EAST BAY INNOVATIONS provides specialized career

Ratification by the Board of Education of a Professional Services Contract between the District and EAST BAY INNOVATIONS , San Leandro, CA, for the latter to provide: EBI

provides specialized career assessment and job training to adults with disabilities. Each intern receives training that reinforces employability skills and to understand specific job and duties once employed. EBI communicates with OACE classroom teacher and employers to ensure the intern needs are met. for the period of 02/14/2014 through 06/30/2014 in an amount not to exceed

\$20,000.00.

#### **Background:**

(A one paragraph explanation of why the consultant's services are needed.) OACE is in a collaborative partnership with East Bay Innovations to serve adults with disabilities. Due to staff reductions in Oakland Adult and Career Education for Fiscal Year 2013-2014, the time used to deliver these supplemental services increased.

#### **Discussion:**

(QUANTIFY what is being purchased.)

EBI provides specialized career assessment and job training to adults with disabilities. Each intern receives training that reinforces employability skills and to understand specific job and duties once employed. EBI communicates with OACE classroom teacher and employers to ensure the intern needs are met.

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Fiscal Impact: Funding resources below not to exceed \$20,000.00

\$20,000.00 Private Industry Council/ProjS

Attachments: Professional Services Contract including Scope of Work

Waiver Summary

Resume / Statement of Qualifications

EPLS Search Results Page

Insurance Certification (if no Waiver was granted)

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profession for services to California school districts.

eRev. 3/11/13



### PROFESSIONAL SERVICES CONTRACT 2013-2014

Thi	is Agreement is entered into betweenEAST BAY INNOVATIONS
(Co	ONTRACTOR) and Oakland Unified School District (OUSD). OUSD is authorized by Government Code Section 53060 to contract for furnishing of special services and advice in financial, economic, accounting, engineering, legal, and administrative matters with persons ecially trained, experienced, and competent to perform such services. CONTRACTOR warrants it is specially trained, experienced, and mpetent to provide such services. The parties agree as follows:
1.	<b>Services</b> : CONTRACTOR shall provide the ("Services" or "Work") as described in <b>Exhibit "A,"</b> attached hereto and incorporated herein by reference.
2.	Terms: CONTRACTOR shall commence work on02/14/2014, or the day immediately following approval by the Superintendent
	if the aggregate amount CONTRACTOR has contracted with the District is below in the current fiscal year; or, approval
	by the Board of Education if the total contract(s) exceed, whichever is later. The work shall be completed no later than
3.	Compensation: OUSD agrees to pay CONTRACTOR for services satisfactorily rendered pursuant to this Agreement. The compensation under this Contract shall not exceed
	Dollars ( \$20,000.00 ) [per fiscal year], at an hourly billing rate not to exceed \$40.00 per hour. This sum shall be for
	full performance of this Agreement and includes all fees, costs, and expenses incurred by Contractor including, but not limited to,
	labor, materials, taxes, profit, overhead, travel, insurance, subcontractor costs, and other costs.
	If CONTRACTOR will be compensated hourly for services provided under this Contract, CONTRACTOR shall describe in Exhibit "A," attached hereto, the specific scope of services to be delivered on an hourly basis to OUSD.
	OUSD shall not be liable to CONTRACTOR for any costs or expenses paid or incurred by CONTRACTOR in performing services for
	OUSD, except as follows: No Reimbursements
	Payment for Work shall be made for all undisputed amounts in monthly installment payments within forty-five (45) days after CONTRACTOR submits an invoice to OUSD for Work actually completed and after OUSD's written approval of the Work, or the portion of the Work for which payment is to be made.
	The granting of any payment by OUSD, or the receipt thereof by CONTRACTOR, shall in no way lessen the liability of CONTRACTOR to correct unsatisfactory work, although the unsatisfactory character of that work may not have been apparent or detected at the time a payment was made. Work, which does not conform to the requirements of this Agreement, may be rejected by the District and in that case must be replaced by CONTRACTOR without delay.
4.	<b>Equipment and Materials</b> : CONTRACTOR shall provide all equipment, materials, and supplies necessary for the performance of this Agreement <i>except:</i>
	which shall not exceed a total cost of
_	CONTRACTOR Qualifications / Performance of Services:
5.	
	<b>CONTRACTOR Qualifications</b> : CONTRACTOR warrants it is specially trained, experienced, competent and fully licensed to provide the Services required by this Agreement in conformity with the laws and regulations of the State of California, the United States of America, and all local laws, ordinances and,/or regulations, as they may apply.
	Standard of Care: CONTRACTOR warrants that CONTRACTOR has the qualifications and ability to perform the Services in a

date, invoice number, purchase order number, name of school or department service was provided to, period of service, name of the person performing the service, date service was rendered, brief description of services provided, number of hours of service, hourly rate, total payment requested.

7. National All patients and invoices provided for under this Agreement shall be in writing and either personally delivered during narmal

professional manner, without the advice, control, or supervision of OUSD. CONTRACTOR's services will be performed, findings obtained, reports and recommendations prepared in accordance with generally and currently accepted principles and practices of its

**Invoicing**: Invoices furnished by CONTRACTOR under this Agreement must be in a form acceptable to OUSD. All amounts paid by OUSD shall be subject to audit by OUSD. Invoices shall include, but not be limited to: Contractor name, Contractor address, invoice

7. **Notices**: All notices and invoices provided for under this Agreement shall be in writing and either personally delivered during normal business hours or sent by U.S. Mail (certified, return receipt requested) with postage prepaid to the other party at the address set forth below:

Requisition No. R0409365	P.O. No. P1405887

#### **Professional Services Contract**

OUSD Re	presentative:	CONTRA	ACTOR:
Name:	CHRISTIAN NELSON	Name:	Tom Heinz
Site /Dept.	. 400-ADULT EDUCATION	Title:	CEO
	2607 Myrtle St	Address:	2540 Washington Ave Suite 240
	Oakland, CA 94607		San Leandro, CA 94577
Phone:	510.273.2300	Phone: _	510-618-1580

Notice shall be effective when received if personally served or, if mailed, three days after mailing. Either party must give written notice of a change of address.

8. **Status of Contractor**: This is not an employment contract. CONTRACTOR, in the performance of this Agreement, shall be and act as an independent contractor. CONTRACTOR understands and agrees that it and all of its employees shall not be considered officers, employees, agents, partner, or joint venture of OUSD, and are not entitled to benefits of any kind or nature normally provided employees of OUSD and/or to which OUSD's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. CONTRACTOR shall assume full responsibility for payment of all Federal, State, and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to CONTRACTOR's employees. In the performance of the work herein contemplated, CONTRACTOR is an independent contractor or business entity, with the sole authority for controlling and directing the performance of the details of the work, OUSD being interested only in the results obtained.

#### 9. **Insurance**:

- 1. Unless specifically waived by OUSD, the following insurance is required:
  - i. If CONTRACTOR employs any person to perform work in connection with this Agreement, CONTRACTOR shall procure and maintain at all times during the performance of such work, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal laws when applicable. Employers' Liability Insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease.

Check one of the boxes below:

- CONTRACTOR is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and will comply with such provisions before commencing the performance of the Work of this Contract.
- □ CONTRACTOR does not employ anyone in the manner subject to the workers' compensation laws of California.
- ii. CONTRACTOR shall maintain Commercial General Liability insurance, including automobile coverage with limits of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage. The coverage shall be primary as to OUSD and shall name OUSD as an additional insured. Evidence of insurance must be attached. Endorsement of OUSD as an additional insured shall not affect OUSD's rights to any claim, demand, suit or judgment made, brought or recovered against CONTRACTOR. The policy shall protect CONTRACTOR and OUSD in the same manner as though each were separately issued. Nothing in said policy shall operate to increase the Insurer's liability as set forth in the policy beyond the amount or amounts shown or to which the Insurer would have been liable if only one interest were named as an insured.
- iii. If CONTRACTOR is offering OUSD professional advice under this Contract, CONTRACTOR shall maintain Errors and Omissions insurance or Professional Liability insurance with coverage limits of One Million Dollars (\$1,000,000) per claim.

#### OR

- iv. CONTRACTOR is not required to maintain any insurance under this agreement. (Completed and approved Waiver of Insurance Form is required.) Waiver of insurance does not release CONTRACTOR from responsibility for any claim or demand.
- 10. Licenses and Permits: CONTRACTOR shall obtain and keep in force all licenses, permits, and certificates necessary for the performance of this Agreement.
- 11. **Assignment**: The obligations of CONTRACTOR under this Agreement shall not be assigned by CONTRACTOR without the express prior written consent of OUSD.
- 12. **Non-Discrimination**: It is the policy of OUSD that in connection with all work performed under Contracts there be no discrimination because of race, color, ancestry, national origin, religious creed, physical disability, medical condition, marital status, sexual orientation, gender, or age; therefore, CONTRACTOR agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment and Housing Act beginning with Government Code Section 12900 and Labor Code Section 1735 and OUSD policy. In addition, CONTRACTOR agrees to require like compliance by all its subcontractor(s). CONTRACTOR shall not engage in unlawful discrimination in employment on the basis of actual or perceived; race, color, national origin, ancestry, religion, age, marital status, pregnancy, physical or mental disability, medical condition, veteran status, gender, sex or sexual orientation.

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- 13. **Drug-Free / Smoke Free Policy**: No drugs, alcohol, and/or smoking are allowed at any time in any buildings and/or grounds on OUSD property. No students, staff, visitors, CONTRACTORS, or subcontractors are to use controlled substances, alcohol or tobacco on these sites.
- 14. **Indemnification**: CONTRACTOR agrees to hold harmless, indemnify, and defend OUSD and its officers, agents, and employees from any and all claims or losses accruing or resulting from injury, damage, or death of any person, firm, or corporation in connection with the performance of this Agreement. CONTRACTOR also agrees to hold harmless, indemnify, and defend OUSD and its elective board, officers, agents, and employees from any and all claims or losses incurred by any supplier, contractor, or subcontractor furnishing work, services, or materials to CONTRACTOR in connection with the performance of this Agreement. This provision survives termination of this Agreement.
- 15. Copyright/Trademark/Patent/Ownership: CONTRACTOR understands and agrees that all matters produced under this Agreement shall become the property of OUSD and cannot be used without OUSD's express written permission. OUSD shall have all right, title and interest in said matters, including the right to secure and maintain the copyright, trademark, and/or patent of said matter in the name of OUSD. CONTRACTOR consents to use of CONTRACTOR's name in conjunction with the sale, use, performance and distribution of the matters, for any purpose and in any medium. These matters include, without limitation, drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of computer diskettes, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship, or other documents prepared by CONTRACTOR or its Sub-CONTRACTORs in connection with the Services performed under this Agreement. All works shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in those works are the property of OUSD.
- 16. **Waiver**: No delay or omission by either party in exercising any right under this Agreement shall operate as a waiver of that or any other right or prevent a similar subsequent act from constituting a violation of the Agreement.
- 17. **Termination**: OUSD may at any time terminate this Agreement upon written notice to CONTRACTOR. OUSD shall compensate CONTRACTOR for services satisfactorily provided through the date of termination. In addition, OUSD may terminate this Agreement for cause should CONTRACTOR fail to perform any part of this Agreement. In the event of termination for cause, OUSD may secure the required services from another contractor. If the cost to OUSD exceeds the cost of providing the services pursuant to this Agreement, CONTRACTOR shall pay the additional cost.
- 18. **Conduct of CONTRACTOR**: CONTRACTOR will adhere to the following staff requirements and provide OUSD with evidence of staff qualifications, which include:
  - Tuberculosis Screening: CONTRACTOR is required to screen employees who will be working at OUSD sites for more than six hours. CONTRACTOR affirms that each employee has current proof of negative TB testing on file and TB results are monitored.
  - 2. Fingerprinting of Employees and Agents. The fingerprinting and criminal background investigation requirements of Education Code section 45125.1 apply to CONTRACTOR's services under this Agreement and CONTRACTOR certifies its compliance with these provisions as follows: "CONTRACTOR certifies that CONTRACTOR has complied with the fingerprinting and criminal background investigation requirements of Education Code section 45125.1 with respect to all CONTRACTOR's employees, subcontractors, agents, and subcontractors' employees or agents ("Employees") regardless of whether those Employees are paid or unpaid, concurrently employed by OUSD, or acting as independent contractors of CONTRACTOR, who may have contact with OUSD pupils in the course of providing services pursuant to the Agreement, and the California Department of Justice has determined that none of those Employees has been convicted of a felony, as that term is defined in Education Code section 45122.1. Contractor further certifies that it has received and reviewed fingerprint results for each of its Employees and Contractor has requested and reviews subsequent arrest records for all Employees who may come into contract with OUSD pupils in providing services to the District under this Agreement.

In the event that OUSD, in its sole discretion, at any time during the term of this contract, desires the removal of any CONTRACTOR related persons, employee, representative or agent from an OUSD school site and, or property, CONTRACTOR shall immediately, upon receiving notice from OUSD of such desire, cause the removal of such person or persons.

- 19. **No Rights in Third Parties**: This Agreement does not create any rights in, or inure to the benefit of, any third party except as expressly provided herein.
- 20. OUSD's Evaluation of CONTRACTOR and CONTRACTOR's Employees and/or Subcontractors. OUSD may evaluate CONTRACTOR's work in any way that OUSD is entitled to do so pursuant to applicable law. The OUSD's evaluation may include, without limitation:
  - 1. Requesting that OUSD employee(s) evaluate the CONTRACTOR and the CONTRACTOR's employees and subcontractors and each of their performance.
  - Announced and unannounced observance of CONTRACTOR, CONTRACTOR's employee(s), and/or subcontractor(s).
- 21. Limitation of OUSD Liability: Other than as provided in this Agreement, OUSD's financial obligations under this Agreement shall be limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event, shall OUSD be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of, or in connection with, this Agreement for the services performed in connection with this Agreement.
- 22. **Confidentiality**: CONTRACTOR and all CONTRACTOR's agents, personnel, employee(s), and/or subcontractor(s) shall maintain the confidentiality of all information received in the course of performing the Services. CONTRACTOR understands that student records are confidential and agrees to comply with all state and federal laws concerning the maintenance and disclosure of student records. This requirement to maintain confidentiality shall extend beyond the termination of this Agreement. Contractors will be permitted

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#### **Professional Services Contract**

OAKLAND UNIFIED SCHOOL DISTRICT

access to student data only where permissible under state and federal law and only after executing OUSD's Confidentiality Agreement Regarding Student Data.

- 23. **Conflict of Interest**: CONTRACTOR shall abide by and be subject to all applicable OUSD policies, regulations, statutes or other laws regarding conflict of interest. CONTRACTOR shall not hire any officer or employee of OUSD to perform any service by this Agreement.
  - CONTRACTOR affirms to the best of his/her/its knowledge, there exists no actual or potential conflict of interest between CONTRACTOR's family, business or financial interest and the services provided under this Agreement, and in the event of change in either private interest or services under this Agreement, any question regarding possible conflict of interest which may arise as a result of such change will be brought to OUSD's attention in writing.
  - Through its execution of this Agreement, CONTRACTOR acknowledges that it is familiar with the provisions of section 1090 *et seq.* and section 87100 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provisions. In the event CONTRACTOR receives any information subsequent to execution of this Agreement which might constitute a violation of said provisions, CONTRACTOR agrees it shall notify OUSD in writing.
- 24. **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion**: CONTRACTOR certifies to the best of his/her/its knowledge and belief, that it and its principals: Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency according to Federal Acquisition Regulation Subpart 9.4, and by signing this contract, certifies that this vendor does not appear on the Excluded Parties List. (https://www.epls.gov/epls/search.do)
- 25. **Litigation**: This Agreement shall be performed in Oakland, California and is governed by the laws of the State of California. The Alameda County Superior Court shall have jurisdiction over any state court litigation initiated to enforce or interpret this Agreement. If litigation is initiated, the prevailing party shall be entitled to reasonable attorney's fees and costs.
- 26. **Incorporation of Recitals and Exhibits**: The Recitals and each exhibit attached hereto are hereby incorporated herein by reference.
- 27. **Integration/Entire Agreement of Parties**: This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. This Agreement may be amended or modified only by a written instrument executed by both Parties.
- 28. **Counterparts**: This Agreement and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.
- 29. **Signature Authority**: Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been given the proper authority and empowered to enter into this Agreement.
- 30. Contract Contingent on Governing Board Approval: OUSD shall not be bound by the terms of this Agreement until it has been formally approved by OUSD's Governing Board, and no payment shall be owed or made to CONTRACTOR absent formal approval. This Agreement shall be deemed to be approved when it has been signed by the Board of Education, and/or the Superintendent as its designee.

CONTRACTOR

MARIA SANTOS	02/28/2014	Tom Heinz	03/11/2014	
☐ President, Board of Education  ☐ Superintendent or Designee	Date	Contractor eSignature	Date	
		Tom Heinz, CEO		
Secretary, Board of Education	Date	Print Name, Title		

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#### **EXHIBIT "A" SCOPE OF WORK**

[IF A CONTRACTOR PROVIDES AN ACCEPTABLE DESCRIPTION OF SERVICES AS PART OF A PROPOSAL, THAT DESCRIPTION OF SERVICES MAY BE ATTACHED <u>WITHOUT</u> ANY TERMS, CONDITIONS, LIMITATIONS, ETC., FROM THAT PROPOSAL.]

1. **Description of Services to be Provided:** Provide a description of the service(s) the contractor will provide. Be specific about what service(s) OUSD is purchasing and what *this* Contractor will do.

Contractor provides support for at two facilities, 5 days per week for approximately 24-30 interns. Interns are prepared for "high-paying" position at Alameda County, Children Hospital and other partner agencies for Project Search.

The servics provided for all adult with disabilities and special needs interns are:

- •Job coaching, career exposure Skills assessment
- Trains on essential tasks of the internship and reinforces employability skills
- Job/Task Analysis of the worksites

Attends job orientations with the Intern, clarifies information as necessary

- •Supports interns during interviews, resume development and classroom activity
- •On-site support to the Intern to understand the job and duties
- •Develops tools or suggests modifications of tasks as needed
- Reinforces and reviews behavior and performance consistent with agency policies and procedures.
- •Regularly discusses issues and concerns with department supervisor
- •Completes necessary evaluations, reports and other documentation.
- •Solicits feedback and evaluations regarding intern performance.
- •Develops ISPs/career plans with interns.
- •Documents progress of interns via case notes and progress reports.

2.	of the atternation of the attern	cific Outcomes: What are the expected outcomes from the services of this Contract? Be specific. For example, as a rese service(s): 1) How many more Oakland children are graduating from high school? 2) How many more Oakland children are graduating school 95% or more? 3) How many more students have meaningful internships and/or paying jobs? 4) How many more and children have access to, and use, the health services they need? Provide details of program participation (Studer.) and measurable outcomes (Participants will be able to). NOT THE GOALS OF THE SITE OR DEPARTMENT.  O student interns (adults with cognitive disabilities and special needs) will complete the CTE/Project Search ram, having received a skills assessment, job training and work experience as transition from the program to nanent work assignments before and after graduation.	are ore
3.	Δlia	nment with District Strategic Plan: Indicate the goals and visions supported by the services of this contract:	
٥.		ck all that apply.)	
	×	Ensure a high quality instructional core   Prepare students for success in college and careers	
	×	Develop social, emotional and physical health  Safe, healthy and supportive schools	
	×	Create equitable opportunities for learning   Accountable for quality	
	×	High quality and effective instruction Full service community district	
4.		nment with Community School Strategic Site Plan – CSSSP (required if using State or Federal Funds): se select:  Action Item included in Board Approved CSSSP: (no additional documentation required)	
		- Item Number(s): Not Applicable	
		No Restricted Funds	
		Action Item added as modification to Board Approved CSSSP – Submit the following documents to the Resour Manager either electronically via email of scanned documents, fax or drop off.  1. Relevant page of CSSSP with action item highlighted. Page must include header with the word "Modified", modification date, school site name, both principal and school site council chair initials and date.  2. Meeting announcement for meeting in which the CSSSP modification was approved.  3. Minutes for meeting in which the CSSSP modification was approved indicating approval of the modification.  4. Sign-in sheet for meeting in which the CSSSP modification was approved.	ce

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ContractsOnline: Contract Waiver Summary

**Site Number-Name: 400-ADULT EDUCATION** 

Principal / Department Head: CHRISTIAN NELSON

**Contractor Name: Tom Heinz** 

**Business Name: EAST BAY INNOVATIONS** 

**Contract Type: Standard** 

Anticipated Start Date: 02/14/2014 Contract End Date: 06/30/2014

Rate Type: HOURLY Contract Amount: \$20,000.00

Applicable Waivers

**Approved by Risk Management** 

**Insurance-Reduction Waiver Status: NA** 

Waiver-Reduction Type: \$1,000,000 Required

Other Reduction Amount: NA

**Approval Date:** 

**Approved by Deputy Superintendent** 

Billing Waiver Status: NA Approval Date:

Fingerprint Waiver Status: Approved Approval Date: 02/21/2014

TB Test Waiver Status: Approved Approval Date: 02/21/2014

# East Bay Innovations' Project SEARCH Now accepting applications for County of Alameda Project SEARCH

Project SEARCH Alameda runs February through January each year Project SEARCH Children's Hospital runs August through July each year



**Program Overview:** Project SEARCH Children's Hospital and Research Center Oakland and the County of Alameda, are part of an innovative collaboration with EBI and the Oakland Unified School District that introduces adults with autism and other developmental disabilities to careers in healthcare. Twelve interns are accepted annually for this yearlong, Monday through Friday internship program.

**Goals:** Our goals are to expose each intern to a range of jobs in healthcare, public sector and other settings that offer training of meaningful transferrable work skills, to ensure that every participant gains experience that will build their résumé; to make it possible for graduates to seamlessly move into a job development phase; and, to see each Project SEARCH graduate secure gainful employment. EBI's support doesn't end there. Once an individual is placed in a job, we provide on-the-job support and training for as long as needed.

Worksite Rotations: Interns build both academic and vocational skills through "hands-on" work experience in various departments throughout the host business. These unpaid student internships involve complex but routine tasks, such as, assembly, clerical, data entry, insurance verification, document filing, courier, sterilization, stocking and environmental services. Project SEARCH graduates will have opportunities to rotate through three departments during their training.

**Typical Day for Project Search Interns:** Project Search interns attend the internship program five days per week, Monday through Friday, typically from 9:00 a.m. until 3:15 p.m. with a 45-minute lunch.

Employment Outcomes: There have been 57 placements of East Bay Innovations' Project SEARCH graduates. Children's Hospital Oakland has experienced a 90% placement rate for their first graduating class; the County of Alameda has experienced a 90% placement rate for their first graduating class. 2012 County of Alameda and Children's Hospital Oakland's graduates have already achieved a 75% placement rate. Nine graduates have been hired by Children's Hospital Oakland and six graduates plus one referral from EBI have been hired by the County of Alameda. Both the County of Alameda and the Children's Hospital Project SEARCH sites have won two awards each from the International Project SEARCH for reaching outstanding placement outcomes.

Project SEARCH has been instrumental in dramatically raising the bar for employment of individuals with developmental disabilities Nationwide data show an unemployment rate of 92% for individuals with disabilities, with more than half of the 8% of individuals with disabilities who are employed, earning less than minimum wage. Graduates of Project SEARCH are earning, on average, 80% above the Federal minimum wage and 65% of them receive health benefits through their employers. Current average is \$14.18 with a range of \$8.40 to \$25.41.

Project SEARCH Graduates have gone on to work for the following employers: Alameda County Public Defender's Office, Alameda County Sheriff's Department, Department of Public Health, Primus Power, Tiburcio Vasquez Medical Services, Ed Robert's Campus, Alameda Alliance, Eden Medical Center, East Bay Innovations, Lowe's, Nob Hill Foods, Child Unique Montessori, World Institute on Disability, Alameda County Law Library, La Clinica de la Raza, Macy's, Safeway, and an exciting new collaboration between the Alameda County Public Health Department, East Bay Innovations and the Oakland Unified School District resulting in three graduates

as Health Clerks.

**County of Alameda Project SEARCH** is a collaborative program with the Oakland Unified School. Interns who are accepted to this site will also be enrolled in the Oakland Adult & Career Education Program. Classroom activities at the County of Alameda will be taught by a teacher from OACE. Department of Rehabilitation provides funding for the OUSD teacher and Job Coaching through East Bay Innovations is funded by RCEB. 12 interns will be accepted for this site. Job skills training will include data entry, alphanumerical filing, filing of employee documents, scanning, and other administrative office skills.

Children's Hospital Project SEARCH is a collaborative program with the Oakland Unified School. Interns who are accepted to this site will also be enrolled in the Oakland Adult & Career Education Program. Classroom activities at the County of Alameda will be taught by a teacher from OACE. Department of Rehabilitation provides funding for the OUSD teacher and Job Coaching through East Bay Innovations is funded by RCEB. 12 interns will be accepted for this site. Job skills training will include data entry, alphanumerical filing, filing of employee documents, scanning, and other administrative office skills along with sterilization and stocking.

*Eligibility:* Applicants must be at least 22 years of age by the specific program start date or graduated with a high school diploma, have an active case with the Regional Center of the East Bay and be able to meet the health, background and code of conduct criteria required by business site. Most importantly, applicants must have a commitment to work and demonstrate the ability to learn the tasks offered by the site and maintain excellent attendance and professionalism. Applicants will be reviewed and eligible applicants will be called to arrange interviews.

More information about Project SEARCH and applications can be found at eastbayinnovations.org

Contact: Lori Kotsonas @ East Bay Innovations 510-618-1580 x 15



## CERTIFICATE OF LIABILITY INSURANCE

2/19/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
WestCallawayStotka, Inc.	PHONE (A/C, No, Ext): (925) 686-2860 FAX (A/C, No): (925) 6	686-6118
200 Gregory Lane Bldg. A Pleasant Hill, CA 94523	E-MAIL ADDRESS:	
Pleasant Hill, CA 94523	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Philadelphia Indemnity Insurance Co.,	18058
INSURED	INSURER B: Companion Property & Casualty	
East Bay Innovations	INSURER C:	
2450 Washington Ave., Ste. 240	INSURER D:	
San Leandro, CA 94577	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL S	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	S	
	GENERAL LIABILITY					EACH OCCURRENCE	\$	1,000,000
Α	X COMMERCIAL GENERAL LIABILITY	Х	PHPK1106103	12/19/2013	12/19/2014	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	100,000
	CLAIMS-MADE X OCCUR					MED EXP (Any one person)	\$	5,000
						PERSONAL & ADV INJURY	\$	1,000,000
						GENERAL AGGREGATE	\$	3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMP/OP AGG	\$	3,000,000
	POLICY PRO- JECT LOC					PROFESSIONAL LI	\$	3,000,000
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$	1,000,000
Α	ANY AUTO		PHPK1106103	12/19/2013	12/19/2014	BODILY INJURY (Per person)	\$	
	ALL OWNED SCHEDULED AUTOS					BODILY INJURY (Per accident)	\$	
	X HIRED AUTOS X NON-OWNED AUTOS					PROPERTY DAMAGE (PER ACCIDENT)	\$	-
						,	\$	-
	UMBRELLA LIAB X OCCUR					EACH OCCURRENCE	\$	1,000,000
Α	X EXCESS LIAB CLAIMS-MADE		PHUB442339	12/19/2013	12/19/2014	AGGREGATE	\$	
	DED X RETENTION \$ 10,000					Aggregate	\$	1,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					X WC STATU- TORY LIMITS OTH- ER		
В	ANY PROPRIETOR/PARTNER/EXECUTIVE	N/A	WGCCWC000001602	01/01/2014	01/01/2015	E.L. EACH ACCIDENT	\$	1,000,000
	(Mandatory in NH)	N/A				E.L. DISEASE - EA EMPLOYEE	\$	1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - POLICY LIMIT	\$	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Oakland Unified School District are additional insured with respect to the General Liability as required by signed written contract as per the attached

Oakland Unified School District ATTN: Risk Management Oakland, CA 94601 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

CANCELLATION

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endorsement PL-GLD-HS (04/07).

CERTIFICATE HOLDER

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## GENERAL LIABILITY DELUXE ENDORSEMENT: HUMAN SERVICES

This endorsement modifies insurance provided under the following:

#### **COMMERCIAL GENERAL LIABILITY COVERAGE**

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Extended Property Damage	Included	2
Limited Rental Lease Agreement Contractual Liability	\$50,000 limit	2
Non-Owned Watercraft	Less than 58 feet	2
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	2
Damage to Premises Rented to You	\$1,000,000	3
HIPAA	Clarification	4
Medical Payments	\$20,000	5
Medical Payments – Extended Reporting Period	3 years	5
Athletic Activities	Amended	5
Supplementary Payments – Bail Bonds	\$5,000	5
Supplementary Payment – Loss of Earnings	\$1,000 per day	5
Employee Indemnification Defense Coverage	\$25,000	5
Key and Lock Replacement – Janitorial Services Client Coverage	\$10,000 limit	6
Additional Insured – Newly Acquired Time Period	Amended	6
Additional Insured – Medical Directors and Administrators	Included	7
Additional Insured – Managers and Supervisors (with Fellow Employee Coverage)	Included	7
Additional Insured – Broadened Named Insured	Included	7
Additional Insured – Funding Source	Included	7
Additional Insured – Home Care Providers	Included	7
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	7
Additional Insured – Lessor of Leased Equipment	Included	7
Additional Insured – Grantor of Permits	Included	8
Additional Insured – Vendor	Included	8
Additional Insured – Franchisor	Included	9
Additional Insured – When Required by Contract	Included	9
Additional Insured – Owners, Lessees, or Contractors	Included	9
Additional Insured – State or Political Subdivisions	Included	10

Duties in the Event of Occurrence, Claim or Suit	Included	10
Unintentional Failure to Disclose Hazards	Included	10
Transfer of Rights of Recovery Against Others To Us	Clarification	10
Liberalization	Included	11
Bodily Injury – includes Mental Anguish	Included	11
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	11

#### A. Extended Property Damage

**SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**, Paragraph **a.** is deleted in its entirety and replaced by the following:

#### a. Expected or Intended Injury

"Bodily injury" or property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### B. Limited Rental Lease Agreement Contractual Liability

**SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions, Paragraph b. Contractual Liability** is amended to include the following:

(3) Based on the named insured's request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

#### C. Non-Owned Watercraft

**SECTION I – COVERAGES**, **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection **2. Exclusions**, Paragraph **g. (2)** is deleted in its entirety and replaced by the following:

- (2) A watercraft you do not own that is:
  - (a) Less than 58 feet long; and
  - (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

#### D. Damage to Property You Own, Rent or Occupy

SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE

**LIABILITY**, Subsection **2. Exclusions**, Paragraph **j. Damage to Property**, Item **(1)** is deleted in its entirety and replaced with the following:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a \$30,000 limit. A client is defined as a person under your direct care and supervision.

#### E. Damage to Premises Rented to You

- 1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:
  - a. The last paragraph of SECTION I COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions; is deleted in its entirety and replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

**b. SECTION III – LIMITS OF INSURANCE**, Paragraph 6. is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

c. SECTION V – DEFINITIONS, Paragraph 9.a., is deleted in its entirety and replaced by the following:

A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

 SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Subsection 4. Other Insurance, Paragraph b. Excess Insurance, (1) (a) (ii) is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner:

**3.** The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:

- a. \$1,000,000; or
- b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

#### F. HIPAA

SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, is amended as follows:

1. Paragraph 1. Insuring Agreement is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

2. Paragraph 2. Exclusions is amended to include the following additional exclusions:

This insurance does not apply to:

a. Intentional, Willful, or Deliberate Violations

Any willful, intentional, or deliberate "violation(s)" by any insured.

b. Criminal Acts

Any "violation" which results in any criminal penalties under the HIPAA.

c. Other Remedies

Any remedy other than monetary damages for penalties assessed.

d. Compliance Reviews or Audits

Any compliance reviews by the Department of Health and Human Services.

- 3. SECTION V DEFINITIONS is amended to include the following additional definitions:
  - **a.** "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."
  - **b.** "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.
  - c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

#### G. Medical Payments - Limit Increased to \$20,000, Extended Reporting Period

If COVERAGE C MEDICAL PAYMENTS is not otherwise excluded from this Coverage Part:

- The Medical Expense Limit is changed subject to all of the terms of SECTION III LIMITS OF INSURANCE to the greater of:
  - a. \$20,000; or
  - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.
- 2. SECTION I COVERAGE, COVERAGE C MEDICAL PAYMENTS, Subsection 1. Insuring Agreement, a. (3) (b) is deleted in its entirety and replaced by the following:
  - (b) The expenses are incurred and reported to us within three years of the date of the accident.

#### H. Athletic Activities

**SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS**, Subsection **2. Exclusions**, Paragraph **e. Athletic Activities** is deleted in its entirety and replaced with the following:

e. Athletic Activities

To a person injured while taking part in athletics.

#### I. Supplementary Payments

SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B are amended as follows:

- 1. b. is deleted in its entirety and replaced by the following:
- b. Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.
- **1.d.** is deleted in its entirety and replaced by the following:
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

#### J. Employee Indemnification Defense Coverage

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** the following is added:

We will pay, on your behalf, defense costs incurred by an "employee" in a criminal proceeding occurring in the course of employment.

The most we will pay for any "employee" who is alleged to be directly involved in a criminal proceeding is \$25,000 regardless of the numbers of "employees," claims or "suits" brought or persons or organizations making claims or bringing "suits.

#### K. Key and Lock Replacement - Janitorial Services Client Coverage

# SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

- **a.** "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.
- b. "Employee" means:
  - (1) Any natural person:
    - (a) While in your service or for 30 days after termination of service;
    - (b) Who you compensate directly by salary, wages or commissions; and
    - (c) Who you have the right to direct and control while performing services for you; or
  - (2) Any natural person who is furnished temporarily to you:
    - (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
    - (b) To meet seasonal or short-term workload conditions:

while that person is subject to your direction and control and performing services for you.

- (3) "Employee" does not mean:
  - (a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
  - **(b)** Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."
- c. "Manager" means a person serving in a directorial capacity for a limited liability company.

#### L. Additional Insureds

#### SECTION II - WHO IS AN INSURED is amended as follows:

1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph 3.a. is deleted in its entirely and replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.
- **2.** Each of the following is also an insured:
  - a. Medical Directors and Administrators Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.
  - b. Managers and Supervisors Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your "employees" are also insureds for "bodily injury" to a co-"employee" while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

- c. Broadened Named Insured Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.
- d. Funding Source Any person or organization with respect to their liability arising out of:
  - (1) Their financial control of you; or
  - (2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- e. Home Care Providers At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.
- f. Managers, Landlords, or Lessors of Premises Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.
- g. Lessor of Leased Equipment Automatic Status When Required in Lease Agreement With You – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or

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

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- h. Grantors of Permits Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
  - (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- i. Vendors Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
  - (1) The insurance afforded the vendor does not apply to:
    - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
    - (b) Any express warranty unauthorized by you;
    - (c) Any physical or chemical change in the product made intentionally by the vendor;
    - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
    - **(e)** Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
    - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product:

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
  - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
  - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- Franchisor Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. As Required by Contract Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- I. Owners, Lessees or Contractors Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
  - (1) Your acts or omissions; or
  - (2) The acts or omissions of those acting on your behalf:

in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

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

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

- m. State or Political Subdivisions Any state or political subdivision as required, subject to the following provisions:
  - (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
  - (2) This insurance does not apply to:
    - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
    - **(b)** "Bodily injury" or "property damage" included within the "products-completed operations hazard."
- M. Duties in the Event of Occurrence, Claim or Suit

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **2.** is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.
- b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.
- N. Unintentional Failure To Disclose Hazards

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. Representations** is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

O. Transfer of Rights of Recovery Against Others To Us

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights of

#### Recovery Against Others To Us is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

#### P. Liberalization

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS,** is amended to include the following:

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

#### Q. Bodily Injury - Mental Anguish

**SECTION V – DEFINITIONS**, Paragraph 3. Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

- **a.** Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- **b.** Except for mental anguish, includes death resulting from the foregoing (Item **a.** above) at any time.

#### R. Personal and Advertising Injury – Abuse of Process, Discrimination

If COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

- 1. **SECTION V DEFINITIONS**, Paragraph 14.b. is deleted in its entirety and replaced by the following:
  - b. Malicious prosecution or abuse of process;
- 2. SECTION V DEFINITIONS, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

- a. Done intentionally by or at the direction of, or with the knowledge or consent of:
  - (1) Any insured; or
  - (2) Any executive officer, director, stockholder, partner or member of the insured;
- b. Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured:

- **c.** Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
- **d.** Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.