

## PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”) is dated July 1, 2026 (“Effective Date”) and is between the City of Manhattan Beach, a California municipal corporation (“City”) and AdminSure, Inc., a California corporation (“Consultant”). City and Consultant are sometimes referred to herein as the “Parties”, and individually as a “Party”.

### RECITALS

A. City desires to utilize the services of Consultant as an independent contractor to provide third-party workers’ compensation claims administration and bill review services.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

C. City desires to retain Consultant and Consultant desires to serve City to perform these services in accordance with the terms and conditions of this Agreement.

The Parties therefore agree as follows:

#### 1. **Consultant’s Services.**

A. Scope of Services. Consultant shall perform the services described in the Scope of Services (the “Services”) for third-party workers’ compensation claims administration and bill review services, attached as **Exhibit A**. City may request, in writing, changes in the Scope of Services to be performed. Any changes to the scope or cost of work must be in writing and mutually agreed upon by the Parties.

B. Party Representatives. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the “City Representative”). For the purposes of this Agreement, the Consultant Representative shall be Alithia Vargas-Flores, President (the “Consultant Representative”). The Consultant Representative shall directly manage Consultant’s Services under this Agreement. Consultant shall not change the Consultant Representative without City’s prior written consent.

C. Time for Performance. Consultant shall commence the Services on the Effective Date and shall perform all Services by the deadline established by the City Representative or, if no deadline is established, with reasonable diligence.

D. Standard of Performance. Consultant shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like

professionals under similar circumstances and in a manner reasonably satisfactory to City.

- E. Personnel. Consultant has, or will secure at its own expense, all personnel required to perform the Services required under this Agreement. All of the Services required under this Agreement shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such Services.
- F. Compliance with Laws. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes, regulations and requirements.
- G. Permits and Licenses. Consultant shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of Services under this Agreement, including a business license.

**2. Term of Agreement.** The term of this Agreement shall be from the Effective Date through June 30, 2031, unless sooner terminated as provided in Section 12 of this Agreement or extended.

**3. Compensation.**

- A. Compensation. As full compensation for Services satisfactorily rendered, City shall pay Consultant at the monthly rate set forth in the Approved Fee Schedule attached hereto as **Exhibit B**. In no event shall Consultant be paid more than \$1,412,021.00 (the “Maximum Compensation”) for such Services.
- B. Expenses. The amount set forth in paragraph 3.A. above includes reimbursement for all expenditures incurred in the performance of this Agreement.
- C. Unauthorized Services and Unanticipated Expenses. City will not pay for any services not specified in the Scope of Services, unless the City Council or the City Representative, if applicable, and the Consultant Representative authorize such services in writing prior to Consultant’s performance of those services or incurrence of additional expenses. Any additional services authorized by the City Council, or (where authorized) the City Manager shall be compensated at the rates set forth in **Exhibit B**, or, if not specified, at a rate mutually agreed to by the Parties. At the request of the Consultant, the City Council may, in writing, reimburse Consultant for an unanticipated expense at its actual cost. City shall make payment for additional services and expenses in accordance with Section 4 of this Agreement.

**4. Method of Payment.**

- A. Invoices. Consultant shall submit to City an invoice, on a monthly basis, for the Services performed pursuant to this Agreement. Each invoice shall itemize the

Services rendered during the billing period, hourly rates charged, if applicable, and the amount due. City shall review each invoice and notify Consultant in writing within ten Business days of receipt of any disputed invoice amounts.

- B. **Payment.** City shall pay all undisputed invoice amounts within 30 calendar days after receipt up to the Maximum Compensation set forth in Section 3 of this Agreement. City does not pay interest on past due amounts. City shall not withhold federal payroll, state payroll or other taxes, or other similar deductions, from payments made to Consultant. Notwithstanding the preceding sentence, if Consultant is a nonresident of California, City will withhold the amount required by the Franchise Tax Board pursuant to Revenue and Taxation Code Section 18662 and applicable regulations.
- C. **Audit of Records.** Consultant shall make all records, invoices, time cards, cost control sheets and other records maintained by Consultant in connection with this Agreement available during Consultant's regular working hours to City for review and audit by City.

**5. Independent contractor.** Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City.

**6. Information and Documents.**

- A. Consultant covenants that all data, reports, documents, discussion, or other information (collectively "Data") developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by City. City shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the City Manager or unless requested in writing by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. A response to a subpoena or court order shall not be considered "voluntary," provided Consultant gives City notice of such court order or subpoena.
- B. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City may, but has no

obligation to, represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct or rewrite the response.

- C. All Data required to be furnished to City in connection with this Agreement shall become City's property, and City may use all or any portion of the Data submitted by Consultant as City deems appropriate. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the Services, surveys, notes, and other documents prepared in the course of providing the Services shall become City's sole property and may be used, reused or otherwise disposed of by City without Consultant's permission. Consultant may take and retain copies of the written products as desired, but the written products shall not be the subject of a copyright application by Consultant.
- D. Consultant's covenants under this Section shall survive the expiration or termination of this Agreement.

**7. Conflicts of Interest.** Consultant affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Services contemplated by this Agreement. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's Services under this Agreement, including the Political Reform Act (Gov. Code § 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar Services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the City Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this Section into any subcontract that Consultant executes in connection with the performance of this Agreement.

**8. Indemnification, Hold Harmless, and Duty to Defend.**

A. Indemnities.

1) To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses,

liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Consultant shall pay all required taxes on amounts paid to Consultant under this Agreement, and indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement.

3) Consultant shall fully comply with the workers' compensation law regarding Consultant and Consultant's employees. Consultant shall indemnify and hold City harmless from any failure of Consultant to comply with applicable workers' compensation laws.

4) City may offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this subparagraph A.2).

5) Consultant shall obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. If Consultant fails to obtain such indemnity obligations, Consultant shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from and against any and all Liabilities at law or in equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties.

- B. Workers' Compensation Acts not Limiting. Consultant's indemnifications and obligations under this Section, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The indemnities in this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, tax, assessment, penalty or interest asserted against City.
- D. Survival of Terms. Consultant's indemnifications and obligations under this Section shall survive the expiration or termination of this Agreement.

**9. Insurance.**

- A. Minimum Scope and Limits of Insurance. Consultant shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:
  - 1) Commercial General Liability Insurance with a minimum limit of \$2,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$2,000,000.00 per project or location. If Consultant is a limited liability company, the commercial general liability coverage shall be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.
  - 2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$2,000,000.00 per accident for bodily injury and property damage. If Consultant does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Consultant shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Section.
  - 3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Consultant has no employees while performing Services under this Agreement, workers' compensation policy is not required, but Consultant shall execute a declaration that it has no employees.
  - 4) Professional Liability/Errors and Omissions Insurance with minimum limits of \$2,000,000.00 per claim and in aggregate.
  - 5) Cyber Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the

duties and obligations as is undertaken by Consultant in this Agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

- B. Broader Coverage/Higher Limits. If Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.
- C. Acceptability of Insurers. The insurance policies required under this Section shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self insurance shall not be considered to comply with the insurance requirements under this Section.
- D. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City and its elected and appointed officials, officers, employees, agents and volunteers as additional insureds. This provision shall also apply to any excess/umbrella liability policies.
- E. Primary and Non-Contributing. The insurance policies required under this Section shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its elected and appointed officials, officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- F. Consultant's Waiver of Subrogation. The insurance policies required under this Section shall not prohibit Consultant and Consultant's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against City.
- G. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.
- H. Cancellations or Modifications to Coverage. Consultant shall not cancel, reduce or otherwise modify the insurance policies required by this Section during the term of this Agreement. The commercial general and automobile

liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under this Section is canceled or reduced in coverage or limits, Consultant shall, within two Business Days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

- I. City Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Section in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements under this Section, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Consultant's expense, the premium thereon. Consultant shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Consultant.
- J. Evidence of Insurance. Prior to the performance of Services under this Agreement, Consultant shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Section. The endorsements are subject to City's approval. Consultant may provide complete, certified copies of all required insurance policies to City. Consultant shall maintain current endorsements on file with City's Risk Manager. Consultant shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant shall furnish such proof at least two weeks prior to the expiration of the coverages.
- K. Indemnity Requirements not Limiting. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify City under Section 8 of this Agreement.
- L. Subcontractor Insurance Requirements. Consultant shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section.

**10. Mutual Cooperation.**

- A. City's Cooperation. City shall provide Consultant with all pertinent Data, documents and other requested information as is reasonably available for Consultant's proper performance of the Services required under this Agreement.

- B. Consultant's Cooperation. In the event any claim or action is brought against City relating to Consultant's performance of Services rendered under this Agreement, Consultant shall render any reasonable assistance that City requires.

**11. Records and Inspections.** Consultant shall maintain complete and accurate records with respect to time, costs, expenses, receipts, correspondence, and other such information required by City that relate to the performance of the Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to City, its designees and representatives at reasonable times, and shall allow City to examine and audit the books and records, to make transcripts therefrom as necessary, and to inspect all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three years after receipt of final payment.

**12. Termination of Agreement.**

- A. Right to Terminate. City may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to Consultant at least five calendar days before the termination is to be effective. Consultant may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to City at least 60 calendar days before the termination is to be effective.
- B. Obligations upon Termination. Consultant shall cease all work under this Agreement on or before the effective date of termination specified in the notice of termination. In the event of City's termination of this Agreement due to no fault or failure of performance by Consultant, City shall pay Consultant based on the percentage of work satisfactorily performed up to the effective date of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the Services required by this Agreement. Consultant shall have no other claim against City by reason of such termination, including any claim for compensation.

**13. Force Majeure.** Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, judicial orders, enemy or hostile governmental action, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

**14. Default.**

- A. Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under

the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default.

B. In addition to the right to terminate pursuant to Section 12, if the City Manager determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, City shall serve Consultant with written notice of the default. Consultant shall have ten calendar days after service upon it of the notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City may, notwithstanding any other provision of this Agreement, terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

**15. Notices.** Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant’s and City’s regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

If to City:

Attn: Human Resources  
City of Manhattan Beach  
1400 Highland Avenue  
Manhattan Beach, California 90266  
Telephone: (310) 802-5258  
Email: [bmorales@manhattanbeach.gov](mailto:bmorales@manhattanbeach.gov)

If to Consultant:

Attn: Alithia Vargas-Flores  
AdminSure, Inc.  
3380 Shelby Street  
Ontario, CA 91764  
Telephone: (909) 396-5814  
Email: [avargas-flores@adminsures.com](mailto:avargas-flores@adminsures.com)

With a courtesy copy to:

Quinn M. Barrow, City Attorney  
1400 Highland Avenue  
Manhattan Beach, California 90266  
Telephone: (310) 802-5061  
Email: [qbarrow@rwqlaw.com](mailto:qbarrow@rwqlaw.com)

**16. Non-Discrimination and Equal Employment Opportunity.** In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

**17. Prohibition of Assignment and Delegation.** Consultant shall not assign any of its rights or delegate any of its duties under this Agreement, either in whole or in part, without City's prior written consent. City's consent to an assignment of rights under this Agreement shall not release Consultant from any of its obligations or alter any of its primary obligations to be performed under this Agreement. Any attempted assignment or delegation in violation of this Section shall be void and of no effect and shall entitle City to terminate this Agreement. As used in this Section, "assignment" and "delegation" means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

**18. No Third Party Beneficiaries Intended.** This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

**19. Waiver.** No delay or omission to exercise any right, power or remedy accruing to City under this Agreement shall impair any right, power or remedy of City, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach, any failure of a condition, or any right or remedy under this Agreement shall be (1) effective unless it is in writing and signed by the Party making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

**20. Final Payment Acceptance Constitutes Release.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of City from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.

**21. Corrections.** In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the work which may be disclosed during City's review of Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by City, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, City may deduct the cost of such correction from any retention amount held by City or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

**22. Non-Appropriation of Funds.** Payments to be made to Consultant by City for services performed within the current fiscal year are within the current fiscal budget and

within an available, unexhausted fund. In the event that City does not appropriate sufficient funds for payment of Consultant's services beyond the current fiscal year, this Agreement shall cover payment for Consultant's services only to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

**23. Exhibits.** Exhibits A and B constitute a part of this Agreement and are incorporated into this Agreement by this reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

**24. Entire Agreement and Modification of Agreement.** This Agreement and all exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Agreement and supersede all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by both Parties.

**25. Headings.** The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the Parties to this Agreement.

**26. Word Usage.** Unless the context clearly requires otherwise, (a) the words "shall," "will" and "agrees" are mandatory and "may" is permissive; (b) "or" is not exclusive; and (c) "includes" or "including" are not limiting.

**27. Time of the Essence.** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

**28. Business Days.** "Business days" means days Manhattan Beach City Hall is open for business.

**29. Governing Law and Choice of Forum.** This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of California, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a superior court with geographic jurisdiction over the City of Manhattan Beach.

**30. Attorneys' Fees.** In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall

be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

**31. Severability.** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

**32. Counterparts.** This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument.

**33. Corporate Authority.** Each person executing this Agreement on behalf of his or her Party warrants that he or she is duly authorized to execute this Agreement on behalf of that Party and that by such execution, that Party is formally bound to the provisions of this Agreement.

*[SIGNATURE PAGE FOLLOWS]*

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

Consultant:

City of Manhattan Beach,  
a California municipal corporation

AdminSure, Inc.,  
a California corporation

By: \_\_\_\_\_  
Name: Talyn Mirzakhian  
Title: City Manager  
Date:

Signed by:  
By: Alithia Vargas-Flores 6/9/2026  
Name: Alithia Vargas-Flores  
Title: President

ATTEST:

By: \_\_\_\_\_  
Name: Liza Tamura  
Title: City Clerk  
Date:

APPROVED AS TO FORM:

DocuSigned by:  
By: Quinn M. Barrow, City Attorney  
Name: Quinn M. Barrow  
Title: City Attorney  
Date: 6/9/2026

APPROVED AS TO FISCAL IMPACT:

Signed by:  
By: Libby Bretthauer, Finance Director  
Name: Libby Bretthauer-Long  
Title: Finance Director  
Date: 6/9/2026

APPROVED AS TO CONTENT:

DocuSigned by:  
By: Lisa Jenkins  
Name: Lisa Jenkins  
Title: Human Resources Director  
Date: 6/9/2026

## **EXHIBIT A SCOPE OF SERVICES**

- 1. CLAIMS ADMINISTRATION:** The Consultant shall comply with all performance standards of the City's excess insurer. The Consultant shall also comply with the Consultant's Workers' Compensation Claims Administration Standards, but under no circumstances are they to be construed as having precedence over the performance standards of the City's excess insurer. The Consultant shall also have the authority and responsibility to provide claims administration services, which include:
- A. Establishing an electronic claim file and computer database record upon receipt of an injury report.
  - B. Setting and updating reserves.
  - C. Initiating and maintaining contact with injured workers or their attorneys.
  - D. Arranging for investigation.
  - E. Determining compensability.
  - F. Preparing and issuing benefit notices, if applicable.
  - G. Arranging for medical treatment and medical services from clinics, facilities, pharmacies, hospitals, specialists, and other vendors as necessary.
  - H. Performing all utilization review services through MedReview; communicating decisions to approve, modify, or deny medical treatment in accordance with State law.
  - I. Monitoring disability status by reviewing medical reports and contacting doctors for updates.
  - J. Auditing and reviewing all medical bills through MedReview (OMFS/IHFS/PPO/Negotiated) and paying all properly adjusted medical bills in a timely and accurate manner.
  - K. Paying mileage or medical reimbursements to injured workers.
  - L. Paying temporary disability compensation when appropriate to do so or advising the City of the need to adjust payroll records when salary continuation is applicable.
  - M. Arranging medical exams in conformance with State law to determine whether an injured worker's medical condition is permanent and stationary (reached Maximum Medical Improvement/MMI) and what, if any, permanent disability exists.
  - N. Paying the permanent disability compensation in accordance with the law.
  - O. Arranging for attorney representation of the City whenever the need arises.
  - P. Monitoring attorneys and assisting them in preparing cases.
  - Q. Auditing and paying legal expenses.
  - R. Arranging for vocational rehabilitation services when appropriate, monitoring vocational rehabilitation consultants and assisting them as necessary.
  - S. Auditing and paying vocational rehabilitation expenses.
  - T. Preparing and issuing Supplemental Job Displacement Benefits (SJDB) notices and benefits.
  - U. Preparing and issuing the permanent disability compensation notices.

- V. Pursuing subrogation when there is a viable third party.
- W. Notifying the City and excess insurers of all claims which exceed or may exceed the self-insurance retention; maintaining a liaison between the City and their excess insurers on matters affecting the handling of such claims and arranging for reimbursement to the City of losses in excess of its self-insurance retention.
- X. Obtaining settlement authority and negotiating settlement on appropriate claims.
- Y. Attending all hearings that are required by law.
- Z. Closing claim files when appropriate to do so.

**2. PERIODIC MEETINGS:** The Consultant (AdminSure Inc.) shall meet with the City and staff periodically to:

- A. Assist in developing internal procedures.
- B. Provide orientation and training to personnel involved in the administration of the Program.
- C. Discuss specific claims and general trends in the Program.

**3. ADVISORY SERVICES:** The Consultant shall provide the City information regarding the adoption, amendment or repeal of all Statutes, Rules and Regulations, et cetera, which may directly affect the Program.

**4. REQUIRED FORMS:** The Consultant shall provide the City with all forms required by the State in connection with the Program.

**5. COMPLIANCE WITH LAW:** The Consultant shall administer the Program in full compliance with all laws, rules and regulations governing Workers' Compensation and Self- Insurance.

**6. CHECKING ACCOUNT:** The City and the Consultant agree that:

- A. The City shall establish and maintain a checking account from which all Workers' Compensation benefits and expenses are to be paid.
- B. The Consultant shall prepare checks and issue those checks directly to payees without delay.
- C. The Consultant shall sign checks with a facsimile signature or manually.
- D. The Consultant shall secure checks in a locked area accessible to a limited number of personnel.
- E. The City shall maintain an adequate balance in their checking account to meet all Workers' Compensation obligations without delay.
- F. The checking account may be used to pay penalties in which case the Consultant shall reimburse the City within fifteen (15) working days for any amount of the penalty which the Consultant caused.

7. **ELECTRONIC DATA PROCESSING:** The Consultant shall provide the City with electronic data processing services that will allow for the production of loss experience and transaction reports within ten (10) days following the close of each calendar month. The Consultant will also work with the City to develop ad hoc and other specialized reports as requested.
8. **REGULATORY REPORTING:** The Consultant shall prepare all reports required by State and Federal regulatory agencies (if any) in connection with the Program, including the Self-Insurer's Annual Report required by the Department of Self-Insurance Plan.
9. **ELECTRONIC DATA PROTECTION & CYBERSECURITY:** The Consultant shall develop, implement and maintain processes and procedures relating to the protection of electronic data, including a suitable security and off-site back-up system for all stored data and a written policy with respect to disaster recovery, physical and electronic data security, and electronic data retention that comply with or are substantially similar to the security controls identified in the current version of NIST SP800-53 and NIST SP800-88, and that are designed to: (a) ensure the security and confidentiality of City data; (b) protect against any anticipated threats or hazards to the security or integrity of City Data; (c) protect against unauthorized disclosure, access to, or use of City Data; (d) ensure the proper disposal of City Data; and, (e) ensure that all employees, agents, and subcontractors of Consultant, if any, comply with all of the foregoing. All City Data, whether in motion, in use, or at rest, shall be encrypted from end to end. In no case shall the safeguards of Consultant's data privacy and information security program used to protect City Data be less stringent than the safeguards used by Service Provider for its own data.

In the event of a suspected or confirmed Cybersecurity Incident (any attempted or actual unauthorized act that compromises the confidentiality, integrity, or availability of the City's information) or Data Breach (confirmed security incident where sensitive, protected, or confidential data is intentionally or unintentionally accessed, stolen, or used by unauthorized parties), Consultant shall notify the City's Information Technology Director in writing and via phone call as soon as possible but no later than 24 hours of discovery of Cybersecurity Incident or Data Breach. The notification shall be made to the Information Technology Director, [mguardado@manhattanbeach.gov](mailto:mguardado@manhattanbeach.gov) and (310) 802-5067. Consultant shall not delay reporting the gathering of additional data before initial notification.

- A. Initial notice must include, to the extent known:
  - Type of the data compromised (for example, Personal Identifiable Information (PII); Controlled Unclassified Information (CUI), and/or City data);
  - Estimated number of accounts/individuals affected;
  - A description of the incident; and
  - Immediate containment measures taken;

- B. Consultant shall fully cooperate with the City in the event of a breach, including but not limited to:
- Providing access to relevant records, logs, and files;
  - Allowing the City or its third-party forensic investigators to examine compromised systems;
  - Refraining from releasing any public statement or notifying affected individuals without prior written consent from the City;
- C. If a breach requires notification to individuals under law, Consultant shall:
- Draft the notification in consultation with the City;
  - Consultant shall bear all costs and expenses associated with investigating, reporting, and mitigating a Data Breach caused by Consultant's negligence, acts, or omissions. Consultant shall pay all costs of notification, if any, for a minimum of 12 months.

**EXHIBIT B  
APPROVED FEE SCHEDULE**

| <b>Third Party Workers' Compensation Claims Administration Service Fees</b> |                    |                       |
|---|--------------------|-----------------------|
|   | <b>Monthly Fee</b> | <b>Total Annually</b> |
| Year 1:   | \$20,230           | \$242,760             |
| Year 2:   | \$20,837           | \$250,044             |
| Year 3:   | \$21,462           | \$257,544             |
| Year 4:   | \$22,106           | \$265,272             |
| Year 5:   | \$22,769           | \$273,228             |
| <b>Total Contract Term:</b>   |                    | <b>\$1,288,848</b>    |

| <b>Bill Review Service Fees</b> |                    |                       |
|---------------------------------|--------------------|-----------------------|
|                                 | <b>Monthly Fee</b> | <b>Total Annually</b> |
| Year 1:                         | \$1,933            | \$23,196              |
| Year 2:                         | \$1,991            | \$23,892              |
| Year 3:                         | \$2,051            | \$24,612              |
| Year 4:                         | \$2,113            | \$25,356              |
| Year 5:                         | \$2,176            | \$26,117              |
| <b>Total Contract Term:</b>     |                    | <b>\$123,173</b>      |





**EXTENDED COVERAGE - BA PLUS - FOR HIRED AND NON-OWNED AUTOS**

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement to such provision do not apply.

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**I. AMENDMENTS TO LIABILITY COVERAGE**

**A. Amendments to Who Is An Insured**

Under **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, the paragraph entitled **Who Is An Insured** is amended to add the following:

**1. Majority Owned Corporations**

Any incorporated entity in which you own a majority of the voting stock on the inception date of this Coverage Form is an **insured**, but only if such entity is not an **insured** under any other liability “policy” that provides **auto** coverage.

**2. Newly Acquired Organizations**

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Any organization you newly acquire or form during the policy period, other than a limited liability company, partnership or joint venture, and in which you maintain majority ownership interest is an **insured**, but only if such organization is not an **insured** under any other liability "policy" that provides **auto** coverage. The insurance afforded by this provision:

- a. Is effective on the date of acquisition or formation of the organization, and applies until:
  - (1) The end of the policy period of this Coverage Form; or
  - (2) The next anniversary of this Coverage Form's inception date, whichever is earlier; and
- b. Does not apply to **bodily injury** or **property damage** caused by an **accident** that occurred before you acquired or formed the organization.

### 3. Additional Insureds Required By Written Contract

Any person or organization that you are required by written contract to make an additional insured under this insurance is an **insured**, but only with respect to that person or organization's legal liability for acts or omissions of a person who qualifies as an **insured** for Liability Coverage under **SECTION II - WHO IS AN INSURED** of this Coverage Form.

### 4. Employee-Hired Autos

Any **employee** of yours is an **insured** while operating with your permission an **auto** hired or rented under a contract in that **employee's** name, while performing duties related to the conduct of your business.

With respect to provisions **A.1.** and **A.2.** above, "policy" includes those policies that were in force on the inception date of this Coverage Form, but:

- i. Which are no longer in force; or
- ii. Whose limits have been exhausted.

### B. Increased Loss of Earnings Allowance

Under **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, the paragraph entitled **Coverage Extensions** is amended under **Supplementary Payment** subparagraph (4) to delete the \$250. a day limit for loss of earnings and replace it with a \$500. a day limit.

### C. Fellow Employee Coverage

Under **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Fellow Employee**.

## II. AMENDMENTS TO PHYSICAL DAMAGE COVERAGE

### A. Increased Loss of Use Expense

Under **SECTION III – PHYSICAL DAMAGE COVERAGE**, the paragraph entitled **Coverage Extensions** is amended under **Loss of Use Expenses** to delete the maximum of \$600., and replace it with a maximum of \$800.

### B. Broadened Electronic Equipment Coverage

Under **SECTION III – PHYSICAL DAMAGE COVERAGE**, the paragraph entitled **Exclusions** is amended to delete paragraphs **5.a** through **5.d.** in their entirety, and replace them with the following:

- 5. Exclusions **4.c.** and **4.d.** above do not apply to **loss** to any electronic equipment that at the time of **loss** is:

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- a. Permanently installed in or upon a covered **auto**, nor to such equipment's antennas or other accessories used with such equipment. A \$100 deductible applies to this provision, and supersedes any otherwise applicable deductible; or
- b. Designed to be operated solely by use of the power from the **auto's** electrical system and is:
  - (1) Removable from a housing unit which is permanently installed in or upon the covered **auto**;
  - (2) An integral part of the same unit housing any electronic equipment described in paragraphs a. or b.(1) above; or
  - (3) Necessary for the normal operation of the covered **auto** or the monitoring of the covered **auto's** operating system.

### III. AMENDMENTS TO BUSINESS AUTO CONDITIONS

#### A. Knowledge of Accident or Loss

Under **BUSINESS AUTO CONDITIONS**, the **Loss Condition** entitled **Duties In the Event of Accident, Claims, Suit, or Loss** is amended to add the following subparagraph a.(4):

- (4) If your **employees** know of an **accident** or **loss**, this will not mean that you have such knowledge until such **accident** or **loss** is known to a natural person Named Insured, to a partner, executive officer, manager or member of a Named Insured, or to an **employee** designated by any of the above to be your insurance manager.

#### B. Knowledge of Documents

Under **BUSINESS AUTO CONDITIONS**, the **Loss Condition** entitled **Duties In the Event of Accident, Claims, Suit, or Loss** is amended to add the following subparagraph b.(6):

- (6) If your **employees** know of documents concerning a claim or **suit**, this will not mean that you have such knowledge until such documents are known to a natural person Named Insured, to a partner, executive officer, manager or member of a Named Insured, or to an **employee** designated by any of the above to be your insurance manager.

#### C. Waiver of Subrogation

Under **BUSINESS AUTO CONDITIONS**, the **Loss Condition** entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

We waive any right of recovery we may have, because of payments we make for injury or damage, against any person or organization for whom or which you are required by written contract or agreement to obtain this waiver from us.

This injury or damage must arise out of your activities under a contract with that person or organization.

You must agree to that requirement prior to an **accident** or **loss**.

#### D. Unintentional Failure To Disclose Hazards

Under **BUSINESS AUTO CONDITIONS**, the **General Condition** entitled **Concealment, Misrepresentation or Fraud** is amended to add the following:

Your failure to disclose all hazards existing on the inception date of this Coverage Form shall not prejudice you with respect to the coverage provided by this insurance, provided such failure or omission is not intentional.

#### E. Primary and Non-Contributory When Required By Contract

Under **BUSINESS AUTO CONDITIONS**, the **General Condition** entitled **Other Insurance** is amended to add the following:

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Notwithstanding provisions **5.a.** through **5.d.** above, the coverage provided by this Coverage Form shall be on a primary and non-contributory basis when required to be so by a written contract entered into prior to **accident** or **loss**.

**IV. AMENDMENTS TO DEFINITIONS**

**A. Broadened Bodily Injury**

Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:

**Bodily injury** means physical injury, sickness or disease sustained by a person, including death, mental anguish or mental injury sustained by that person which results as a consequence of the physical injury, sickness or disease.

All other terms and conditions of the policy remain unchanged

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy.

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**LESSOR - ADDITIONAL INSURED AND LOSS PAYEE**

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

This endorsement modifies insurance provided under the following:

- AUTO DEALERS COVERAGE FORM
- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

**Named Insured:** ADMINSURE, INC.  
**Endorsement Effective Date:** 01/01/2026

**SCHEDULE**

|   |                                   |
|---|-----------------------------------|
| <b>Insurance Company:</b> National Fire Insurance Company of Hartford |                                   |
| <b>Policy Number:</b> 7036373744                                      | <b>Effective Date:</b> 01/01/2026 |
| <b>Expiration Date:</b> 01/01/2027                                    |                                   |
| <b>Named Insured:</b> ADMINSURE, INC.                                 |                                   |
| <b>Address:</b> 3380 SHELBY ST<br>ONTARIO, CA 91764-5566              |                                   |
| <b>Additional Insured (Lessor):</b>                                   |                                   |
| <b>Address:</b>   |                                   |
| <b>Designation Or Description Of "Leased Autos":</b>                  |                                   |

| Coverages                | Limit Of Insurance Or Deductible          |
|--------------------------|---|
| Liability                | \$1,000,000 Each "Accident"               |
| Comprehensive            | Deductible For Each Covered "Leased Auto" |
| Collision                | Deductible For Each Covered "Leased Auto" |
| Specified Causes Of Loss | Deductible For Each Covered "Leased Auto" |

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

|                                 |   |                              |                                   |
|---------------------------------|---|------------------------------|-----------------------------------|
| Form No: CA 20 01 11 20         | Endorsement Effective Date:   | Endorsement Expiration Date: | Policy No: BUA 7036373744         |
| Endorsement No: 3; Page: 1 of 2 | Underwriting Company: National Fire Insurance Company of Hartford, 151 N Franklin St, Chicago, IL 60606 |                              | Policy Effective Date: 01/01/2026 |
|                                 |   |                              | Policy Page: 40 of 62             |



**A. Coverage**

1. Any "**leased auto**" designated or described in the Schedule will be considered a covered "**auto**" you own and not a covered "**auto**" you hire or borrow.
2. For a "**leased auto**" designated or described in the Schedule, the **Who Is An Insured** provision under **Covered Autos Liability Coverage** is changed to include as an "**insured**" the lessor named in the Schedule. However, the lessor is an "**insured**" only for "**bodily injury**" or "**property damage**" resulting from the acts or omissions by:
  - a. You;
  - b. Any of your "**employees**" or agents; or
  - c. Any person, except the lessor or any "**employee**" or agent of the lessor, operating a "**leased auto**" with the permission of any of the above.
3. The coverages provided under this endorsement apply to any "**leased auto**" described in the Schedule until the expiration date shown in the Schedule, or when the lessor or his or her agent takes possession of the "**leased auto**", whichever occurs first.

**B. Loss Payable Clause**

1. We will pay, as interest may appear, you and the lessor named in this endorsement for "**loss**" to a "**leased auto**".
2. The insurance covers the interest of the lessor unless the "**loss**" results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor, we will obtain his or her rights against any other party.

**C. Cancellation**

1. If we cancel the Policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.
2. If you cancel the Policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

**D.** The lessor is not liable for payment of your premiums.

**E. Additional Definition**

As used in this endorsement:

"**Leased auto**" means an "**auto**" leased or rented to you, including any substitute, replacement or extra "**auto**" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

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Endorsement Effective Date:

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 60606

Endorsement Expiration Date:

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**CNA PARAMOUNT**
**Financial Services - General Liability  
Extension Endorsement**
**1. ADDITIONAL INSUREDS**

**a. WHO IS AN INSURED** is amended to include as an **Insured** any person or organization described in paragraphs **A.** through **K.** below whom a **Named Insured** is required to add as an additional insured on this **Coverage Part** under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this **Coverage Part**; and

(2) was executed prior to:

(a) the **bodily injury** or **property damage**; or

(b) the offense that caused the **personal and advertising injury**,

for which such additional insured seeks coverage.

**b.** However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

(1) a higher limit of insurance than required by such contract or agreement; or

(2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph **A.** through **K.** below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law.

**A. Controlling Interest**

Any person or organization with a controlling interest in a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of:

1. such person or organization's financial control of a **Named Insured**; or

2. premises such person or organization owns, maintains or controls while a **Named Insured** leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

**B. Co-owner of Insured Premises**

A co-owner of a premises co-owned by a **Named Insured** and covered under this insurance but only with respect to such co-owner's liability for **bodily injury**, **property damage** or **personal and advertising injury** as co-owner of such premises.

**C. Grantor of Franchise**

Any person or organization that has granted a franchise to a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** as grantor of a franchise to the **Named Insured**.

**D. Lessor of Equipment**

Any person or organization from whom a **Named Insured** leases equipment, but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** caused, in whole or in part, by the **Named Insured's** maintenance, operation or use of such equipment, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease.



**CNA PARAMOUNT**

**Financial Services - General Liability  
Extension Endorsement**

**E. Lessor of Land**

Any person or organization from whom a **Named Insured** leases land but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such land, provided that the **occurrence** giving rise to such **bodily injury, property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

**F. Lessor of Premises**

An owner or lessor of premises leased to the **Named Insured**, or such owner or lessor's real estate manager, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such part of the premises leased to the **Named Insured**, and provided that the **occurrence** giving rise to such **bodily injury or property damage**, or the offense giving rise to such **personal and advertising injury**, takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

**G. Mortgagee, Assignee or Receiver**

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for **bodily injury, property damage or personal and advertising injury** arising out of the **Named Insured's** ownership, maintenance, or use of a premises by a **Named Insured**.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

**H. State or Governmental Agency or Subdivision or Political Subdivisions – Permits**

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for **bodily injury, property damage or personal and advertising injury** arising out of:

1. the following hazards in connection with premises a **Named Insured** owns, rents, or controls 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, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
  - b. the construction, erection, or removal of elevators; or
  - c. the ownership, maintenance or use of any elevators covered by this insurance; or
2. the permitted or authorized operations performed by a **Named Insured** or on a **Named Insured's** behalf.

The coverage granted by this paragraph does not apply to:

- a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the Insurer will treat as a written contract any governmental permit that requires the **Named Insured** to add the governmental entity as an additional insured.

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**CNA PARAMOUNT**
**Financial Services - General Liability  
Extension Endorsement**
**I. Trade Show Event Lessor**

1. With respect to a **Named Insured's** participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the **Named Insured** is required to include as an additional insured, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused by:
  - a. the **Named Insured's** acts or omissions; or
  - b. the acts or omissions of those acting on the **Named Insured's** behalf,
 in the performance of the **Named Insured's** ongoing operations at the trade show event premises during the trade show event.
2. The coverage granted by this paragraph does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

**J. Vendor**

Any person or organization but only with respect to such person or organization's liability for **bodily injury** or **property damage** arising out of **your products** which are distributed or sold in the regular course of such person or organization's business, provided that:

1. The coverage granted by this paragraph does not apply to:
  - a. **bodily injury** or **property damage** for which such person or organization is obligated to pay **damages** by reason of the assumption of liability in a contract or agreement unless such liability exists in the absence of the contract or agreement;
  - b. any express warranty unauthorized by the **Named Insured**;
  - c. any physical or chemical change in any product made intentionally by such person or organization;
  - 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 any inspections, adjustments, tests or servicing that such person or organization 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 such person or organization's premises in connection with the sale of a product;
  - g. products which, after distribution or sale by the **Named Insured**, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for such person or organization; or
  - h. **bodily injury** or **property damage** arising out of the sole negligence of such person or organization 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:
    - (1) the exceptions contained in Subparagraphs **d.** or **f.** above; or
    - (2) such inspections, adjustments, tests or servicing as such person or organization has agreed with the **Named Insured** to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.



CNA PARAMOUNT

Financial Services - General Liability Extension Endorsement

- 2. This Paragraph **J.** does not apply to any insured person or organization, from whom the **Named Insured** has acquired such products, nor to any ingredient, part or container, entering into, accompanying or containing such products.
- 3. This Paragraph **J.** also does not apply:
  - a. to any vendor specifically scheduled as an additional insured by endorsement to this **Coverage Part**;
  - b. to any of **your products** for which coverage is excluded by endorsement to this **Coverage Part**; nor
  - c. if **bodily injury** or **property damage** included within the **products-completed operations hazard** is excluded by endorsement to this **Coverage Part**.

**K. Other Person Or Organization**

Any person or organization who is not an additional insured under Paragraphs **A.** through **J.** above. Such additional insured is an **Insured** solely for **bodily injury, property damage** or **personal and advertising injury** for which such additional insured is liable because of the **Named Insured's** acts or omissions.

The coverage granted by this paragraph does not apply to any person or organization:

- 1. for **bodily injury, property damage, or personal and advertising injury** arising out of the rendering or failure to render any professional service;
- 2. for **bodily injury or property damage** included within the **products-completed operations hazard**; nor
- 3. who is specifically scheduled as an additional insured on another endorsement to this **Coverage Part**.

**2. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE**

**A.** The **Other Insurance** Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:

If the **Named Insured** has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this Provision **2.**, the additional insured's own insurance means insurance on which the additional insured is a named insured.

**B.** With respect to persons or organizations that qualify as additional insureds pursuant to paragraph **1.K.** of this endorsement, the following sentence is added to the paragraph above:

Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.

**3. BODILY INJURY – EXPANDED DEFINITION**

Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:

**Bodily injury** means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury sustained by that person at any time which results as a consequence of the physical injury, sickness or disease.

**4. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE**

Under **CONDITIONS**, the condition entitled **Duties in The Event of Occurrence, Offense, Claim or Suit** is amended to add the following provisions:

**A. BROAD KNOWLEDGE OF OCCURRENCE**

The **Named Insured** must give the Insurer or the Insurer's authorized representative notice of an **occurrence, offense or claim** only when the **occurrence, offense or claim** is known to a natural person **Named Insured**, to a

10020003070363737302923





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

**WAIVER OF OUR RIGHT TO RECOVER  
FROM OTHERS ENDORSEMENT**

**Policy Number:** 84 WE BC3WUM

**Endorsement Number:**

**Effective Date:** 01/01/26

Effective hour is the same as stated on the Information Page of the policy.

**Named Insured and Address:** ADMINSURE, INC.

3380 SHELBY ST  
ONTARIO CA 91764

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**SCHEDULE**

Any person or organization for whom you are required by contract or agreement to obtain this waiver from us. Endorsement is not applicable in KY, NH, NJ or for any MO construction risk

Countersigned by \_\_\_\_\_  
Authorized Representative



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

**WAIVER OF OUR RIGHT TO RECOVER FROM  
OTHERS ENDORSEMENT - CALIFORNIA**

**Policy Number:** 84 WE BC3WUM

**Endorsement Number:**

**Effective Date:** 01/01/26

Effective hour is the same as stated on the Information Page of the policy.

**Named Insured and Address:** ADMINSURE, INC.

3380 SHELBY ST  
ONTARIO CA 91764

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

**SCHEDULE**

**Person or Organization**

**Job Description**

Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us

Countersigned by Michael Shenahan Jr  
Authorized Representative



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

**TEXAS WAIVER OF OUR RIGHT TO  
RECOVER FROM OTHERS ENDORSEMENT**

**Policy Number:** 84 WE BC3WUM

**Endorsement Number:**

**Effective Date:** 01/01/26

Effective hour is the same as stated on the Information Page of the policy.

**Named Insured and Address:** ADMINISURE, INC.  
3380 SHELBY ST  
ONTARIO CA 91764

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

**Schedule**

- 1.  Special Waiver  
Name of person or organization
- Blanket Waiver  
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.
- 2. Operations:  
All Texas Operations
- 3. Premium:  
The premium charge for this endorsement shall be 2 percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.
- 4. Advance Premium:



**CNA Paramount Excess and Umbrella Liability  
Policy Declarations**

**POLICY DECLARATIONS**

**Named Insured and Mailing Address**

**Named Insured:**  
ADMINSURE, INC.

**Mailing Address:**  
3380 SHELBY ST  
ONTARIO, CA 91764-5566

**Policy Information**

**Policy Number:** 7036373761  
**Renewal of:** 7036373761  
**Insurer's Name and Address:**  
The Continental Insurance Company  
151 N Franklin St  
Chicago, IL 60606

**Producer Information**

**Producer:**  
DIGITAL INSURANCE LLC  
8235 FORSYTH BLVD  
STE 1200  
SAINT LOUIS, MO 63105  
**Producer Code:** 150-041404

**Policy Period**

**01/01/2026 to 01/01/2027** at 12:01 a.m. Standard Time at your mailing address.

**Limits of Insurance**

|   |             |
|---|-------------|
| Each <b>Incident Limit</b>                                  | \$6,000,000 |
| Aggregate Limit   | \$6,000,000 |
| Aggregate <b>Products-Completed Operations Hazard</b> Limit | \$6,000,000 |
| Policy Aggregate Limit                                      | N/A         |
| <b>Crisis Management Expenses</b> Aggregate Limit           | \$300,000   |
| <b>Key Employee Replacement Expenses</b> Aggregate Limit    | \$100,000   |

**Self-Insured Retention**

|                        |          |
|------------------------|----------|
| Self-Insured Retention | \$10,000 |
|------------------------|----------|



**CNA Paramount Excess and Umbrella Liability  
Policy Declarations**

| Schedule of Underlying Insurance  |                                |  |  |
|---|--------------------------------|--|--|
| Underlying Insurer<br>Policy Number<br>Policy Period<br>Note:                                       | Underlying Insurance           | Coverages  | Limits of Insurance  |
| National Fire Insurance<br>Company of Hartford<br><br>7036373730<br><br>01/01/2026 to<br>01/01/2027 | General Liability              | Each Occurrence Limit<br><br>General Aggregate Limit<br>Per Location : no<br>Per Project : no<br>Products/ Completed Operations<br>Aggregate Limit<br>Personal and Advertising Injury<br>Liability Limit | \$1,000,000<br><br>\$2,000,000<br><br>\$2,000,000<br><br>\$1,000,000 |
| National Fire Insurance<br>Company of Hartford<br><br>7036373730<br><br>01/01/2026 to<br>01/01/2027 | Employee Benefits<br>Liability | Each Employee Limit<br>Aggregate Limit   | \$1,000,000<br>\$1,000,000   |
| National Fire Insurance<br>Company of Hartford<br><br>7036373744<br><br>01/01/2026 to<br>01/01/2027 | Auto Liability                 | Combined Single Limit  | \$1,000,000  |

Form No: CNA75501XX (03-2015)

Policy Declarations Page: 2 of 3

Underwriting Company: The Continental Insurance Company, 151 N Franklin St, Chicago, IL 60606

Policy No: CUE 7036373761

Policy Effective Date: 01/01/2026

Policy Page: 21 of 64



**CNA Paramount Excess and Umbrella Liability  
Policy Declarations**

**Schedule of Underlying Insurance**

| <b>Underlying Insurer<br/>Policy Number<br/>Policy Period<br/>Note:</b>                             | <b>Underlying Insurance</b> | <b>Coverages</b>   | <b>Limits of Insurance</b>                        |
|---|-----------------------------|--|---|
| National Fire Insurance<br>Company of Hartford<br><br>7036373730<br><br>01/01/2026 to<br>01/01/2027 | Stop Gap Liability          | Bodily Injury by Accident- Each<br>Accident Limit<br><br>Bodily Injury by Disease - Policy<br>Limit<br><br>Bodily Injury by Disease - Each<br>Employee Limit | \$1,000,000<br><br>\$1,000,000<br><br>\$1,000,000 |

**Forms and Endorsements Attached to this Policy**

See **SCHEDULE OF FORMS AND ENDORSEMENTS**

**Premium**

|   |                         |
|---|-------------------------|
| Minimum Earned Premium  | 0% of the Total Premium |
| Total Premium   | \$6,000.00              |
| Premium includes the following amount for Certified Acts of<br>Terrorism Coverage | \$0                     |

**Notices**

Notice to insurer

Address: CNA Claims Reporting  
P.O. Box 8317  
Chicago, IL 60680-8317  
  
Fax #: 800-446-8632  
  
Email Address: HPReports@CNA.com