

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
MONARCH LEASING INC.**

THIS AGREEMENT, entered into this ____ day of _____, 20____,
by and between the COUNTY OF SAN MATEO, hereinafter called "County," and
MONARCH LEASING INC., hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, it is necessary and desirable that Contractor be retained by the County of San Mateo, Human Services Agency, so that Contractor's vehicle may be leased be for Work Center operational purposes. The Work Center is a division of the Vocational Rehabilitation Services of the Human Services Agency.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO
AS FOLLOWS:**

1. Exhibits and Attachments

The following exhibits and attachments are included hereto and incorporated by reference herein:

Exhibit A—Services

Exhibit B—Payments and rates

Attachment G – Lessee's Agreement

Attachment H- Monarch Vehicle Lease Service Agreement

Attachment I – Sixty (60) Month Full Service Lease Quote

Attachment J—Equal Benefits Ordinance Compliance Declaration

2. Services to be performed by Contractor

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A."

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation

under this Agreement exceed **eighty-eight thousand eight hundred twenty six dollars (\$88,826).**

4. Term and Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall be from **March 15, 2005 through March 14, 2010.**

This Agreement may be terminated by Contractor, the Human Services Agency Director or his/her designee **as specified in Attachment H, Section 9.**

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

5. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

6. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct, and further provided that this Section 6 shall not be construed to invalidate the indemnification provisions of Section 13 of Attachment H.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7. Compliance with laws; payment of Permits/Licenses

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, including, but not

limited to, Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment "I," which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

In the event of a conflict between the terms of this agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

8. Non-Discrimination

- A. *Section 504 applies only to Contractor who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.
- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
 - i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) liquidated damages of \$2,500 per violation;
 - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. Where applicable, the Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

9. Retention of Records, Right to Monitor and Audit

(a) CONTRACTOR shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

(b) Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.

(c) CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

10. Merger Clause

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any provisions of this Agreement contradict or conflict with any provisions of any of the attached Exhibits, then the provisions of this Agreement shall control and shall supersede any conflicting provisions in the Exhibits. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications

shall be in writing and signed by the parties.

11. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California.

12. Notices

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United State mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to:

In the case of County, to:

Robert Manchia, VRS Manager

County of San Mateo
550 Quarry Road
Belmont, CA 94002

In the case of Contractor, to:

Jim Hogan, Vice President

Monarch Leasing Inc.
29899 Union City Blvd
Union City, CA 94587

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
Richard Gordon, President
Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

MONARCH LEASING INC.

Contractor's Signature

Date: _____

Long Form Agreement/Non Business Associate v 6/24/04

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Description of Services
Monarch Leasing Inc.
March 15, 2005 through March 14, 2010

Contractor shall provide a 2005 GMC T6500 or an equivalent vehicle as agreed upon between the County and Contractor for lease to be used for Work Center operations. Vehicle shall have the specifications set forth in the Full Service Lease Quote attached as Attachment I and the Contractor shall provide the services described under the heading "Full Service Lease Options" in Attachment I – Full Service Lease Quote.

**Payments and Rates
Agreement with Monarch Leasing Inc.
March 15, 2005 through March 14, 2010**

County shall pay the Contractor a start fee of \$4,416.28, upon receipt of invoice, which includes first and last month rental fees, one time document fees of \$433 total, a one time California tire tax fee of \$6.00 and the first years license fee as outlined in Attachment H, Schedule A pursuant to the schedule set forth in Attachment H, Section 6. It is understood that the license fees are an estimate and that the Contractor shall provide proof of actual license fees incurred. The estimated yearly license fee is \$1,000 to \$1,300. Any license fee amount over the estimate will be the County's responsibility; provided, however, that any amount paid by the County in excess of the actual fee will be returned to the County by Contractor.

For any month thereafter upon receipt of invoice, the County shall pay the Contractor a fixed monthly fee of \$1087.56, monthly taxes in the amount of \$89.72 and a mileage rate of 0.075 at an estimated average of 2,500 miles monthly or not to exceed \$187.50 monthly unless agreed upon by both parties for a total monthly payment not to exceed \$1,364.78 monthly with the exception of the month when the annual license fees are due. In no event shall the payment for services under this Agreement exceed the aggregate of eighty-eight thousand eight hundred twenty six dollars (\$88,826).



LESSEE'S AGREEMENT

Regarding a lease, rental agreement or similar agreement dated _____ between the
undersigned Lessee and _____, Lessor,
for the following property: (Describe property fully, including year if appropriate, make, model, serial number and any other pertinent information.)

The undersigned ("Lessee") acknowledges and agrees that all of its rights under the above referenced agreement (the "Lease") with the above referenced lessor ("Lessor") in and to the property described above (the "Property"), including Lessee's right to possession of the Property, are subordinate, junior, and subject to the rights and claims of CitiCapital Commercial Corporation, its successors and assigns ("CitiCapital"), against the Property under any instrument, lease, mortgage or title retention or other security agreement, whether now existing or hereafter created, including but not limited to the right of CitiCapital to take possession of the Property. Lessee consents and agrees to the assignment to CitiCapital of (i) all monies due or to become due to Lessor under the Lease and (ii) all rights and privileges of Lessor under the Lease. Lessee promises and agrees to settle all claims against Lessor directly with Lessor and hereby waives, relinquishes and disclaims as to CitiCapital all counterclaims, rights of set-off, and defenses Lessee may have against Lessor, including any right to withhold payment of or to refrain from paying, any monies that are due or to become due under the terms of the Lease, except that Lessee shall not be liable to CitiCapital for monies paid to Lessor in accordance with the terms of the Lease prior to the time CitiCapital notifies Lessee to pay CitiCapital directly. Thereafter, Lessee agrees to pay directly to CitiCapital all monies owing under the Lease. Lessee represents that, except as stated in the Lease, it has not prepaid any rentals or other monies owing under the Lease, and no deposits have been made. Lessee agrees and acknowledges that CitiCapital has not assumed and will not have any obligations or liabilities under the Lease to Lessee or to any other person by reason of the aforementioned assignment or otherwise. Lessee agrees that it will not, without CitiCapital's prior written consent: (i) prepay rentals or other monies owing under the Lease, (ii) modify or amend the Lease, (iii) assign or sublet its rights under the Lease or in the Property, (iv) exercise any of its rights under the Lease which are exercisable only with the consent of Lessor, or (v) return the Property to Lessor, Lessee hereby acknowledging and agreeing to hold the Property as bailee for CitiCapital for the purposes of perfecting CitiCapital's lien, title retention or security interest in the Property as against Lessor and its creditors. Lessee represents that it has no purchase or renewal option concerning the Property other than as stated in the Lease. Lessee agrees that, at the same time it sends to Lessor any notice under the Lease, it will send a copy thereof to CitiCapital at the following address or at such other address as CitiCapital may specify from time to time in writing:

THE UNDERSIGNED INTENDS TO BE LEGALLY BOUND.

Dated _____

Lessee: _____

(Name of individual(s), corporation or partnership.
Give trade style, if any, after name.)

By _____ Title _____

(If corporation, authorized officer must sign and show corporate title.
If partnership, a general partner must sign. If owner(s) or partner, show which.)



ATTACHMENT H

VEHICLE LEASE AND SERVICE AGREEMENT

This agreement is made this 15 day of August, 2008 between Monarch Leasing, Inc. with offices at 195 N. 30th Street, San Jose, CA 95116. (Hereafter Lessor) and County of San Mateo with offices at 455 County Center, Redwood City, CA 94063-1663 (hereafter Lessee).

1. LEASE.

A. Lessor leases to the Lessee each vehicle described in Schedule A, attached to and incorporated herein by reference. This lease shall commence upon execution and shall continue until terminated as provided in Section 9. The lease term for each vehicle, as provided in Schedule A, shall commence upon delivery to Lessee, as evidenced by an executed delivery receipt.

B. The parties acknowledge that Lessee's execution of a delivery receipt shall constitute Lessee's certification that the vehicle described has been inspected by Lessee and found to be in good condition, in compliance with Lessee's specifications, and has been accepted by Lessee.

2. REPAIRS AND MAINTENANCE.

A. Lessor agrees to provide the necessary parts, labor, fluids (other than fuel) and tires to maintain each leased vehicle in good mechanical condition. Whenever repairs are necessary to any leased vehicle, Lessee shall deliver the vehicle to Lessor's service location. Lessee agrees not to cause or permit any person other than Lessor employees or persons expressly authorized by Lessor to make repairs or adjustments to a vehicle, and or accessories. When repairs cannot be performed at Lessor's designated facility, Lessee shall notify Lessor and shall secure approval prior to commencing repairs. Lessor will reimburse Lessee only for previously approved charges, after receipt of properly itemized invoices showing the vehicle description of the repaired vehicle.

B. Lessor shall provide emergency road service, including wrecker service. Lessee will reimburse Lessor for all expenses incurred in removing, extracting or towing vehicles which become disabled or inoperable as a result of collision, casualty, theft, abuse, operation off paved roadway or other negligence of Lessee or its drivers.

C. Lessor agrees to provide road and emergency service for mechanical breakdown within 150 miles of Monarch's place of business listed on schedule A. Lessee will be responsible for additional towing costs where towing exceeds 150 miles.

D. Lessee shall cause its drivers to check tire inflation, oil, coolant and other fluid levels each day. Lessee shall be responsible for damage or additional maintenance to any vehicle, which results from Lessee's failure to perform such daily checks. If a spare tire is furnished, Lessee will at its expense substitute the spare tire for the one affected.

E. Lessee will notify Lessor immediately by telephone and or in writing of any and all faulty operating equipment.

F. Lessee shall return each vehicle to Lessor once each month for maintenance and inspections at the facility stated on schedule A. Lessor shall cooperate, to facilitate scheduling of service and maintenance to maximize Lessee's utilization of vehicle.

3. LICENSE AND TAXES.

- A. The vehicle will be titled and registered in the name of the Lessor. Lessor shall accomplish and Lessee shall reimburse Lessor for the titling and licensing of the vehicle and for all inspections thereto required by any government authority during the term of this lease.
- B. Lessee shall pay and bear all sales, use, excise, personal property, ad valorem or other taxes and all governmental assessments, fees and charges payable during the term hereof with respect to the Vehicle or the ownership, possession, rental, transportation or delivery thereof except that Lessor shall pay and bear all net income taxes on or measured by rentals payable hereunder. Lessee specifically agrees to pay any increases in monthly use or rental tax during the term of this lease.

4. SUBSTITUTE AND ADDITIONAL VEHICLES.

- A. Lessor will provide a substitute vehicle of similar type when mechanical maintenance to the vehicle is expected to exceed (3) three labor hours. Lessor shall not be obligated to furnish substitutes for inoperable vehicles for any other reason, including but not limited to collision, theft, casualty, or other disability attributable to the negligence or abuse of Lessee or its drivers, for the repair or maintenance of special equipment for which Lessor is not responsible, for tires or tire related problems other than normal wear and tear. Lessor to provide replacement tires as needed under normal wear and tear. Tires alignment will be the responsibility of the lessee.
- B. Subject to availability, the substitute vehicle shall be of like make and body as the original vehicle, provided however that no special painting, lettering or other alterations will be made to substitute vehicle.
- C. Lessee shall be required to execute a vehicle rental agreement for each substitute vehicle. In the event of conflict between the terms of such rental agreement and this agreement, the terms of this agreement shall be controlling. In any event, Lessee shall be responsible for primary insurance coverage, fuel, mileage and taxes for the replacement or substitute vehicle. Substitute vehicles shall be in good operation condition and shall be returned to Lessor in the same condition.
- D. Lessor may, at any time, substitute a similar vehicle for the vehicle. Any such substitute vehicle shall be subject to all of the provisions hereof as if it were the vehicle for which it was substituted.
- E. Additional vehicles. Lessor shall furnish additional vehicles for Lessee's temporary use, if available, at Lessor's prevailing rental rates, less ten percent (10%). Such additional vehicles shall be subject to all of the terms and conditions of this agreement.

5. VEHICLE USE.

- A. Lessee shall keep each vehicle in good physical condition, normal wear excepted, and shall be responsible for all damages to the vehicle, regardless of cause, excepting only mechanical failures which are not the fault of Lessee, its agents and employees. Lessee agrees to operate each vehicle only in the normal and ordinary course of its business, in a safe and careful manner. The vehicle shall not be removed from, domiciled, or operated for more than 30 days outside the state in which it was originally titled and or registered without prior consent of Lessor and then only to the extent permitted by Lessor. Lessee shall not use or allow leased vehicle to be used for any illegal or immoral purpose; for the transportation of hazardous wastes, radioactive material, poisonous gases, or in violation of any federal, state or municipal statute, law, ordinance, regulation or rule. No leased vehicle shall be used contrary to any applicable insurance coverage, for transporting passengers for hire, for towing, pushing or any other purpose than that for which it was designed. Lessee shall not overload any vehicle beyond its specified maximum gross weight, shown in Schedule A nor operate a vehicle on flat or insufficiently inflated tires.

B. All drivers shall be employees or agents of Lessee subject to Lessee's exclusive direction and control. Lessee shall permit only agents and employees to ride within a vehicle and shall require use of seat belts at all times. Lessee shall limit the number of riders to the number of belted seats.

C. Lessee shall be responsible to reimburse Lessor for repair or replacement of Vehicle or its equipment, which result from accident, abuse, theft, or negligence. Repairs shall be performed at the time of their occurrence or as soon as possible thereafter as specified in paragraph 2 A of this agreement.

D. Lessee and its drivers shall be solely responsible for individual fines and penalties for parking, overloading, traffic and speeding violations.

E. Lessor shall not be responsible for loss or damage to any cargo or other property placed in or carried by any leased vehicle arising from any cause whatever.

F. Lessee shall report any accident, loss or damage incurred by a leased vehicle to Lessor immediately by telephone and or in writing within twenty-four (24) hours of occurrence. Lessee will immediately deliver to Lessor any governmental mechanical inspection citations issued to the vehicle. Lessee will reimburse Lessor for any financial penalties incurred by Lessor as a result of Lessee's failure to deliver said citations to Lessor or failure to make the vehicle available to Lessor to perform the necessary repairs in a timely manner.

G. Lessee shall deliver immediately to Lessor and to appropriate insurers any summons, petition, complaint, claim, suit or process concerning any accident or claim arising from the operation of any vehicle. Lessee and its employees and agents shall cooperate fully with Lessor and Lessee's insurer in the investigation, development and defense of any claim, investigation, suit, or other proceeding that arises from the operation or maintenance of a vehicle.

H. Lessee shall not place any sign or marking on the vehicle without the Lessor's prior consent and lessee shall bear the cost of removal and of any repairs of damage caused by the removal of any signs or markings.

6. LEASE CHARGES.

A. Lessee shall pay Lessor all charges provided in Schedule A for each vehicle, including, but not limited to the fixed charges, mileage charges and such additional charges as shall be provided herein. Such charges shall be paid without deduction or setoff within ten (10) days of due date as specified. Payments shall be made to Lessor at the address provided herein unless otherwise directed by Lessor. Charges shall be billed and paid in accordance with Schedule A.

B. Past due amounts. Lessor shall add an amount equal to five (5%) per-month, or the maximum amount permitted by applicable law, to any charges, which remain unpaid more than ten (10) days after the due date.

D. Mileage determination. Mileage shall be determined by the vehicle odometer or such other standard recording devices as is attached to each vehicle. The Lessee shall immediately report to Lessor in writing any malfunction of a vehicle odometer or recording device. In the event of malfunction, the mileage shall be computed by Lessee trip report or by applying the daily average mileage for the prior (30) thirty-days, or such lesser number of days as the vehicle has been in service.

7. INSURANCE.

A. Lessee to furnish insurance concurrent with the execution of Schedule A. Lessee shall provide Lessor with a certificate of insurance evidencing the following coverages:

1. Monarch Leasing, Inc. named as additional insured and loss payee.

2. A primary policy or policies of automobile liability insurance containing not less than One Million Dollars (\$1,000,000) of coverage, combined single limit, or higher as required by applicable law.

3. Physical damage insurance, including both collision and comprehensive or specified perils coverage's for each vehicle, with a deductible of not more than one thousand dollars (\$1000) per vehicle per occurrence.

Lessee shall be responsible for all deductible amounts for such insurance. All such policies of insurance shall be written by insurers licensed to do business in the state in which Lessee is located or the vehicle domiciled, satisfactory to Lessor. Such policies shall name as an additional insured Lessor and loss payee Monarch Leasing, Inc. and any third party designated by Lessor, as their respective interests may appear. This certificate of insurance shall recite that the underlying coverage's may not be canceled without first providing (30) thirty-days prior written notice to Lessor at the address designated herein. In the event Lessee fails to maintain coverage, Lessor is authorized but not obligated to provide such insurance. Lessor's procurement of such insurance shall not impair any other rights Lessor may have under this agreement. Lessee shall pay Lessor as additional rental the amount of the premium paid by Lessor. **IN THE EVENT LESSOR IS UNABLE TO OR CHOOSES NOT TO PLACE INSURANCE, LESSOR SHALL HAVE THE RIGHT TO IMMEDIATELY TAKE POSSESSION OF THE LEASE VEHICLE UNTIL INSURANCE IS PROVIDED.**

8. WARRANTY DISCLAIMER AND REMEDY LIMITATIONS.

A. The parties agree that vehicles subject to this lease are provided for Lessee's business or commercial use. Lessor offers NO WARRANTY, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH THE LEASED EQUIPMENT.

B. Exclusive remedy. In the event of mechanical failure of a leased vehicle, Lessee's exclusive remedy shall be as provided in this agreement. Under no circumstances shall Lessee be entitled to recover from Lessor any incidental or consequential damage, including, but not limited to, damage or loss of property or equipment, loss of profits or revenue, cost of capital, cost of purchased or replacement equipment, or damage or claims for damages of Lessee's.

9. TERMINATION.

This lease shall terminate:

A. Upon expiration of the term of this lease, the return of the Vehicle to the Lessor and the payment by Lessee of all sums with respect to such vehicle for which the Lessee is responsible hereunder.

B. At the option of Lessor, upon the death of the Lessee if the Lessee is an individual or if the Lessee is a partnership, upon the death of any partner or other dissolution of the partnership, or, if the Lessee is a corporation, upon its dissolution or merger with or into any other corporation, or upon the occurrence of an event of default as thereafter provided.

C. At any time upon such terms and conditions as the Lessor and Lessee shall mutually determine.

10. DEFAULT.

A. In the event that the Lessee does not pay the Total Monthly Amount Due or any other charge, expense or cost herein agreed to be paid by Lessee when due, or fails to obtain or maintain any insurance required by this lease or violates or fails to perform or otherwise breaches any undertaking or covenants contained in this lease or any other lease with Lessor, or becomes insolvent or makes an assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or if an involuntary petition in bankruptcy is filed against the Lessee, or other proceedings for the appointment of a receiver for Lessee is filed, or if proceedings for reorganization, extension or composition with creditors be instituted, by or against Lessee, or if the property of Lessee be levied upon then, and in any such event, there shall be deemed to be default of the this lease.

11. REMEDIES.

A. In the event Lessee breaches or is in default under this agreement, Lessor may, without notice:

1. Enter upon any premises where any leased vehicle is located, without notice or demand and remove such vehicles, whether with or without process of law;
2. Retain and refuse to re-deliver to Lessee any leased vehicle in Lessor's possession unless and until such breach or default is cured, without such refusal to re-deliver being deemed an act of termination;
3. Require the Lessee to assemble and make available or deliver all vehicles to Lessor at such location as Lessor may designate;
4. Render each vehicle unusable.

In addition to the remedies provided herein, Lessor shall have additional remedies as may be provided by applicable law. In the event Lessor takes possession of or retains any vehicle subject to this lease, any property of Lessee, contained within such vehicle shall be held for Lessee or shall be placed in public storage by Lessor at Lessee's expense. Lessee shall pay the cost of such storage to Lessor upon demand.

In the event Lessor takes possession of the vehicle, the Lessor may retain all rentals and payments theretofore received and other sums, if any, otherwise payable to Lessee hereunder and the Lessor shall be entitled to recover from Lessee any unpaid monthly rentals for the balance of the lease terms for the vehicle(s) and all other sums that may come due under the terms of this agreement.

B. In the event of default, Lessor shall be entitled to recover all costs incurred in obtaining, and preserving possession of any leased vehicle, collecting the obligation of Lessee herein, including, but not limited to towing, storage, reasonable attorney fees, court costs, investigation costs and other legal expenses incurred.

12. ASSIGNMENT.

A. Upon execution, this agreement shall be binding upon the parties hereto, their successors in interest, legal representatives and agents. Lessee shall have no right to assign, pledge or otherwise encumber this lease or any interest therein nor subject any leased vehicle without the written consent of Lessor. Lessee shall have no right to encumber or otherwise cause any lien to be placed upon a leased vehicle, or abandon or conceal leased vehicles from Lessor. Lessee will permit Lessor and/or its agents at all times to inspect and examine leased vehicles.

B. Lessor may from time to time enter into finance arrangements for the procurement of leased vehicles. Lessor may assign lease payments, rentals or such other security as necessary. In the event of assignment, Lessee shall make payments to the assignee without any setoff, counterclaim or defense whatsoever.

13. INDEMNIFICATION.

A. Lessor does not assume any liability for any acts or omissions of the Lessee, its drivers, agents or employees. Lessee hereby agrees to indemnify Lessor for any and all claims asserted against them, of any kind or nature whatsoever, for any form of loss or damage, arising from the use or operation of leased vehicles by the Lessee, including all expenses and attorney fees which Lessor may incur in connection with the investigation, development, handling and defense of any such claim, except such claims, or portions thereof as are covered by applicable insurance. Lessee further agrees to indemnify and hold Lessor harmless from any and all claims or losses of any kind which results from failure of Lessee to complete or discharge any promise, duty or undertaking required of Lessee under the Provision of this agreement.

Lessor shall incur no liability to Lessee for failure to supply or to repair any vehicle or to supply any substitute or additional vehicle if such failure results from fire, riot, strike, other labor troubles, acts of God, acts of the Government, war or any other cause beyond Lessor's control.

14. RETURN OF VEHICLE

A. Upon termination of this lease or the expiration of the term of this lease, Lessee shall return the Vehicle (s) to the Lessor, in as good condition as when first received, ordinary wear and tear excepted:

1. At the place where the Lessee first received the Vehicle (s), or
2. To Lessor's principal place of business if different from (1) above, or
3. To such location as may be designated by Lessor.

B. Lessee agrees to pay all costs necessary to place the Vehicle in as good condition as when first received, ordinary wear and tear excepted. Lessee specifically agrees that the person returning the Vehicle shall in all respects; act on behalf of the Lessee and as his agent. The amount deposited by Lessee as Reconditioning Reserve may be applied by the Lessor against any expenses incurred by Lessor in repairing any damage to or for the reconditioning of the Vehicle, and the balance thereof, if any, shall be returned or credited to the Lessee. (definition) The term "ordinary wear and tear" as herein used is defined as the depreciation or deterioration value of the Vehicle (s) as a result of ordinary and reasonable use by the Lessee during the period of time from which he first received the Vehicle until the time it is returned to the Lessor. Ordinary wear and tear does not include such items as, but is not limited to (I) glass breakage, (II) body, fenders, metal work, bright trim, and paint subject to any repair in excess of Twenty five Dollars (\$25.00), (III) missing wheel covers, (IV) dash, floors and seats torn, (V) headliners, all upholstery and interior work torn, (VI) all wheels and tires, including spare, unsuitable for resale, (VII) engine and drive train in unsafe or non-operating condition, or needing over haul, (VIII) general appearance of Vehicle (s) not good or in unsafe operating condition, (IX) trunk or trunk liners torn, jack and wheel wrench not in trunk, (X) unsatisfactory body or paint repairs made during use by Lessee, (XI) damages to the Vehicle resulting from flood, water or hail. Lessee will be responsible to Lessor on return of Vehicle for all such items not the result of ordinary wear and tear.

15. LEASE ONLY.

A. This agreement is one of leasing only and Lessee shall not have or acquire any right, title or interest in or to the Vehicle (s) except their right to use and operate it as provided in this agreement.

16. MISCELLANEOUS.

A. Notices. All notices required to be given under the terms of this lease shall be in writing and shall be sent by registered or certified United States mail, return receipts requested, addressed to the party to be notified at the address stated above.

B. Entire agreement. The parties acknowledge that one or more Schedule A forms for more vehicles may be completed and executed. This lease together with all such executed Schedules shall represent the entire agreement between the parties. All prior negotiations have been merged into this lease. There are no understandings, representations, or agreements, whether oral or written, express or implied, aside from those set forth herein. This lease shall not be modified or amended except by written agreement, signed by both parties.

C. Waiver. The failure of either party in one or more instances to insist upon the performance of any of the terms, covenants or conditions of this lease, or to exercise any right, remedy or privilege conferred by this lease, or the waiver of any breach of the terms of this lease, shall not be construed as thereafter waiving any such terms, covenants, conditions, rights or privileges, but the same shall continue and remain in full force and effect as if no forbearance had occurred.

D. Saving Clause. If any provision of this agreement is held invalid under applicable law, such provision shall no longer constitute of this agreement, but shall not invalidate any other portion of this agreement.

E. Governing law. The substantive law of the state in which Lessor maintains its principal place of business shall govern the rights and obligations of the parties and shall control any action premised upon this lease agreement.

F. Attachments. The terms and conditions of the following statements are made part of this agreement:

In witness whereof the parties have executed this agreement on the day and year recited above.

LESSOR:

LESSEE:

Monarch Leasing, Inc.

County of San Mateo

By: _____

By: _____

Title: _____

Title: _____

Title: _____

Title: _____

16. GUARANTY.

~~For valuable consideration, the Guarantor signing does hereby guarantee full performance by the Lessee of all of the Lessee's obligations set forth in the attached lease promptly in accordance with the terms thereof and covenants upon default of payment by the Lessee of any sums coming due there under to pay upon demand the full amount remaining unpaid there under. The liability of the Guarantor shall not be affected by any settlement, extension, and variation of terms of the Lease or by the discharge or release of the obligations of the Lessee or any other person by operation of law or otherwise. Notices of acceptance hereof, of non-payment and non-performance and demand for performance and payment are expressly waived.~~

~~Undersigned hereby guarantees Lessee's obligations hereunder in accordance with the terms of the Guaranty set forth.~~

~~Guarantor _____ Witness: _____~~

MONARCH LEASING INC.
195 N. 30th St, San Jose CA 95116
29899 Union City Blvd, UC CA 94587
800-380-4333

Schedule A
Vehicle Lease Agreement

Between (Lessor) MONARCH LEASING INC.

And (Lessee) COUNTY OF SAN MATEO

Lease Date:

Payment Schedule

Lease Term: 60 Months

1st monthly payment due on date hereof (lease/delivery date)

2nd and subsequent monthly payments due each month on

☐ 5th ☐ 15th ☒ 25th beginning with the month of

Delivery Date

Lease#	Vehicle Description					Monthly Payment Computation					Schedule of Amounts Due on Lease Date			
	Year & Make	Equipment	VIN	GVW	Max Load	Fixed Chg Per Month	Sales Tax Per Month	Free Miles Mth	Mile Rate Per Mile	Refer Hrs per hr	Recond. Reserve	Est Lic.	1st Mo Pmt	Lease Subtotal
LM-X	2005 GMC	24 FRP VAN BODY W/LIFT	0000000000000000	25,950	0	1,087.56	\$89.72		0.075	0	\$1500	\$1300	\$1,177.28	\$3,977.28
Subtotal All Leases:														\$3,977.28
Document Fee:														\$400.00
Tax on Document Fee:														\$33.00
CALIF TIRE FEE:														6.00
TOTAL AMOUNT DUE ON LEASE DATE:														\$4,416.28

Lessor: MONARCH LEASING INC.

Lessee: COUNTY OF SAN MATEO

By: _____

By: _____

Name/Title: _____

Name/Title: _____

Date: _____

Date: _____



ATTACHMENT I

FULL SERVICE LEASE QUOTE

for

COUNTY OF SAN MATEO WORKCENTER

2005 GMC T6500

SPECIFICATIONS

- ⇒ 200 hp Duramax Diesel Engine
- ⇒ 24' FRP Van Body with Slat Lining and 3,000-lb Capacity Tuk-a-Way Lift Gate
- ⇒ Automatic Transmission
- ⇒ Air Brake System
- ⇒ Automatic Engine Shutdown and Alarm
- ⇒ Dual 50-gallon Fuel Tanks
- ⇒ Air Conditioning
- ⇒ AM/FM Cassette Stereo
- ⇒ Cruise Control
- ⇒ Driver Air Suspension Seat, Passenger High Back Bucket with Fold Down Center Seat
- ⇒ 25,950 GVW - Approximately 10,000-lb Capacity Payload

FULL SERVICE LEASE OPTIONS

Full Service Lease Includes All Maintenance and Tires, Monthly Inspection and Wash, Replacement Vehicles When Required and Discounts on Additional Rental Units

⇒ 60 months @ \$1,087.56 plus tax, 0.075¢ per mile

Jan Scharnikow, Account Executive
(408) 275-0500

Prices Do Not Include Tax, License and Doc Fees. Subject to credit approval.
October 29, 2004

195 N. 30th Street
San Jose, CA 95116
(408) 275-0500
CORPORATE



29899 Union City Blvd.
Union City, CA 94587
510-471-5530
BRANCH

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: _____
Contact Person: _____
Address: _____

Phone Number: _____
Fax Number: _____

II Employees

Does the Contractor have any employees? ☐ Yes ☐ No

Does the Contractor provide benefits to spouses of employees? ☐ Yes ☐ No

If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- ☐ Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
☐ Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
☐ No, the Contractor does not comply.
☐ The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).
-

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this _____ day of _____ 2004 at _____, _____
(City) (State)

Signature

Name (Please Print)

Title