

PERSONAL SERVICES CONTRACT

County of Nevada, California

This Personal Services Contract is made between the COUNTY OF NEVADA (herein "County"), and

Contractor Name- Hanover Displays Inc.

(herein "Contractor"), wherein County desires to retain a person or entity to provide the following services, materials and products generally described as follows:

(§1) **Description of Services- Installation of eleven (11) HTC/ADA Automatic Voice Announcement System**

SUMMARY OF MATERIAL TERMS

- (§2) **Maximum Contract Price:** \$98,954
- (§3) **Contract Beginning Date:** 12/11/18 **Contract Termination Date:** 6/30/19
- (§4) **Liquidated Damages:** N/A

INSURANCE POLICIES

Designate all required policies:

		Req'd	Not Req'd
(§6) Commercial General Liability	(\$1,000,000)	<u>X</u>	<u> </u>
(§7) Automobile Liability	(\$ 300,000) Personal Auto	<u> </u>	<u>X</u>
	(\$1,000,000) Business Rated	<u>X</u>	<u> </u>
	(\$1,000,000) Commercial Policy	<u> </u>	<u>X</u>
(§8) Worker's Compensation		<u>X</u>	<u> </u>
(§9) Errors and Omissions	(\$1,000,000)	<u>X</u>	<u> </u>

LICENSES AND PREVAILING WAGES

(§14) Designate all required licenses:

NOTICE & IDENTIFICATION

(§26) Contractor: Hanover Displays Inc. 1601 Tonne Road Elk Grove Village, IL 60007 Contact Person: Rian Phillips (773)334-9934 Ext# 122 e-mail: rphillips@hanoverdisplays.com	County of Nevada: Community Development Agency- Transit 950 Maidu Ave Nevada City, CA 95959 Contact Person: Robin VanValkenburgh (530) 477-0103 Ext 1003 e-mail: Robin.VanValkenburgh@co.nevada.ca.us
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Contractor is a: (check all that apply)

Corporation:	<u> </u> Calif.,	<u> </u> Other,	<u>X</u> LLC,	<u> </u> Non-profit
Partnership:	<u> </u> Calif.,	<u> </u> Other,	<u> </u> LLP,	<u> </u> Limited
Person:	<u> </u> Individ.,	<u> </u> Db,	<u> </u> Ass'n	<u> </u> Other

EDD: Independent Contractor Worksheet Required: Yes X No

HIPAA: Schedule of Required Provisions (Exhibit D): Yes X No

ATTACHMENTS

Designate all required attachments:

	Req'd	Not Req'd
Exhibit A: Schedule of Services (Provided by Contractor)	<u>X</u>	<u> </u>
Exhibit B: Schedule of Charges and Payments (Paid by County)	<u>X</u>	<u> </u>
Exhibit C: Schedule of Changes (Additions, Deletions & Amendments)	<u> </u>	<u>X</u>
Exhibit D: Schedule of HIPAA Provisions (Protected Health Information)	<u> </u>	<u>X</u>

Terms

Each term of this Contract below specifically incorporates the information set forth in the Summary at page one (1) above as to each respective section (§) therein, as the case may be.

Services

1. **Scope of Services:**

Contractor shall provide all of the services, materials and products (herein "Services") generally described in **Exhibit "A"**, according to a performance schedule, if applicable, as set forth in said exhibit (herein "Performance Schedule") . If requested, Contractor agrees to serve as an expert witness for County in any third party action or proceeding arising out of this Contract. County shall contact Contractor if this need arises in order to obtain a quote for time and any travel expenses related to this service.

Payment

2. **Charges and Payments:**

The charges (herein "Charges") for furnishing the aforesaid Services under this Contract are set forth in **Exhibit "B"**, including, if applicable, hourly rates, unit pricing, and expense, mileage and cost limits. Said Charges shall be presented monthly by invoice, and shall be due within thirty (30) days of receipt unless payment is otherwise set forth in said **Exhibit "B"**, and shall remain in effect for the entire term of this Contract, and any extension hereof. In no event will the cost to County for Services to be provided under this Contract, including direct non-salary expenses, exceed the **Maximum Contract Price** set forth at §2, page one (1), above.

Time for Performance

3. **Contract Term:**

This Contract shall commence on the **Contract Beginning Date** set forth at §3, page one (1), above. All Services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** set forth at §3, page one (1), above.

4. **Liquidated Damages:**

County and Contractor agree that damages to County due to delays in timely providing Services in accordance with the aforesaid Performance Schedule and Contract Termination Date are impractical and difficult to ascertain. Therefore, if §4 at page one (1) hereof shall indicate a daily amount as **Liquidated Damages**, County shall have the right to assess said daily sum, not as a penalty, but as and for damages to County due to delays in providing Services not in accordance with the said Performance Schedule, or later than the Contract Termination Date (herein "Delay"). Liquidated Damages shall be offset against amounts owing to Contractor, including retention sums.

To the extent that any Delay is a result of matters or circumstances wholly beyond the control of Contractor, County may excuse said Liquidated Damages; provided however, that County may condition such excuse upon Contractor having given prompt notice to County of such delay immediately by telephone and thereafter by written explanation within a reasonable time. The time for Contractor's performance shall be extended by the period of delay, or such other period as County may elect.

5. **Time of the Essence:**

Time is of the essence with respect to Contractor's performance under this Contract. Delay in meeting the time commitments contemplated herein will result in the assessment of liquidated damages, if indicated at §4 at page one (1), hereof. If Liquidated Damages are not so indicated, damages shall be as otherwise provided by law.

Insurance

6. **Commercial General Liability Insurance:** (County Resolution No. 90674)

If §6 at page one (1) hereof shall indicate a **Commercial General Liability** insurance policy is required, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following:

- (i) Broad form coverage for liability for death or bodily injury to a person or persons, and for property damage, combined single limit coverage, in the minimum amount indicated at said §6;

- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and other insurance maintained by the County of Nevada shall be excess only and not contributing with Contractor's insurance;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

7. Automobile Liability Insurance: (County Resolution No. 90676)

If §7 at page one (1) hereof shall require either a Business Rated or a Commercial Automobile Liability insurance policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following provisions:

- (i) Liability protection for death or bodily injury to a person or persons, property damage, and uninsured and underinsured coverage, combined single limit coverage, in the minimum amount indicated at said §7;
- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and other insurance maintained by the County of Nevada shall be excess only and not contributing with Contractor's insurance;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

If §7 at page one (1) hereof shall require a Personal Auto policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance for a minimum of three hundred thousand dollars, (\$300,000), in combined single limits, and naming the County as additionally insured.

8. Worker's Compensation: (County Resolution No. 90674)

If §8 at page one (1) hereof shall indicate a **Worker's Compensation** insurance policy is required, Contractor shall maintain said policy as required by law, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County.

Before commencing to utilize employees in providing Services under this Contract, Contractor warrants that it will comply with the provisions of the California Labor Code, requiring Contractor to be insured for worker's compensation liability or to undertake a program of self-insurance therefor.

9. Errors and Omissions:

If §9 at page one (1) hereof shall indicate **Errors and Omissions** insurance is required, Contractor shall maintain either a professional liability or errors & omissions policy in the minimum amount indicated, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County.

10. Miscellaneous Insurance Provisions: (County Resolution No. 90675)

All policies of insurance required by this Contract shall remain in full force and effect throughout the life of this Contract and shall be payable on a "per occurrence" basis unless County specifically consents to "claims made" coverage. If the County does consent to "claims made" coverage and if Contractor changes insurance carriers during the term of this Contract or any extensions hereof, then Contractor shall carry prior acts coverage.

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by County, its officers, agents and/or employees, shall be excess only and not contributing with insurance required or provided under this agreement.

At all times, Contractor shall keep and maintain in full force and effect throughout the duration of this Contract, policies of insurance required by this Contract which policies shall be issued by companies with a Best's Rating of B+ or higher (B+, B++, A-, A, A+ or A++), or a Best's Financial Performance Rating (FPR) of 6 or higher (6, 7, 8 or 9) according to the current Best's Key Rating Guide, or shall be issued by companies approved by the County Risk Manager. In the event the Best's Rating or Best's FPR shall fall below the rating required by this paragraph, Contractor shall be required to forthwith secure alternate policies which comply with the rating required by this paragraph, or be in material breach of this Contract.

Failure to provide and maintain the insurance policies (including Best's ratings), endorsements, or certificates of insurance required by this Contract shall constitute a material breach of this agreement (herein "Material Breach"); and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both. (See §13, ¶2, below, as these provisions additionally apply to subcontractors.)

11. Indemnity:

Nothing herein shall be construed as a limitation of Contractor's liability, and Contractor shall indemnify, defend and hold harmless the County and its officers, officials, employees, agents and volunteers from any and all liabilities, claims, demands, damages, losses and expenses (including, without limitation, defense costs and attorney fees of litigation) which result from the negligent act, willful misconduct, or error or omission of Contractor, except such loss or damage which was caused by the sole negligence or willful misconduct of County or its officers, officials, employees, agents and volunteers.

Personal Services

12. Contractor as Independent:

In providing services herein, Contractor, and the agents and employees thereof, shall act in an independent capacity and as an independent contractor and not as agents or employees of County.

13. Assignment and Subcontracting:

Except as specifically provided herein, the rights, responsibilities, duties and Services to be performed under this Contract are personal to the Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute nor replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Contractor shall cause and require each transferee, subcontractor and assignee to comply with the insurance provisions set forth herein at §§6, 7, 8, 9 and 10, to the extent such insurance provisions are required of Contractor under this Contract. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor and assignee shall constitute a Material Breach of this agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

14. Licensing and Permits:

Contractor warrants (i) Contractor is qualified and competent to provide all Services under this contract; (ii) Contractor and all employees of Contractor hold all necessary and appropriate licenses therefor, including those licenses set forth at §14, page one (1) hereof; and, (iii) Contractor shall obtain, and remain in compliance with, all permits necessary and appropriate to provide said Services. Contractor shall cause said licenses and permits to be maintained throughout the life of this Contract. Failure to do so shall constitute a Material Breach of this agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

Public Contracts

15. Prevailing Wage and Apprentices:

To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with Section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code §§1720, et seq.; and shall be in conformity with Title 8 of the California Code of Regulations §§200 et seq., relating to apprenticeship. Where applicable:

(i) Contractor shall comply with the provisions thereof at the commencement of Services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.

(ii) Contractor and all subcontractors must comply with the requirements of Labor Code Section 1771.1(a) pertaining to registration of contractors pursuant to Section 1725.5. Registration and all related requirements of those Sections must be maintained throughout the performance of the Contract.

(iii) Contracts to which these prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Each contractor and subcontractor must furnish certified payroll records to the Labor Commissioner at least monthly.

(iv) The County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.

16. Accessibility (County Resolution No. 00190):

It is the policy of the County of Nevada that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall be in compliance with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct Services are and shall be accessible to all persons.

17. Nondiscriminatory Employment:

In providing Services hereunder, Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin, political affiliation, ancestry, marital status or disability. This policy does not require the employment of unqualified persons.

18. Prior Nevada County Employment (County Resolution No. 03-353):

Effective July 22, 2003, it is the policy of the County of Nevada that former members of the Board of Supervisors, a former CEO, or a former Purchasing Agent, for a period of twelve (12) months following the last day of employment, shall not enter into any relationship wherein that former employee or former Board member receives direct remuneration from a legal entity that, during the last twelve (12) months of said employment or Board member's service, entered into a contract with, or received a grant from the County of Nevada. Provided however, that this prohibition shall not apply to any employee that did not personally approve a contract with or grant to said legal entity during the last twelve (12) months of said employment, and shall not apply when the Board of Supervisors did not approve a contract with or grant to said legal entity during the last twelve (12) months of said Board member's service.

A violation of this policy shall subject Contractor to all of the remedies enumerated in said resolution and as otherwise provided in law, which remedies shall include but not be limited to injunctive relief, cancellation and voiding of this contract by County, a return of grant money, a cause of action for breach of contract, and entitlement to costs and reasonable attorney fees in any action based upon a breach of contract under this provision.

19. Cost Disclosure:

In accordance with Government Code Section 7550, should a written report be prepared under or required by the provisions of this Contract, Contractor agrees to state in a separate section of said report the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of said report.

Default and Termination

20. Termination:

A Material Breach of this Contract pursuant to the terms hereof or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this contract, or both, **without notice**.

If Contractor fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) days written notice** to Contractor.

Either party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of the Contractor, the Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which the Contractor has no control.

County, upon giving **sixty (60) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if the County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

Miscellaneous

21. Books of Record and Audit Provision:

Contractor shall maintain complete records relating to this Contract for a period of five (5) years from the completion of Services hereunder. Said records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits

Contractor shall permit County to audit said records as well as such related records of any business entity controlled by Contractor. Said audit may be conducted on Contractor's premises or at a location designated by County, upon fifteen (15) days notice. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charged of five percent (5%) or more of the Maximum Contract Price.

22. Intellectual Property:

All original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto (herein "Intellectual Property"), which concern or relate to this Contract and which have been prepared by, for or submitted to Contractor, shall be the property of County, and upon fifteen (15) days demand therefor, shall be promptly delivered to County without exception. Provided however, for personal purposes only and not for commercial, economic or any other purpose, Contractor may retain a copy of Contractor's work product hereunder.

23. Entire Agreement:

This Contract represents the entire agreement of the parties, and no representations have been made or relied upon except as set forth herein. This Contract may be amended or modified only by written, fully executed agreement of the parties.

24. Jurisdiction and Venue:

This Contract shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Nevada County, California.

25. Compliance with Applicable Laws:

The Contractor shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the Services to be provided by this Contract.

26. Notices:

This Contract shall be managed and administered on County's behalf by the department and the person set forth at §26, page one (1) of this Contract, and all invoices shall be submitted to and approved by this Department. In addition to personal service, all notices may be given to County and to Contractor by first class mail addressed as set forth at said §26 Said notices shall be deemed received the fifth (5th) day following the date of mailing or the earlier date of personal service, as the case may be.

27. Authority:

All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the parties have executed this Contract effective on the Beginning Date, above.

CONTRACTOR:

COUNTY OF NEVADA:

Name:
Title:

Steve Monaghan
Director/Purchasing Agent

Dated: _____

Dated: _____

EXHIBIT "A"

SCHEDULE OF SERVICES

The HTC/ADA Automatic Voice Announcement System are to be installed on each of the assigned Nevada County Transit Buses to meet the existing and future needs in operating the Nevada County transit bus program in a more secure and safe manner. The system must provide maximum feasibility for expansion of capabilities as technologies expand and the Nevada County transit bus program grows. Specific objectives for the system include:

- Enhanced accessibility for passengers
- Consistent accurate audio announcements
- Consistent accurate visual (text) announcements via LED display
- Provide an infrastructure of trained personnel, support staff, documentation, and resources to support and maintain the system to remain stable and reliable

This project requires the Contractor to provide and install HTC/ADA Automatic Voice Announcement system hardware, software, and other related components on the Nevada County transit buses - 11 vehicles.

Year	Bus No.	Type	Size	Seating Capacity
2015	57 (27060)	IC-EI Dorado AeroElite 290	29 foot	26
2016	58 (27148)	IC-EI Dorado AeroElite 290	29 foot	26
2016	59 (27149)	IC-EI Dorado AeroElite 290	29 foot	26
2016	60 (27150)	IC-EI Dorado AeroElite 290	29 foot	26
2016	61 (27151)	IC-EI Dorado AeroElite 290	29 foot	26
2016	62 (27152)	IC-EI Dorado AeroElite 290	29 foot	26
2016	63 (27153)	IC-EI Dorado AeroElite 290	29 foot	26
2016	64 (27154)	IC-EI Dorado AeroElite 290	29 foot	26
2016	65 (27155)	IC-EI Dorado AeroElite 290	29 foot	26
2018	66	IC-EI Dorado AeroElite 290	29 foot	26
2018	67	IC-EI Dorado AeroElite 290	29 foot	26

Installation: The Contractor shall provide installation of all hardware, software, and other components necessary to ensure a fully functional and operational system prior to acceptance of payment. The start date of installation shall begin on a date agreed between Nevada County Transit Director and the Contractor.

Testing and Acceptance: The Contractor shall perform testing on all installed HTC/ADA Automatic Voice Announcement systems to ensure all vehicles in service have a fully functioning audio and visual system that is audible, visible and location accurate. The successful completion of a performance test and an operability test without flaws is needed before final acceptance of each installed system.

Contractor Obligation: Contractor to provide materials, software, program set-up, training and installation for the HTC/ADA Automatic Voice Announcement System on each of the assigned Nevada County Transit Buses as defined in the table above. The below table represents the materials, software, being provided to include sales tax and freight to the Transit Department on 13083 John Bauer Ave., Grass Valley, CA 95945

Item	Code	Description	Unit Price
Audio Visual Announcement System			
A	HT2100110100000	HTC AVA Audio Announcement Module	\$ 4,200.00
B	SD08	8GB SD Memory Card (inc. OS & TTS License)	\$ 425.00
C	L060485N33	144 x 19 Internal LED Sign	\$ 875.00
D	ANT02	GPS/Wi-Fi Antenna	\$ 250.00
E	KT043	12-24VDC Power Supply HTC - HPC002 Combo & Pwr OBNSS (1.0,1.0,1.0,1.0,1.0,1.0,3.0) (3.0=CX562)	\$ 435.00
F	CX330CE(Type01)	Cable – Power & Comms, Controller & HTC	\$ 70.00
G	CX003(2.0)	Cable – Comms, HTC to Controller	\$ 17.50
H	CX003(2.0)	Cable – Comms, HTC to Internal LED	\$ 17.50
I	CX740(TYPE01)	Cable – Digital Input – 1.3 meters	\$ 30.00
J	CX706(TYPE01)	Cable – Comms, HTC to Console & Internal LED	\$ 35.00
K	CX744(6.0)	Cable – Radio to HTC	\$ 30.00
L	CX301(6.0)	Cable – audio output from the HTC to Speakers	\$ 30.00
HTC/AVA System Total Per Vehicle			\$ 6,415.00
HTC/AVA Systems Qty (11) Vehicles			\$ 70,565.00
CA Sales Tax @ 7.5%			\$ 5,292.38
Estimated Freight			\$ 300.00
HTC/AVA Systems + CA Sales Tax + Freight + Qty (11) Vehicles			\$ 76,157.38
M	Hanover Central	– 1 Off Charge - Software Program / Set-up / Training	\$ 5,000.00
Note: Hanover Central – 1 off Charge is a one-time charge to the End User for any quantity of Stop Announcement Systems purchased. Included in this one-time charge is the Hanover Central software, set up of all data, importing that data into Hanover Central, software updates and Provide Training on how to use Hanover Central software.			
AVA System Total QTY (11) Vehicles + Hanover Central Software			\$ 81,157.38.00
N	INSTALL (11)	Installation of (11) HTC/AVA @ \$800 per Vehicle	\$ 8,800.00
HTC/AVA System Total QTY(11) Vehicles + HCN Software + Installation			\$ 89,957.38

HANOVER DISPLAYS WARRANTY POLICY

HANOVER DISPLAYS warranty obligations are limited to the terms set forth below:

NEW MANUFACTURED PRODUCTS LIMITED WARRANTY:

HANOVER DISPLAYS guarantees that each product is free from defects in material and workmanship. HANOVER DISPLAYS also guarantees the performance of their products for the following periods from original ship date from HANOVER DISPLAYS:

Amber LED systems & On-board Next stop signs: 12 years. White & Color LED systems: 5 years

HTC Audio-Visual TFT systems: 2 years

If the product fails to operate as specified and has not been tampered with or abused during this warranty period, HANOVER DISPLAYS shall have the option to repair or replace any defective part or the product free of charge. Such services by HANOVER DISPLAYS shall be the original purchaser's sole and exclusive remedy.

This warranty does not apply: (a) to damage caused by accident, abuse, misuse, misapplication or improper installation (b) to damage caused by conditions outside the manufacturer's specifications including but not limited to vandalism, fire, water, temperature, humidity, dust or other perils (c) to damage caused by service (including upgrades) performed by anyone who is not a HANOVER DISPLAYS authorized technician (d) to a product or a part that has been modified without the written permission of HANOVER DISPLAYS or (e) if any HANOVER DISPLAYS serial number has been removed or defaced.

HANOVER DISPLAYS shall not be liable for the cost of removal or installation of products nor shall HANOVER DISPLAYS be responsible for transportation costs. HANOVER DISPLAYS shall not be liable for any special, incidental or consequential damages for loss, damage directly or indirectly arising from customer's use or inability to use the equipment either separately or in combination with other equipment, or for personal injury or loss or destruction of other property, or from any other cause.

HANOVER DISPLAYS WARRANTY POLICY (ctd)

WARRANTY REPAIRS - A replacement or repaired product assumes the remaining warranty of the original product. When a product or part is exchanged, any replacement item becomes the original purchaser's property and the replaced item becomes Hanover Displays property.

OBTAINING WARRANTY SERVICE - The original purchaser is responsible for returning any defective products to HANOVER DISPLAYS upon obtaining a Returned Merchandise Authorization (RMA) number from our Customer Service Department. No items will be accepted without an RMA number. Be sure to have the serial number of the equipment to hand.

The original purchaser must package the product properly. HANOVER DISPLAYS is not responsible for any damage to the product caused during transit or for any package lost by the shipping company.

The original purchaser assumes all cost in shipping the defective product to HANOVER DISPLAYS and HANOVER DISPLAYS will assume the cost in shipping back to the customer. All replacement/repaired products are shipped UPS Ground unless a rush is requested. The cost of shipping using any other mode other than UPS Ground is to be paid by the original purchaser.

Ship to: Hanover Displays Inc.
 1601 Tonne Road
 Elk Grove Village, IL, 60007

NON-WARRANTY REPAIR POLICY:

Non-warranty repairs made by HANOVER DISPLAYS carry a limited repair warranty of 90 days on services and replacement parts only. Defects in repair work or any parts replaced will be corrected at no charge if the defect occurs within 90 days from shipment from our facility.

FIELD SERVICE:

Field service calls will be made to customer's facility upon request. Time, expenses and materials will be charged at standard rates unless other arrangements are made in advance. Field Service is treated as any repair. All travel must be preapproved and is based upon actual prevailing airfare, hotel/motel rooms and Per Diem rates.

NON-HANOVER DISPLAYS EQUIPMENT RECEIVED FOR REPAIR:

Items received for repair that were not manufactured or supplied by HANOVER DISPLAYS will be logged in and HANOVER DISPLAYS will require that the customer supply us with their shipper number in order to return the item.

EXHIBIT "B"

SCHEDULE OF CHARGES AND PAYMENTS

Materials:

All materials and software will be paid for by Purchase Order prior to installation being scheduled for the systems in an amount not to exceed \$81,157.38. This cost includes, materials, software, tax and shipping.

Installation:

Contractor to be paid in full for the installation upon completion of the work and full acceptance by the County in a not to exceed amount of \$8,800. Payments are Net 30.

Total Contact Amount & Contingency:

Total contract amount not to exceed \$ 98,954 which includes 10% contingency for any unforeseen circumstances.

INVOICES AND PAYMENT TERMS. Invoices are to be mailed to the County department specified on the resulting contract. All invoices must include the contract number. Failure to comply will result in delayed payments. The County will make payment on a Net 30-day basis unless a cash discount is allowed for payment within the time period specified by vendor. The payment term shall begin on the date the acceptance of services are authorized by the County, or on the date a correct invoice is received in the office specified in the order, whichever is later. Prompt payment discounts shall be considered earned if payment is postmarked or personally delivered within the prescribed term. For the purposes of this section, the beginning date described above shall be considered day zero for the purposes of counting days in the prescribed term. LATE FEES: In accordance with Section 926.10 of the California Government Code, Nevada County will pay interest at the rate of 6% per annum on invoices which are unpaid 61 or more days beyond the "beginning date" as defined above.