

AGREEMENT BIBLIOGRAPHY

Agreement With:	The GEO Group, Inc.
Agreement Type:	Operation, management, and supervision of the City of Garden Grove's existing jail
Date Approved:	06 23 2015
Start Date:	06 23 2015
End Date:	06 22 2018
Contract Amount:	\$1,590,661
Comments	Police Department
Insurance Expiration:	10 01 2015
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CITY OF GARDEN GROVE

OFFICE OF THE CITY CLERK

*Safeguard all official records of the City.
Conduct municipal elections and oversee legislative administration.
Provide reliable, accurate, and timely information to the
City Council, staff, and the general public.*

Bao Nguyen
Mayor

Steven R. Jones
Mayor Pro Tem

Christopher V. Phan
Council Member

Phat Bui
Council Member

Kris Beard
Council Member

June 25, 2015

The GEO Group, Inc.
One Park Place
621 NW 53rd Street, Suite 700
Boca Raton, FL 33487

Attention: Amber Martin, Vice President

Enclosed is a copy of the Agreement by and between the City of Garden Grove and The GEO Group, Inc., to provide the operation, management, and supervision of the City of Garden Grove's existing jail in accordance with the laws, rules, regulations, and procedures of the State of California.

The Agreement was approved by the City Council on June 23, 2015.

Sincerely,

Kathleen Bailor, CMC
City Clerk

By: Teresa Pomeroy, CMC
Deputy City Clerk

Enclosure

c: Finance Department
Finance Department/Purchasing
Police Department

CITY OF GARDEN GROVE

**PROFESSIONAL SERVICES AGREEMENT
JAIL MANAGEMENT SERVICES**

THIS AGREEMENT is dated as of July 1, 2015, by and between the City of Garden Grove, California, a municipal corporation ("CITY") and The GEO Group, Inc., ("Operator").

RECITALS

WHEREAS, CITY owns an existing temporary holding facility which is used to house and care for prisoners; and

WHEREAS, CITY and Operator desire to enter into an agreement whereby Operator will provide the operation, management and supervision of CITY's existing jail in accordance with the laws, rules, regulations and procedures of the State of California; and

WHEREAS, CITY and Operator are authorized to enter into this Agreement under applicable law.

NOW, THEREFORE, in consideration of performance by the parties of the covenants and conditions herein contained, the parties hereto agree as follows:

1. Definitions

A. "ACA" shall mean the American Correctional Association or its designated successor, whose headquarters are presently 206 North Washington Street, Suite 200, Alexandria, VA 22314.

B. "ACA Standards" shall mean the Standards For Adult Local Detention Facilities (Fourth Edition, 2008 as may be modified, amended, supplemented, or supplanted in the future) published by ACA.

C. "Assigning Agency" shall mean any federal, state or local agency which may lawfully assign an Inmate to the Jail and which has executed an Intergovernmental Service Agreement.

D. "Board" shall mean the State of California Board of Corrections.

E. "Chief of Police" shall mean the Chief of Police of CITY.

F. "CITY's Facility Representative" shall mean the person who is the official liaison between CITY and Operator on all matters pertaining to the operation and management of the Jail as provided in Section 14.D, CITY's Facility Representative.

G. "Custody Criteria" shall mean those criteria used to determine an Inmate's Custody Level and shall normally include, to the extent known to the

Operator, the Inmate's offense history, present offense, escape history, history of violence, drug use or addiction, alcohol use or addiction, psychological status and present behavior.

H. "Custody Level" shall normally mean a custody designation of either Minimum Custody or Medium Custody that describes appropriate and adequate supervision and housing assignments commensurate with the on-going needs and requirements of the Inmate during his incarceration and is based on the Custody Criteria.

I. "Day" shall mean a twenty-four (24) hour time period beginning with twelve o'clock midnight and ending twenty-four hours later.

J. "Jail" shall mean the cells, booking area, inmate food preparation area and fingerprint area (collectively "holding facility") in the current facilities located in CITY's Police Department Building located at 11301 Acacia Parkway, Garden Grove, California, which shall house inmates in accordance with the applicable Minimum Standards.

K. "Department" shall mean the State of California Department of Corrections and Rehabilitation.

L. "Employee" shall mean every person in the service of Operator under any appointment or contract of hire or apprenticeship, express or implied, oral or written, whether lawfully or unlawfully employed.

M. "Fiscal Year" shall mean CITY's fiscal year commencing on July 1, and ending as of June 30, of each year.

N. "For Cause" shall mean a material failure by either party to meet the provisions of this Agreement or in the sole judgment of CITY the failure of the Operator to meet the applicable Minimum Standards when such failure to meet the applicable Minimum standards affects the operation of the Jail.

O. "Force Majeure" shall mean the failure of performance of any of the terms and conditions of the Agreement resulting from acts of God.

P. "Inmate" shall mean any male or female arrestee who is to be lawfully held at the Jail by CITY or pursuant to an Intergovernmental Service Agreement and who is classified as Minimum Custody or Medium Custody.

Q. "Intergovernmental Service Agreement" shall mean an agreement between CITY and any Assigning Agency whereby CITY and the Assigning Agency agree to the terms and conditions whereby the Assigning Agency's Inmates shall be booked and held in custody at the Jail

R. "Medium Custody" shall mean that Custody Level appropriate to an Inmate who is classified as eligible to be assigned to the Jail but who is not eligible to be assigned to the least secure housing in the Jail and may not work outside of the Jail's area.

S. "Minimum Custody" shall mean that Custody Level appropriate to an Inmate who is classified as eligible to be assigned to the Jail and is eligible to be assigned to the least secure housing in the Jail, but may not work outside of the Jail's area.

T. "Minimum Standards" shall mean the applicable Federal, State and CITY requirements, laws and statutes, applicable court orders, Board standards (including but not limited to Title 15 of the California Code of Regulations), Orange County Health Department Rules and Regulations and ACA standards, whether now in effect or hereafter effected or implemented, as applicable to the Jail, except as waived by CITY or State. Where a conflict exists between Federal and State requirements, laws, statutes, and applicable court orders, the Board's standards shall apply.

U. "Perishables" shall mean those items that are easily destroyed or spoiled.

V. "Police Department Building" shall mean the Garden Grove Police Department building located at 11301 Acacia Parkway, Garden Grove, California 92840, which also houses the Jail.

W. "Service Commencement Date" shall mean July 1, 2015.

2. Purpose

A. *Purpose:* The purpose of this Agreement is to establish the terms and conditions under which Operator will operate and maintain the Jail.

B. *Nature of Operations:* Operator shall operate, manage, supervise and maintain the Jail for CITY in order to properly receive, detain and care for all Inmates who may be booked in the Jail.

3. Grant of Operating Rights

CITY hereby grants to Operator the sole and exclusive right to operate the Jail for the term hereof, and Operator agrees to provide all labor necessary to operate the Jail for the term hereof and pursuant to the terms and conditions herein specified.

4. Term of the Agreement

The initial term of this Agreement shall be for a period of three (3) years commencing upon the Service Commencement Date. The term of this Agreement may be extended upon the mutual agreement of both parties under the same terms and conditions as set forth in the Agreement, subject to any modifications upon mutual consent of the parties.

5. Use of Facility

A. *City's Use of Holding Facility:* CITY and/or its designees shall have the right to access the holding facility at any time to: (a) conduct inspections to

determine Operator compliance with the requirements of this Agreement or with other applicable operational standards; (b) conduct designated police activities, including but not limited to fingerprinting, in a manner that does not adversely affect the Operator's activities. CITY and Operator shall agree upon an advance form of notice to be given to Operator prior to CITY access for these purposes.

B. *Locks and Keys:* For each of the aforesaid purposes, CITY shall at all times receive from Operator and have the right to retain and use keys to all gate and fence locks upon and about the Jail. CITY shall have the right to use such keys and any and all other means which CITY may reasonably deem proper to open any lock upon or about the Jail in order to obtain entry in an emergency. Operator shall use CITY provided keys only and shall not duplicate any key or change any lock without the express prior written permission of CITY.

C. *Liability of City:* CITY shall have no liability to Operator for any exercise of CITY's rights under this Section 5, Use of Facility, except for (a) CITY's failure to exercise due care for Operator's property; (b) CITY-caused damage to facilities which Operator is otherwise required to maintain or repair under this Agreement; or (c) CITY's failure to exercise due care for the security, care, and custody of Inmates under Operator's supervision. Except as provided in this Section 5.C, Liability of CITY, Operator hereby waives any claims for damages for any injury or inconvenience to Operator or interference with Operator's business, or any loss occasioned thereby.

6. Operation of the Jail

A. *General Duties and Obligations; Standards:* Operator shall provide the operation and management services necessary to operate, maintain, and manage the Jail in compliance with the applicable Minimum Standards.

B. *Jail Manual:* Operator acknowledges that a written comprehensive Field Policies and Operations Manual covering all aspects of operations including the procedures to be utilized to facilitate management of the facility has been prepared and provided to Operator. During the first 90 days of Year Three of this Agreement, Operator shall work with the CITY's Facility Representative to revise the Manual, which revised Manual shall be submitted by Operator to CITY's Facility Representative no later than the 90th day of Year Three of the Agreement. Upon receipt of the revised Manual, CITY's Facility Representative will notify Operator, in writing, within twenty (20) calendar days, of CITY's approval or required changes. Upon receipt of any required changes, Operator shall submit completed corrections to the CITY's Facility Representative and CITY's Chief of Police, in writing, within five (5) calendar days. Any and all proposed additions, deletions or modifications to such Manual must be approved in writing by the Chief of Police prior to implementation. The Manual shall be adequate to permit assumption of operations by CITY in the event of Operator's inability to perform its duties hereunder or the termination of this Agreement for any reason.

C. *Specified Duties and Obligations:* Operator's duties and obligations shall be set forth in detail in the Jail Manual. In general, these shall include, but are not limited to, the performance of the services set forth below in accordance with the applicable Minimum standards.

(1) *Intake and Release Processing:* Operator shall provide intake and release processing which shall include review of Inmate's documents, Inmate search as permitted by law, inventory and storage of Inmate's personal property and funds, entry of Inmate data into CITY's and Orange County's booking systems, acceptance of Inmate custody, generation of intake and release documents and records, including all Orange County Health Department and Board required forms and reports related to intake, photographing and fingerprinting of Inmate, initiation of Inmate health and well-being screening, classification and housing assignment of Inmate, review of court release documents, return of Inmate personal property and funds, completion of internal release documentation and ascertainment of Inmate identification confirmation prior to release, transportation as described in Section 6.C.(5), Transportation, and any and all such other duties as may be required by applicable statute or rule.

(2) *Staffing:* Operator shall staff and operate the Jail in compliance with the applicable Minimum Standards.

(3) *Health Services:* As necessary, CITY shall be responsible financially for all inmate medical care services.

(4) *Laundry and Inmate clothing:* CITY shall provide temporary disposable clothing on an as-needed basis.

(5) *Transportation:* Operator shall provide transportation services for Inmates in the Jail to the nearest Sheriff's station or Contract Facility for incarceration, to the local courthouse for arraignments and/or to other local court ordered appearances, and to medical facilities for inmate medical care. Operator agrees to exercise its best effort to conduct such transportation services at a time when the jail will be devoid of prisoners and/or at least one jailer will remain on duty in the jail. CITY will provide one transportation vehicle for these transportation services.

(6) *Visitation:* CITY shall provide all furniture and equipment, and Operator shall provide all supervision necessary to implement a visitation program that meets the applicable Minimum Standards with respect to Inmate visitation.

(7) *Safety:* Operator shall operate and maintain the Jail in compliance with the applicable Minimum Standards relative to safety.

(8) *Security:* Operator shall be responsible for providing security for all Inmates in accordance with the applicable Minimum Standards while they are inside the Jail, at medical facilities and when they are being transported by Operator. While any Inmate is in the custody of CITY, an Assigning Agency, the Sheriff, other custodial entity, or a bailiff, Operator shall not be responsible for providing security for such Inmate, and such security shall be the responsibility of such custodial entity or officer.

(9) *Disciplinary Rules and Regulations:* Operator shall impose discipline through rules, regulations, and orders pursuant to a disciplinary system meeting or exceeding the applicable Minimum Standards.

(10) *Records:* Operator shall generate and maintain all Inmate records in accordance with established procedures of the applicable Judicial Council and the applicable Minimum Standards. Operator shall make available for examination by CITY all data and records with respect to matters covered by this Agreement and shall permit CITY to conduct random audits of, examine and make excerpts or transcripts from such data and records, and to make audits of all invoices, materials, payrolls, personnel records and other data relating to all matters covered by this Agreement. Operator shall maintain such data and records in an accessible location for a period three (3) years after final payment under this Agreement, at which time the Operator will turn over such data and records to the CITY to retain as the CITY deems necessary. CITY shall receive a copy of all such records. All Inmate records retained by Operator shall be confidential, unless required to be disclosed or reported by law. Operator shall consult with CITY prior to release of any Inmate records, even if such release is mandated by law.

(11) *Vehicle Maintenance and Insurance:* CITY shall self-insure and maintain CITY owned vehicles used by Operator. Operator shall obtain and maintain automobile liability insurance for all Operator's drivers while using CITY's vehicles. Operator will indemnify and hold CITY harmless for any accidents, damages, etc., caused solely or comparatively by Operator's drivers. All Operator's staff using any CITY vehicle in connection with the services provided under this Agreement shall have a valid California Driver's License, which shall be available for inspection by CITY upon request.

(12) *Uniforms:* Operator shall establish a policy prescribing a standard uniform for its employees including shirts, pants, belts, jackets, and associated uniform articles of clothing that are normally and routinely issued to corrections officers. Operator shall provide such uniform items to its employees either directly or through a uniform allowance. All employees and staff are to wear clean and pressed uniforms, be clean shaven and tattoos, if any, are not to be visible. No jewelry other than a watch and ring shall be worn while on duty.

(13) *Food Service:* Operator shall provide food service for all inmates in compliance with the applicable Minimum Standards.

7. Utilities and Maintenance

A. *Specified Duties and Obligations:* The parties' respective duties and obligations with respect to utilities and maintenance are as set forth below.

(1) *Utilities:* CITY shall be responsible for the provision of all utilities.

(2) *Telephone Services:* CITY shall be responsible for the provision of and payment for all pay telephone services at the Jail. CITY shall be responsible for the provision of and payment for in-house telephone services. Where feasible, calls made by Operator and its employees shall be placed through the cellular telephones of and be the responsibility of Operator and/or its employees.

(3) *Maintenance:* CITY shall maintain the physical structure of the Jail furniture and equipment contained therein, and provide cleaning and maintenance of Jail and holding cells, in accordance with the applicable Minimum Standards, including ordinary routine maintenance, and will in so doing, maintain, preserve and keep the Jail in good repair, working order and condition, subject to normal wear and tear, and will, from time to time, make or cause to be made, all necessary and proper repairs, replacements and renewals, which shall thereupon become part of the Jail. CITY shall, subject to the provisions of Section 7.A(5), Damage to Jail, have responsibility for all repairs, replacements and renewals related to Police Department Building systems located outside the Jail (such as electrical supply, hot water heaters, sewers, etc.), and structural conditions or defects of the Police Department Building which affect the Jail. Operator shall immediately notify CITY of needed maintenance or repairs for the Jail.

(4) *Fixtures:* Operator may from time to time after the Service Commencement Date, install machinery, equipment, and other personal property in the Jail, which may be attached or affixed to the Jail. All such equipment shall constitute fixtures and remain part of the Jail and may not be removed from the Jail unless replaced by a similar item within a reasonable time period. If CITY has given its prior written approval for such fixtures and their installation, the cost of the fixtures and their installation shall be borne by CITY; if CITY has not approved such fixtures and their installation in writing, the cost of the fixtures and their installation shall be at the sole cost and expense of Operator.

(5) *Damage to Jail:* Promptly after the occurrence of any damage to or loss of the Jail that materially affects the continued operation of the Jail, the parties shall notify each other of such loss or damage and shall jointly assess the nature and extent of such damage or loss. As soon as practicable and desirable thereafter, the parties shall determine to rebuild, repair or restore such damage or loss or to terminate this Agreement as provided Section 11.D, Termination for Damage. In the event Operator and CITY shall determine to repair, rebuild or restore the Jail, Operator and CITY shall mutually determine the allocation for payment of the costs of undertaking such repair, rebuilding or restoration. If CITY and Operator determine not to rebuild, repair or restore the Jail, then this Agreement shall terminate with respect to the Jail thirty (30) days after such determination is made in accordance with Section 11.D. Neither party is under any obligation to rebuild, repair or restore the Jail even though CITY determines to rebuild, repair or restore the Police Department Building. Operator shall complete all damage reports required by the Minimum Standards, including those required by CITY.

8. Operator's Employees

A. *Background Investigation, Orientation and Training:* The Operator's duties and obligations with respect to background investigations, orientation and training are set forth below.

(1) *Background Investigation:* A civil and criminal background investigation and psychological evaluation shall be made by Operator of the jail manager, supervisor and all prospective employees prior to any prospective employee being hired by Operator for assignment to the Jail. The psychological

evaluation shall be conducted by a clinical psychologist acceptable to the CITY. Results of such investigation and evaluation shall be made available to CITY and CITY shall have the right to interview and approve all prospective Operator employees before being assigned to the Jail. Operator shall maintain on file for each employee two completed fingerprint charts, a photograph taken within the last six months, a criminal history, and immigration information (where applicable). Operator shall require all prospective employees to declare all narcotic and mood altering medications that they use and the frequency of their use.

(2) *Orientation and Training:* Operator shall provide an orientation program for all employees, as well as initial and recurring training in compliance with the applicable Minimum Standards. All training shall be conducted as close to the Jail as possible and shall include a minimum of twenty four (24) hours of critical skills training to include First Aid and CPR training. CITY may monitor the training records of all Operator employees working in the Jail. Operator shall provide a test for all employees to take at the end of each training class and shall require an affidavit be signed that they have taken the training and have passed the class. A copy shall be kept in each employee's personnel file and a copy in a master training file.

(3) *Court Appearances:* Operator shall pay all costs associated with court appearances made by Employees arising out of services provided under this Agreement.

(4) *DMV Checks:* Operator shall provide California Department of Motor Vehicle (DMV) reports on all prospective employees to CITY for review. CITY shall establish minimum driving requirements for any Operator employee who will be driving any CITY vehicle.

(5) *Lines of Authority:* Operator's Management Representative will report orally and in writing to CITY's Facility Representative when or if problems are experienced in the Jail, including but not limited to events such as inappropriate behavior in the Jail, use of force by an Operator's employee and any and all incidents, events or accidents in the Jail. All reports are to be made within a 24 hour period from the date of such event of inappropriate behavior, use of force, or other incident, event or accident.

B. *Reassignment of Operator Employees:* CITY reserves the right without qualification to cause Operator to remove any employee from CITY's holding facility and to exclude such employee of Operator from performing any services on CITY's premises or pursuant to this Agreement.

9. City's Responsibilities

A. *Cooperation:* CITY shall cooperate with the Operator in all matters of law enforcement, security and communication.

B. *Training:* If requested by Operator, CITY shall assist Operator in the initial orientation training of Operator's employees to operate the Jail

C. *Information:* CITY's Police Department shall assist and cooperate with Operator in providing information requested and needed by Operator in the screening of candidates for employment to the extent legally permitted. No liability shall attach to CITY for such assistance, however, and Operator agrees to fully indemnify and hold harmless CITY for providing such assistance.

D. *City Policies and Applicable Court Orders:* CITY shall provide Operator with copies of all CITY policies applicable to CITY's booking and custodial procedures and with any applicable court orders.

E. *Payment:* In consideration for all services provided and obligations undertaken by Operator pursuant to this Agreement CITY shall pay to Operator as follows per Attachment B-PROPOSAL PRICING FORM which is attached and incorporated herein by reference.

Year One \$514,627: July 1, 2015 to June 30, 2016

Year Two \$530,066: July 1, 2016 to June 30, 2017

Year Three \$545,968: July 1, 2017 to June 30, 2018

Payment shall be made on a monthly basis, within thirty (30) days of receipt of invoice. In addition, notwithstanding any provision of this Agreement to the contrary, any services provided by Operator at the Jail that are not specified in the Minimum Standards or the Jail Manual shall be reimbursed by CITY to Operator at the actual cost thereof, plus seventeen percent (17%) within thirty (30) days of receipt of invoice. Monthly invoices may be submitted by Operator following the completion of the work which is the subject of the invoice. In addition, for any additional services (other than the services specified in the Minimum Standards or the Jail Manual), the Operator shall be required to obtain advance written authorization from the Police Chief or his designee for such services. No payment or reimbursement shall be provided without such advance written authorization.

10. Independent Contractor

A. *Independent Contractor:* Operator is associated with CITY only for the purposes and to the extent set forth in this Agreement, and with respect to the performance of the Operation and Management Services pursuant to this Agreement, Operator is and shall be an independent contractor and, subject to the terms of this Agreement, shall have the sole right to supervise, manage, operate, control and direct the performance of the details incident to its duties under this Agreement, subject to the applicable Minimum Standards. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create the relationship of an employer-employee or principal-agent or to otherwise create any liability whatsoever for either party with respect to the indebtedness, liabilities, and obligations of the other party. Operator shall be solely responsible for (and CITY shall have no obligation with respect to) payment of all Federal Income, FICA, and other taxes owed or claimed to be owed by Operator,

arising out of Operator's association with CITY pursuant to this Agreement, and Operator shall indemnify and hold CITY harmless from and against, and shall defend CITY against, any and all losses, damages, claims, costs, penalties, liabilities and expenses including attorney fees with respect to any such taxes. Operator hereby expressly assumes all responsibility and liability for the payment of wages and benefits to its assigned personnel, and all related reporting and withholding obligations. Operator hereby agrees to indemnify and hold CITY harmless from any and all claims or liabilities that CITY may incur arising from any contention by any third party, including, but not limited to, any employee of Operator or any federal or state agency or other entity, that an employer-employee relationship exists by reason of this Agreement, including, without limitation, claims that CITY is responsible for retirement or other benefits allegedly accruing to Operator's assigned personnel.

11. Default and Termination

A. *Notice of Deficiency:* In the event CITY determines that Operator has failed to satisfactorily perform its contracted duties and responsibilities in conformance to the specifications identified in this Agreement, CITY shall notify Operator of the specific nature of the deficiency. Upon receipt of such notice, Operator will be allowed twenty (20) calendar days to cure the deficiency. If Operator determines it cannot cure the deficiency within the twenty (20) calendar day period, Operator must immediately submit, in writing, a plan for curing the deficiency to CITY (which plan shall show in detail by what means Operator proposes to cure the deficiency and the date the deficiency will be cured). Upon receipt of any such plan, CITY shall promptly review such plan and, at its discretion, which must be reasonable in the circumstances, may allow or not allow, Operator to pursue such plan of cure. CITY agrees that it will not exercise its remedies hereunder with respect to contract default for so long as Operator diligently, conscientiously, and timely undertakes to cure the deficiency in accordance with the approved plan. If CITY does not allow Operator an extension of the cure period, the twenty (20) day time period shall be suspended during the period of time the Operator's request for an extension of the cure period is pending before CITY.

B. *Termination for Default:* CITY may terminate Operator's operations and management services whenever CITY determines that Operator has failed to satisfactorily perform its contracted duties and responsibilities in conformance to the specifications identified in this Agreement, and is unable to remedy such failure in accordance with Section 11.A, Notice of Deficiency. Such termination shall be referred to herein as "Termination for Default". This Agreement may then be terminated by CITY upon service of a ten (10) day written notice to Operator.

(1) *Further Rights:* The rights and remedies of the parties provided in this Section 11.B, Termination for Default, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. *Termination for Operator Bankruptcy or Insolvency:* In the event of the filing of a petition of bankruptcy by or against Operator or in the event of insolvency, CITY shall have the right to terminate Operator's Agreement without

penalty upon the same terms and conditions as a Termination for Default.

D. *Termination for Damage:* Either party may terminate this Agreement as provided in Section 7.A.(5), Damage to Jail, by giving thirty (30) days notice of its intention not to rebuild, repair or restore the affected premises. Such termination shall be referred to herein as "Termination for Damage".

E. *Termination without Cause:* In addition to the other termination and default provisions of this Agreement, CITY reserves the right to terminate this Agreement without cause by providing the Operator with sixty (60) days of notice of termination. In the event of termination without cause, the Operator shall be paid for all services rendered to and including the date of termination.

12. Indemnification

A. *Indemnification and Hold Harmless by Operator:* Operator and its subcontractors, if any, with counsel mutually acceptable to CITY and Operator, agree to defend, indemnify, protect and hold CITY and its agents, officers, officials, employees, attorneys, consultants, volunteers and any parties with whom CITY has entered into an Intergovernmental Agency Agreement for the supply of detainees to CITY's facilities (collectively, "CITY Indemnitees"), harmless from and against any and all claims asserted or liability incurred for damages or injuries to any person or property, including injury to Operator's employees, agents or officers, which arise from, or are connected with, or are caused or claimed to be caused by, the acts, errors or omissions of Operator and/or its agents, officers, subcontractors or employees, in the performance or execution of this Agreement, and all expenses of investigating and defending against same including attorney fees, defense costs, court costs, third party administrator costs and other similar out-of-pocket expenses, regulatory proceedings costs, administrative proceedings costs and expenses of any kind; provided, however, that Operator's duty to indemnify and hold harmless the CITY Indemnitees shall not include any claims or liability to the extent arising from the negligence or willful misconduct of CITY Indemnitees. Operator agrees to pay all reasonable attorney and court costs as they are incurred by City in determining said negligence or willful misconduct of CITY Indemnitees. If it is determined that CITY is in any manner at fault, CITY agrees to reimburse Operator for a percentage of the costs incurred in determining such fault, based upon the percentage of fault found attributable to CITY.

B. *City's Choice of Counsel.* If CITY is sued as a result of the alleged actions and conduct of the Operator, CITY will have the right to select legal counsel mutually acceptable to CITY and Operator to defend the interests of CITY, and the reasonable costs and expenses for such legal counsel shall be paid by the Operator on a monthly basis as work is being performed by the legal counsel in defending CITY.

C. *Indemnification of CITY.* CITY shall defend, indemnify and hold Operator, its officers, agents and employees harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement to the extent that

such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or as a result from the negligence or willful misconduct of CITY, its officers, agents (except Operator, its employees, agents or subcontractors) or employees.

13. Insurance

Operator shall not commence work under this agreement until all certificates and endorsements have been received and approved by CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the Carrier to notify CITY, in writing, of any material change, cancellation, or termination at least 30 days in advance.

A. *Commercial General Liability Insurance:* Operator shall procure a policy or policies of Commercial General Liability insurance issued on an "occurrence" basis and not on a "claims made" or modified occurrence basis. Such insurance shall protect Operator against loss, including injury or death resulting there from suffered or alleged to have been suffered by any person or persons, resulting directly or indirectly from the performance or execution of this Agreement or any subcontract hereunder. Operator's insurer shall be a licensed and approved carrier in the State of California with an A. M. Best's rating of "A, Class VII" or better. Property liability insurance shall also protect Operator against loss from liability imposed by law for damage to any property caused directly or indirectly by the performance or execution of this Agreement and of any subcontract hereunder. Liability insurance (subject to the normal terms, conditions, and exclusions of the Commercial General Liability Coverage Form - Criminal Justice System Operations) must cover:

(1) *Assumption of Liability:* Operator's assumption of all liability caused by or arising out of all aspects of the provision and operation of the Jail.

(2) *Form, Limits:* The policy or policies for the insurance identified above must be of a comprehensive form and on an "occurrence basis" with a per occurrence limit of not less than Ten Million Dollars (\$10,000,000) and a general aggregate limit of not less than Ten Million Dollars (\$10,000,000) and include civil rights coverage as set forth in Section 13.F.(2), Civil Rights Coverage, with the same limits.

(3) Policies must not contain any exclusions for discrimination and/or alleged violations of civil rights.

B. *Automobile Insurance:* Operator shall obtain and maintain Automotive Liability Insurance, on an occurrence basis, which will cover any vehicle owned, leased, hired, borrowed or operated by Operator or its employees which are used in the performance of duties under this Agreement. The insurance shall have a limit of not less than Five Million Dollars (\$5,000,000) combined single limit.

C. *Workers' Compensation Insurance:* Operator shall obtain Workers' Compensation Insurance, including employer's liability coverage, with a limit not less than Two Million Dollars (\$2,000,000) or the amount required by California law, whichever is greater. If any work is sublet, Operator shall require the

subcontractor to provide similar Worker's Compensation Insurance coverage, unless such subcontractor's employees are covered by Operator's insurance. Operator agrees to indemnify CITY for any damage resulting to it from any failure of either Operator or any subcontractor to take out or maintain such insurance.

D. *Police Professional Liability Coverage:* Police Professional liability in an amount not less than \$10,000,000 per occurrence; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A, Class VII or better, as approved by the CITY. Policy must not contain any exclusions for any alleged or actual discrimination and/or civil rights violations. Policies also must not contain exclusions for sexual misconduct or molestation allegations and/or violations.

For any professional liability policy written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of this agreement, and for a period of not less than three (3) years from the date of completion of services hereunder. In the event of termination, cancellation, or material change of the policy during this period, -Operator shall obtain continuing insurance coverage for the prior acts or omissions of Operator during the course of performing services under the terms of this agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier. Evidence of coverage shall be submitted to the City of Garden Grove.

E. *Employee Theft Policy:* Operator shall provide a commercial crime/employee theft policy providing coverage in an amount not less than Two Hundred Fifty Thousand Dollars (\$250,000).

F. *Cyber Liability Policy:* Cyber Liability (EDP) in an amount not less than \$5,000,000 per occurrence to provide coverage for security and privacy liability, medical liability, cyber extortion, business interruption and extra expense.

G. *Excess Liability Policy:* Following form excess liability coverage shall be provided for any underlying policy that does not meet policy limits set forth herein.

H. *Endorsements:* All insurance policies shall contain a Waiver of Subrogation of rights against CITY, its officers, officials, agents, employees, attorneys, consultants, and volunteers. CITY, its officers, officials, agents, employees, attorneys, consultants and volunteers shall be named as additional insureds on all policy(ies) as to comprehensive general liability, civil rights liability, sexual misconduct and molestation liability, theft liability, police professional liability, property liability, and automobile liability, and excess liability coverages. Operator shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements as approved by CITY.

Additional insured endorsements under the commercial general liability policy shall provide coverage for on-going and completed operations for all injuries or losses that may occur under this agreement. Sexual misconduct and molestation and Civil Rights coverage shall not be excluded. Operator shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements as

approved by CITY.

Additional insured endorsements under the Operator's automobile liability policy shall designate the City of Garden Grove, its officers, officials, agents, attorneys, consultants, and volunteers as additional insured for automobiles owned, leased, hired, borrowed, or operated by Operator or Operator's employees. Operator shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements as approved by CITY.

Additional insured endorsements under the civil Rights liability policy shall provide for coverage for all intentional and unintentional losses that occur that result in any type of civil rights violation and/or discrimination violation. Additional insured endorsements shall designate the City of Garden Grove, its officers, officials, agents, employees, attorneys, consultants and volunteers as additional insured. Operator shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by CITY.

Additional insured endorsements under the sexual misconduct and molestation policy shall provide for coverage for all intentional and unintentional losses that occur under the policy. Additional insured endorsements shall designate the City of Garden Grove, its officers, officials, agents, employees, attorneys, consultants and volunteers as additional insured. Operator shall provide to CITY proof of insurance and endorsement forms that conform to City's requirements, as approved by CITY.

A loss payee endorsement shall be provided for all losses under the commercial crime/employee theft policy. The City of Garden Grove shall be designated as loss payee. An additional insured endorsement shall also be provided designating the City of Garden Grove, its officers, officials, agents, employees, attorneys, consultants, and volunteers as additional insured. Operator shall provide to CITY proof of insurance and endorsement forms that conform to City's requirements, as approved by CITY.

A waiver of subrogation shall be provided by the carriers for each policy waiving subrogation against the City of Garden Grove, its officers, officials, agents, employees, consultants, and volunteers.

An excess liability policy shall be provided for all underlying policies that do not meet underlying policy limits set forth herein. The excess policy must be following form to the underlying policies. Operator shall provide an insurance certificate stating the excess policy is "following form," and attach the schedule of underlying policies for the following form excess liability policy, and an additional insured endorsement for the following form excess liability policy. The additional insured endorsement shall designate the City of Garden Grove, its officers, officials, agents, employees, consultants, and volunteers as additional insured under the following form excess liability policy. Operator shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by CITY.

I. *Additional Policy Requirements:* The policies of insurance required by this Agreement shall also be subject to the following requirements and limitations:

(1) *Notice:* Each policy of insurance shall provide that said policy shall not be canceled nor the coverage reduced or materially changed until thirty (30) days after CITY's City Manager or City Manager's designee shall have received written notice of such cancellation, reduction, or material change, and that the notice shall be deemed effective on the date delivered to said City Manager as evidenced by properly validated return receipt.

(2) *Civil Rights Coverage:* Insurance provided by Operator under Section 13.A, Commercial General Liability Insurance, must protect CITY, its officers, officials, agents, employees, attorneys, consultants, and volunteers against civil rights actions and/or discrimination actions by Inmates involving "conditions of confinement" wherein declaratory and injunctive relief are sought and/or monetary damages are sought.

(3) *Separate Application:* The insurance afforded by Operator shall apply separately to each insured, against whom claim is made, or suit is brought. A separate insured endorsement shall be provided for each policy.

(4) *Primary/Non-Contributory Insurance:* The insurance provided by Operator shall provide primary and non-contributory insurance to CITY, its officers, officials, agents, employees, attorneys, consultants, and volunteers to the exclusion of any other insurance or self-insurance program that CITY may carry with respect to claims and injuries arising out of activities of the Operator or otherwise insured hereunder. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, attorneys, consultants, or volunteers shall not contribute with it. Claims made and modified occurrence policies shall not be accepted.

(5) Insurance companies must be acceptable to CITY and have an A.M. Best Guide Rating of A, Class VII or better, as approved by CITY.

(6) Endorsements limiting coverage to the sole negligence of the insured shall not be accepted.

(7) "Burning limits" or "defense within limits" policies that include the costs of defense and/or litigation within the coverage amounts shall not be acceptable.

J. *Reassessment of Coverage:* At the end of each contract year, or expiration of Operator's insurance policies, whichever is occurs first, CITY reserves the right to require increased insurance amounts and/or modified coverages depending upon assessment of the risk of exposure, Operator's past experience, and the availability and affordability of increased liability insurance coverage. Operator shall provide loss history for each policy covering a five (5) year period to date.

K. *Deductibles and Self-Insured Retention:* Any deductibles or self-insured retention must be declared to and approved by CITY. At the option of CITY, either: the insurer shall reduce or eliminate such deductibles or self-insurance retention as respects CITY, its officers, officials, employees and volunteers; or Operator shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses. Any deductibles incurred by Operator arising from any incident occurring during a contract period will be deemed an operating expense. Nothing in this paragraph is intended to authorize an increase in the not-to-exceed Total Operations Cost provided for in Attachment 1.

L. *Certificates of Insurance and Cancellation:*

(1) All insurance required by this Article shall be procured and maintained, throughout the term of this Agreement, with financially sound insurance companies licensed to do business in the State of California and approved by CITY. Such certificates of insurance and any insurance policies themselves shall contain a provision that CITY shall receive written notice at least thirty (30) days prior to the cancellation or material change of any of the coverage provided under the policies.

(2) In the event that any insurance described herein or any portion thereof becomes commercially unavailable, Operator shall make commercially reasonable efforts to obtain such replacement insurance as may be available as soon as possible and this Agreement, if applicable, shall be modified in writing accordingly. In the event that adequate insurance becomes commercially unavailable, CITY or OPERATOR may terminate this Agreement upon sixty (60) days prior written notice as a Termination without Cause pursuant to Section 11.E herein.

M. *Waiver of Defenses:* Neither CITY nor Operator shall waive, release, or otherwise forfeit any possible defense CITY or Operator may have regarding Claims arising from, or made in connection with, the operation of the Jail by Operator without the written consent of the other party to this Agreement. CITY and Operator shall preserve all such available defenses and cooperate with each other to make such defenses available for each other's benefit to the maximum extent allowed by law. This provision shall include any defenses CITY may have regarding litigation, losses, and costs resulting from investigation, claims or litigation pending at the time this Agreement becomes effective or arising thereafter from occurrences prior to the effective date of this Agreement.

N. *Insurance not a Waiver:* CITY does not, and shall not, waive any rights against Operator which it may have by reason of the hold-harmless provisions of this Agreement because of the acceptance by CITY or the deposit with CITY by Operator, of any of the insurance policies described herein. The hold-harmless provisions of this Agreement shall apply to all damages and claims for damages of every kind suffered, alleged to have been suffered, by reason of any of Operator's activities or any subcontractor's activities, regardless of whether or not the insurance policies required by this Agreement are determined to be applicable to any such damages or claims for damages.

O. *Certified Copies of Policies:* CITY shall be entitled to receive certified copies of any and all policies maintained by Operator, at Operator's expense. Operator shall provide CITY with the requested certified copy and any and all endorsements of the policy within five (5) days of the request, and the policies must be full and complete policies.

P. If Operator maintains higher insurance limits than the minimums shown above, Operator shall provide coverage for the higher insurance limits otherwise maintained by the Operator.

Q. Operator shall not hire any subcontractors without the express written permission of CITY. If Operator hires subcontractors to perform work under this contract, subcontractors shall be responsible to provide the same insurance as required of Operator herein. If any such subcontractor's insurance carrier(s) require there to be an agreement between the subcontractor and the CITY in order to trigger the required coverage, the subcontractor shall be required to enter into an agreement with CITY on terms acceptable to CITY. Operator shall be responsible to collect and maintain all insurance from subcontractors.

14. Operator's Corporate Obligations

A. *Maintenance of Corporate Existence and Business:* Operator shall, at all times, maintain its corporate existence and authority to transact business in good standing in its jurisdiction of incorporation and California. Operator shall maintain all licenses, permits, and franchises necessary for its businesses where the failure to so maintain might have material adverse effect on Operator's ability to perform its obligations under this Agreement.

B. *Non-Discrimination:* Operator shall not discriminate as to race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation, in the performance of its services and duties pursuant to this Agreement, and will comply with any rules and regulations of CITY relating thereto.

C. *Taxes, Liens and Assessments:* Operator shall: (i) not create or suffer to be created, any lien or charge upon the Jail or any part thereof; and (ii) pay or cause to be discharged, within sixty (60) days after the same shall come into force, any lien or charge upon the Jail or any part thereof and all lawful claims or demands for labor, materials, supplies or other charges which, if unpaid, might be or become a lien upon the City Building, the Jail, or any part thereof.

D. *City's Facility Representative:* The Chief of Police shall appoint a CITY's Facility Representative for the Jail who shall work for and be paid by CITY. CITY's Facility Representative will be the official liaison between CITY and Operator on all matters pertaining to this Agreement and the services provided hereunder. CITY's Facility Representative may appoint another CITY employee as acting CITY's Facility Representative during his or her absence, and during such time the acting CITY's Facility Representative shall exercise all rights and perform all duties of CITY's Facility Representative under this Agreement.

E. *Right to Audit:* CITY shall, subject to limitations provided by law with respect to rights of privacy, have the right to examine all records of Operator related to the Jail, including without limitation, all financial books and records, maintenance records, employee records, and Inmate records generated by Operator, its subcontractors or any other related parties in connection with performance of this Agreement. Operator shall make the same available for inspection by CITY or CITY's auditors at any time during normal business hours after reasonable notice during the term hereof and for a period of three (3) years thereafter.

F. *Self-Monitoring:* Operator shall develop and submit to CITY for approval, a detailed plan illustrating how Operator intends to monitor operations of the Jail to ensure compliance with this Agreement.

G. *Monitoring by City:* CITY may, in its discretion, in coordination with CITY's Facility Representative, devise its own checklist or lists for monitoring the quality of Operator's performance with this Agreement and the applicable Minimum Standards and Garden Grove Police Department Policies, and Operator shall cooperate fully with CITY and CITY's Facility Representative in obtaining the requisite information needed to complete such checklists and to assess the quality of Operator performance. Such monitoring by CITY shall not relieve Operator of any of its obligations under this Agreement.

15. Representations and Warranties

A. *Representations of Operator:* Operator, to the best of Operator's knowledge at the time of executing this Agreement, represents and warrants to and for the benefit of CITY with the intent that CITY will rely thereon for purposes of entering into this Agreement, as follows:

(1) *Organization and Qualification:* Operator has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California with power and authority to own its properties and conduct its business as presently conducted and as proposed to be conducted pursuant to this Agreement.

(2) *Authorization:* This Agreement has been duly authorized, executed, and delivered by Operator and, assuming due execution and delivery by CITY, constitutes a legal, valid, and binding agreement enforceable against Operator in accordance with its terms.

(3) *No Violation of Agreements, Articles of Incorporation or Bylaws:* The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under any indenture, mortgage, deed of trust, lease, loan agreement, license, security agreement, contract, governmental license or permit, or other agreement or instrument to which Operator is a party or by which its properties are bound, or any order, rule, or regulation of any court or any regulatory body, administrative agency, or other governmental body applicable to Operator or any of its properties, except any such conflict, breach, or default which would not materially and adversely affect

Operator's ability to perform its obligations under this Agreement, and will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under, the Articles of Incorporation (or other, corresponding charter document) or Bylaws of Operator.

(4) *No Defaults Under Agreements:* Operator is not in default, nor is there any event in existence which, with notice or the passage of time or both, would constitute a default by Operator, under any indenture, mortgage, deed of trust, lease, loan agreement, license, security agreement, contract, governmental license or permit, or other agreement or instrument to which it is a party or by which any of its properties are bound and which default would materially and adversely affect Operator's ability to perform its obligations under this Agreement.

(5) *Compliance with Laws:* Neither Operator nor its officers and directors purporting to act on behalf of Operator have been advised, and have no reason to believe, that Operator or such officers and directors have not been conducting business in compliance with all applicable laws, rules and regulations of the jurisdictions in which Operator is conducting business, including all safety laws and laws with respect to discrimination in hiring, promotion or pay of employees or other laws affecting employees generally, except where failure to be so in compliance would not materially and adversely affect Operator's ability to perform its obligation under this Agreement.

(6) *No Litigation:* There is not now pending or, to the knowledge of Operator, threatened, any action, suit, or proceeding to which Operator is a party, before or by any court or governmental agency or body, which might result in any material adverse change in Operator's ability to perform its obligations under this Agreement, or any such action, suit, or proceeding related to environmental or civil rights matters; and no labor disturbance by the employees of Operator exists or is imminent which might be expected to materially and adversely affect Operator's ability to perform its obligations under this Agreement.

(7) *Taxes:* Operator has filed all necessary federal, state, and foreign income and franchise tax returns and has paid all taxes as shown to be due thereon, and Operator has no knowledge of any tax deficiency which has been or might be asserted against Operator which would materially and adversely affect Operator's ability to perform its obligations under this Agreement.

(8) *Financial Statements:* Operator has delivered to CITY true and correct copies of its financial statements or other financial records that fairly present the current financial position of Operator including but not limited to 5 years of loss history for each policy.

(9) *No Adverse Change:* Since the date of Operator's most recent financial records provided to CITY, there has not been any material adverse change in Operator's business or condition, nor has there been any change in the assets or liabilities or financial condition of Operator from that reflected in such financial records which is material to Operator's ability to perform its obligations under this Agreement.

(10) *Disclosure:* There is no material fact which materially and adversely affects or in the future will (so far as Operator can now reasonably foresee) materially and adversely affect Operator's ability to perform its obligations under this Agreement which has not been accurately set forth in this Agreement or otherwise accurately disclosed in writing to CITY by Operator preceding the date hereof.

B. *Representations of City:* CITY represents and warrants to and for the benefit of Operator with the intent that Operator will rely thereon for purposes of entering into this Agreement as follows:

(1) *Authorization:* CITY has the requisite power to enter into this Operating agreement and perform its obligations hereunder and by proper action has duly authorized the execution, delivery, and performance hereof.

(2) *No Violation of Agreement:* The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not conflict with, or result in a breach of any of their terms and provisions, or constitute a default under any indenture, mortgage, deed of trust, lease, loan agreement, contract, or other agreement or instrument to which CITY is a party or by which its properties are bound, or any order, rule or regulation or any court or any regulatory body, administrative agency or other governmental body applicable to Operator or any of its properties, except any such contract, breach, or default which would not materially and adversely affect CITY's ability to perform its obligations under this Agreement.

(3) *No Litigation:* There is not now pending or, to the knowledge of CITY, threatened, any action, suit or proceeding to which CITY is a party, before or by any court or governmental agency or body, which might result in any material adverse change in CITY's ability to perform its obligations under this Agreement.

(4) *Disclosure:* There is no material fact which materially and adversely affects or in the future will (so far as CITY can now reasonably foresee) materially and adversely affect CITY's ability to perform its obligations under this Agreement or which might require changes in or additions to the Operation and Management Services that would increase the cost to Operator of providing such services, which has not been accurately set forth in this Agreement or otherwise accurately disclosed in writing to Operator by CITY prior to the date hereof.

16. Conditions

A. *Insurance:* As a condition precedent to the effectiveness of this Agreement, Operator shall provide, to CITY, Certificates of Insurance, endorsements, binders or other proof of insurance, acceptable to CITY in its sole discretion, evidencing all insurance coverage required by **Section 13**, Insurance. Operator shall make every effort to provide all insurances and endorsements in a timely manner.

17. Notices

A. *Notices:* Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during Operator's regular business hours or by facsimile before or during Operator's regular business hours. Delivery by facsimile shall be confirmed by sending a copy of the faxed notice to the other party by first class U.S. mail, postage prepaid, within forty-eight (48) hours of the delivery by facsimile; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore set forth in the Agreement, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this section.

City of Garden Grove: Chief of Police
Garden Grove Police Department
11301 Acacia Parkway
Garden Grove, California 92840

With Copy to:

City Manager
City of Garden Grove
P. O. Box 3070
Garden Grove, California 92842

Operator
The GEO Group, Inc.
Attention: James Black, Vice-President
6100 Center Drive, Suite 825
Los Angeles, CA 90045

With Copy to:
City of Garden Grove
General Counsel
11222 Acacia Parkway
Garden Grove, CA 92840

18. Miscellaneous Provisions

A. *Binding Nature:* This Agreement shall not be binding upon the parties until it is approved and executed by both parties. This Agreement after properly approved and executed by the parties, shall inure to the benefit of CITY and Operator and shall be binding upon CITY and Operator and their respective successors and assigns, subject to the limitations set forth in Section 18.L, Assignability, and elsewhere in this Agreement.

B. *Invalidity and Severability:* In the event that any provision shall be null and void, the validity of the remaining provisions of this Agreement shall not in any way be affected thereby.

C. *Terminology and Definitions:* All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural and plural shall include the singular.

D. *Jurisdiction:* Any and all suits for any and every breach of this Agreement shall be instituted and maintained in any court of competent jurisdiction in the County of Orange, State of California.

E. *Attorney's Fees:* In the event that either party to this Agreement shall commence any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover its costs of suit, including reasonable attorney's fees and costs.

F. *Law of California:* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

G. *Entire Agreement:* This Agreement incorporates all the agreements, covenants, and understanding between the parties hereto, concerning the subject matter hereof, and all such covenants, agreements and understanding have been merged into this written Agreement. No other prior agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

H. *Amendment:* No changes to this Agreement shall be made except upon written agreement of both parties.

I. *Headings:* The headings used herein are for convenience of reference only and shall not constitute a part hereof or effect the construction or interpretation of this Agreement.

J. *Waiver:* No failure on the part of any party to exercise, and no delay in exercising, and no course of dealing with respect to any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or in the exercise of any other right. The remedies provided in this Agreement are cumulative and non-exclusive of any remedies provided by law or in equity, except as expressly set forth herein.

K. *Counterparts:* This Agreement may be executed in any number of, and by the different parties hereto, on separate counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

L. *Assignability:* This Agreement is made on the express condition and understanding that Operator's personal services are a substantial inducement to CITY for entering into this Agreement. Therefore, this Agreement may not be sold, transferred or assigned by Operator, or by operation of law, to any other person or persons or business entity, without CITY's prior written permission. Any such sale, transfer or assignment without prior written permission, may be deemed by CITY to constitute a voluntary termination of this Agreement and this Agreement shall thereafter be deemed terminated and void.

M. *Signatures:* Each person executing this Agreement on behalf of a party hereto warrants and represents that he/she is duly authorized to execute this Agreement on behalf of the entity for which he/she is signing and that such party is bound to the rights and by the obligations set forth in this Agreement by such signature.

(Agreement Signature Block on Next Page)


IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement as of the date first set forth above.

"CITY"
CITY OF GARDEN GROVE

By: 
City Manager

Date: 6/25/15

"OPERATOR"
The GEO Group, Inc.

By: 
Executive ~~SX~~ Vice President

Date: 5/28/15

AMBER D. MARTIN
Executive VP Contract Administration
The Geo Group, Inc.

ATTEST:

By: 
City Clerk

APPROVED AS TO FORM:

By: 
City Attorney

ATTACHMENT "A"

SCOPE OF SERVICES

Provide Jail Management and Operational Services for the Garden Grove Police Department

RFP S-1162

SECTION 1: Minimum Requirements for Submitting a Proposal

Respondents must have been in the business of providing operations and management services for municipal jails for a period of at least five years.

Respondents must provide complete proposals, including detailed descriptions of how they would provide the requested services, and detailed financial information that describes all aspects of the services they propose to provide.

Respondents' proposals must be valid for not less than one hundred twenty (120) days after the Open Date.

SECTION 2: General Conditions

Respondents are advised to become familiar with all conditions, instructions, and specifications of this RFP. By submitting a proposal, Respondent represents and warrants that it has thoroughly examined and become familiar with work required under this RFP, that Respondent has conducted such additional investigation as it deems necessary and convenient, that Respondent is capable of providing the services requested by City in a manner that meets City's objectives and specifications as outlined in this RFP, and that Respondent has reviewed and inspected all materials submitted in response to this RFP. Once the award has been made, a failure to have read the conditions, instructions, and specifications herein shall not be cause to alter the contract or for Respondent(s) to request additional compensation.

The Respondent(s) selected for the contract will be responsible for complying with all conditions of this RFP and any subsequent formal agreements. All responses provided should be as detailed as possible to provide to provide the proposal evaluators with enough information to make an assessment of the Respondents(s)' services in accordance with the requirements herein. Please do not include videos.

The form of the proposal shall be made in the format requested and each Respondent shall submit, in full, the completed original PROPOSAL PRICING FORM, along with the attachments and all other requested documentation.

Proposal Pricing Form (Attachment B): If the proposal is made by a sole owner, it shall be signed with his/her name and his/her address shall be given. If it is made by a partnership, it shall be signed with the partnership name by a member of the firm authorized to bind the partnership who shall also sign his/her name, and the name and address of each member shall be given. If it is made by a corporation, it

shall be made by an officer or other individual who has the full and proper authorization to do so and their address shall be given. If the proposal is made by a joint venture, it shall be signed on behalf of each participating company by officers or other individuals who have full and proper authorization to do so and their address shall be given.

Respondents to the RFP must submit four (4) copies of their proposal in a sealed envelope. The envelope should be clearly marked as indicated on page 1 of this Request for Proposals.

Sealed proposals must be received in the Office of the Purchasing Agent located at 11222 Acacia Parkway, Garden Grove CA, 92840, no later than the due date and time specified.

All requests for clarification or inquiries concerning this RFP must be submitted in writing via email to Sandra Segawa sandras@garden-grove.org. Responses to questions or comments provided by any other department, employee, or City office concerning the RFP will not be valid and will not bind the City. Inquiries received via telephone, fax, or in person will not receive a response. City's responses to requests and submissions of questions will take the form of an addendum, which will be posted on the City's website via Planet Bids.

Respondents' failure to duly and adequately respond to this RFP will render the proposal non-responsive and is grounds for rejection by the City.

Late proposals will not be accepted, and will be returned unopened, regardless of postmark. Prospective Respondents are responsible for having proposals deposited on time at the place specified and assume all risk of late delivery, including any delay in the mail or handling of the mail by the U.S. Postal Service or City employees. All proposals must be in writing and must contain an original signature by an authorized officer of the submitting company. Electronic proposals (i.e., telephone, fax, e-mail, etc.) are not acceptable.

Respondents' proposal must be valid for no less than one hundred twenty (120) days after the open date.

The City of Garden Grove shall not be liable for any pre-contractual expenses incurred by any respondent or the selected Respondent. Respondents shall not include any such expenses as part of the price proposal in response to this RFP.

This Request for Proposals, Proposal Pricing Form, its attachments, the Responsive Proposal, and Addenda if any, will be incorporated as part of the contract.

If the respondent is a sole proprietorship, the contract shall be executed by the business owner personally. If the respondent is a partnership, the contract shall be executed by one of the partners that has authority to bind

the partnership. If the respondent is a corporation, the contract must be executed by two authorized signatories. The first must be one of the following: chairman of the board, president or any vice president; the second signature must be a secretary, any assistant secretary, the chief financial officer or any assistant treasurer. If the respondent is a joint venture, the contract must be executed on behalf of each participating firm by officers or other individuals who have full and proper authorization to bind the entity.

Every supplier of materials, services and all Respondents doing business with the City shall be an "Equal Opportunity Employer" as defined by Section 2000 (E) of Chapter 21, title 42 of the United States Code of federal Executive Order #11375, and as such shall not discriminate against any person by race, creed, color, religion, age, sex, or physical or mental disabilities with respect to hiring, application for employment, tenure, terms or conditions of employment.

SECTION 3: Background Information

The City of Garden Grove is a 17.8 municipality centrally located in Orange County. Approximately 175,000 people live in Garden Grove. The City is bordered by Anaheim, Orange, Santa Ana, Fountain Valley, Westminster, Los Alamitos, Cypress, and Stanton.

The City boasts an active redevelopment area to include a fastly growing Resort area along Harbor Blvd. This area draws visitors from around the world to attractions such as Disneyland, Anaheim Stadium, Christ Cathedral and the Honda Center.

The City of Garden Grove successfully dedicates its resources to provide residents, businesses and visitors the highest quality safety services, recreational facilities, and physical environment with impressive results.

The City operates a three-cell holding facility (jail), which consists of one sobering cell, one dry cell (described as having no facilities such as sink or toilet), and one standard cell. The jail typically house prisoners for up to six hours. At that time, the prisoners are released on Bail, Own Recognizance, Written Promise to Appear or transported to County Jail by jail staff. Occasionally prisoners are held longer than six hours but at no time are they housed at this facility.

Annually, approximately 6000-6400 arrestees are processed through the jail. In addition approximately 600 registrants are processed. See breakdown below:

YEAR	2011	2012	2013
ADULT BOOKING	5247	5617	5249
JUVENILE BOOKING	854	875	651
REGISTRANT	687	604	539

The City currently contracts with a vendor that provides operations and management services for the facility. This vendor is responsible for receiving, processing, housing, monitoring, transporting and/ or releasing prisoners arrested by officers of the Department and/or any other law enforcement agency, and performing other related duties as outlined in the department's policy manuals. The vendor's employees are actively supervised by the City's Jail Manager. The contractor also ensures that all employees assigned to the facility are in compliance with applicable training required by law.

The vendor is required to provide two employees at all times to operate the facility 24 hours a day, seven days a week, including holidays. Employees work eight (8) hour shifts.

The Jail Supervisor is an employee of the vendor that serves as the vendor's on site supervisor. In addition to performing standard custody work, this person is responsible for managing the vendor's operation of the Jail Facility and supervising the vendor's employees.

The Jail Manager is an employee of the City, who oversees daily operations of the jail. He/she acts as a liaison between the Vendor and the City.

SECTION 4: Requirements

Respondent shall provide operations and management services for the City of Garden Grove's jail facility, which includes the receiving, processing, housing, monitoring, transporting and/or releasing prisoners arrested by officers of the Department and/or any law enforcement agency, and performing other related duties as outlined in the department's policy manuals. Services shall include all required supervision, labor, uniforms, associated equipment and material needed to effectively and efficiently perform all duties required of a jail/holding facility including, but not limited to, any mandatory staff training.

Compliance: Respondent shall at all times during the term of the Agreement comply with all applicable federal, state, and local laws including, without limitation, Titles 15 and 24 of the California Code of Regulations, all applicable Minimum Standards specified by all applicable federal and State requirements, laws and statutes, applicable court orders and the California Corrections Standards Authority, whether now in effect, hereafter affected or implemented as applicable to Jail facilities in the future. This includes, but is not limited to, obtaining a business permit and a business license.

Equipment Requirements: Respondent shall, at its own costs and expense, provide all equipment that may be required for performance of the services required by this RFP.

Employee Qualifications: Respondent shall ensure that all employees assigned to the GGPD Jail Facility Meet the minimum requirements listed below:

PREFERRED REQUIREMENTS:

- Previous United States military experience
- Previous local/state/federal corrections or law enforcement experience
- Police academy graduate

Additionally, all employees shall:

1. Be at least 21 years of age.
2. Have a High School Diploma/GED
3. Have a valid California Class C driver's license
4. Must meet all minimum screening and background checks required for Custody Officers
5. Must complete required training and orientation mandated for Custody Officers
6. Be First Aid and CPR trained and qualified
7. Have good written and oral communication skills
8. Be able to prepare written and/or computer-based daily logs and reports of incidents that have taken place
9. Be responsible for prisoner tracking and booking information
10. Be physically able to perform all aspects of the Assignment
11. Provide favorable references from previous employers
12. Have an acceptable prior military check of DD form 214 (if applicable)
13. Have a current social security card
14. Have a current green card (if applicable)
15. Be willing to take and pass a random drug test

Employee Background Checks: Respondent shall institute a procedure for performing background checks. The following are the minimum requirements that must be met and written documentation provided to the City. All information, documentation, testing, certification, etc. is to be conducted and provided at no cost to the City of Garden Grove. By responding to this Request for Proposal, Respondent agrees to absorb any and all costs associated with these requirements.

- a. Employment/Qualifications Verifications: conduct a seven (7) year employer background check to verify the applicant was not terminated for other than honorable circumstances and verify any periods of unemployment.
- b. Education: Conduct a review of the schools attended by the applicant to verify completed educational level. Validate all references made to completing an "Equivalency Test" for High School level.
- c. Drugs: Conduct a random drug-screening test to verify non-usage of drugs. Applicants who are narcotics offenders or use dangerous drugs or use alcohol to an excessive degree will be disqualified.

- d. Reference Check: Conduct a minimum of three personal reference checks, non-family to include immediate and distant relative.
- e. DMV Check: Respondent shall provide California Department of Motor Vehicles (DMV) reports on all prospective employees to City for review. City shall establish minimum driving requirements for any Respondent employee who will be driving any City vehicle, which must be adhered to by the Respondent and its Employees.
- f. Credit Check: Conduct a standard credit check to determine financial responsibility and interview all raters who have given a negative review to determine the cause of said negative review.
- g. Psychological Review: Conduct a Minnesota Multiphasic Personality & Intelligence Test (MMPI) to determine moral integrity and mental stability of applicant. The psychological evaluation shall be conducted by a clinical psychologist acceptable to the City.
- h. Fingerprints: The applicant's fingerprints must be processed through Live Scan for California Department of Justice and NCIC/FBI clearance. Fingerprinting and processing of applicant to obtain clearances shall be performed by the City, with the required Department of Justice fees paid by Respondent. Fingerprinting must be completed, and clearance received prior to applicant working in the City jail facility.

Employee Staffing Requirements: Respondent shall ensure that two employees are on-duty at all times to operate the Facility 24 hours a day, seven (7) days a week, including holidays.

The Jail Supervisor shall be a salaried position. The Jail Supervisor shall complete all training requirements, as outlined in State Corrections Standards Authority ("CCR") Title 15, Article 3. TRAINING, PERSONNEL, AND MANAGEMENT, Section 1021. Additionally, the Jail Supervisor shall receive 24-hours of STC refresher training on an annual basis.

All employees are required to follow grooming standards as set forth within the Garden Grove Police Department General Orders 3.19.

Hair: Male uniform personnel must not wear a hair style that is longer than the bottom of their shirt collar while assuming a normal stance. Female uniform personnel must not wear a hairstyle that is longer than the bottom of the uniform patch when the employee is standing erect, worn up or in a tightly wrapped braid or ponytail.

Hair shall not display extreme or untidy styles and shall not impair vision in any manner. Hair clips and barrettes will be of conforming colors (black, brown, blue, silver, no bright colors).

Mustache: A mustache must not extend more than one-half inch beyond the corner of the mouth. A mustache cannot touch the lower lip.

Sideburns: Sideburns must not extend below the bottom of the ear. Sideburns must not connect to the mustache.

Facial Hair: Facial hair other than sideburns, mustaches and eyebrows shall not be worn, unless authorized by the Chief of Police or his or her designee.

Body Piercing or Alteration: Except for a single stud pierced earring worn in the lobe of each ear of female employees only, no body piercing shall be visible while any employee is on duty or representing the Department in any official capacity.

Alteration to any area of the body visible in any authorized uniform or attire that is a deviation from normal anatomical features and which is not medically required is prohibited. Such body alteration includes, but is not limited to:

- a.) Tongue splitting or piercing.
- b.) The complete or transdermal implantation of any material other than hair replacement.
- c.) Abnormal shaping of the ears, eyes, nose or teeth.
- d.) Branding or scarification.

In addition, all tattoos shall be concealed in a manner that prevents them from being visible.

Uniform Requirements: Respondent shall provide GGPD-approved uniform items to its employees. Uniforms shall be clean and presentable.

Hours of Operations: Respondent shall provide continuous operation of the Jail Facility, twenty-four (24) hours per day, seven (7) days per week, including holidays.

Inspections: Respondent shall be subject to inspections by authorized Police Department personnel to determine if all relevant operators, records and equipment are in compliance with all applicable federal, state, and local laws and terms of its agreement with the City. The City reserves the right to conduct random audits without prior notification.

Invoices: Respondent shall submit statements of service charges to be paid by the City to the records and jail manager on a monthly basis, in a format approved by the Police Department. Each invoice shall detail, with specificity, the number of hours worked by each employee and the services for which the City is being information charged.

Documents: Copies of the following documents shall be submitted to the records and jail manager within fifteen (15) days after the Agreement is executed.

- Business License
- Certificate of insurance and any other insurance documents

E-Verify: If Respondent is not already enrolled in the U.S. Department of homeland Security's E-Verify program, Respondent shall enroll in the E-Verify program within fifteen (15) days of entering into any agreement with the City to verify the employment authorization of new employees assigned to perform work. Information pertaining to the E-Verify program can be found at <http://www.uscis.gov/everify>. Respondent shall certify its registration with E-Verify and provide its registration number to the City.

Section 5: Format of Response/Proposal:

Respondents interested in responding should submit a packet that is labeled, includes a table of contents, and has each page numbered individually that includes the following sections or subsections in the response including the following:

- A. Required Proposal Forms. Complete and execute the all forms as required in this RFP.
- B. Company Description. A description of the company, including the organization's experience and history of providing services as required in this RFP.
- C. Experience. Provide a detailed description of related experience in performing the services requested.
- D. Scope of Work. Based on the Requirements in Section 4, describe how your company proposes to supply all the services requested and required by all Local, State and Federal laws.
- E. Training and Transition. Provide a detailed description of how your company proposes to train its employees to operate the GGPD jail Facility. Include information about how your company will transition GGPD from its current vendor that provides the services referred to under this RFP to your company, including any "down time" that may be necessary to effectuate this transition. Also provide a detailed financial summary of the costs associated with this training and transition.
- F. References. Please *do not* use the City of Garden Grove as a reference. Provide a list of *three* professional references including:
 - Name of Agency/Organization
 - Contact Person
 - Address
 - Telephone
 - Fax
 - E-Mail
 - Description of Services Provided

- G. Contractor and Subcontractor Listing. If applicable, submit the names, addresses, phone numbers, and applicable licenses of all the firms that will provide services in conjunction with the performance of this agreement.
- H. Additional Information. Respondents may provide additional information that is relevant to the proposal for consideration. Please do not include videos.
- I. Anticipated Contract Form. Carefully review the terms of the Anticipated Contract Form on Page 13 of this RFP document and note in your proposal any terms or conditions to which you would like to propose modifications. Detail the proposed modification(s). However, please be aware that deviations from City's standard terms and conditions may result in rejection of your proposal.

Section 6: Selection Process

The City reserves the right to accept or reject any and all proposals and reserves the right to waive informalities and irregularities in the proposal process. The City also reserves the right to withdraw this Request for Proposal or decline to award a contract at its' sole discretion. The City may reject proposals from respondents who cannot satisfactorily prove the experience and qualifications required by this RFP and/or provide the scope of services required herein.

The City reserves the right to require any or all respondent(s) to either make a presentation that illustrates their abilities to provide services and/or attend an interview session to gauge their suitability to provide services for this project. If so requested, the Respondent(s) shall make their personnel available within ten (10) calendar days of request. No cost allowance shall be permitted for this requirement.

The City will be the sole and exclusive judge of quality and compliance with proposal specifications in any of the matters pertaining to this RFP. The City reserves the right to award the contract(s) in any manner it deems to be in the best interest of the City and make the selection based on its sole discretion, including negotiating with one or more Respondent(s) for the same services.

**ATTACHMENT B
PROPOSAL PRICING FORM – Page 1 OF 2**

RFP NO. S-1162

THE HONORABLE MAYOR AND CITY COUNCIL
CITY OF GARDEN GROVE
11222 ACACIA PARKWAY
GARDEN GROVE, CALIFORNIA 92840

To: THE HONORABLE MAYOR AND CITY COUNCIL

The undersigned having carefully examined the Plans and specifications to: Provide Jail Management and Operation Services for the Garden Grove Police Department and HEREBY PROPOSE do all the work required in accordance with the Scope of Services for the sum of:

\$ 514,627 for year 1 and in written words:

Five hundred fourteen thousand six hundred twenty-seven dollars for year one

\$ 530,066 for year 2 and in written words:

Five hundred thirty thousand sixty-six dollars for year two

\$ 545,968 for year 3 and in written words:

Five hundred forty-five thousand nine hundred sixty-eight dollars for year three

The above proposal price includes all applicable taxes for the pricing proposed in this submittal. **Note:** In case of discrepancy between the words and figures, the words prevail.

General Terms:

1. The Respondent understands and agrees that it will be bound by its proposal as expressed on this Proposal Pricing Form and its attachments and the proposal submitted if respondent is selected and subsequently approved by the City.
2. The request For Proposal, Proposal Pricing Form and its attachments, the Response to the Request for Proposal and Addenda, if any, are made a part of the proposal submitted by Respondent.
3. The respondent acknowledges that it has received the following Addenda:

Addenda # 1
4. The Respondent understands and agrees that the City reserves the right to reject any or all proposals or waive any informality or irregularity in the proposal process as set forth in the RFP.

**ATTACHMENT B
RFP S-1162
PROPOSAL PRICING FORM – Page 2 of 2**

5. Respondents' quoted rates shall remain in effect for not less than one hundred twenty (120) days after the Open date.

Exceptions:

Any Respondent's exceptions to these terms or conditions or deviations from the written specifications shall be shown in writing and attached to the Proposal Pricing Form. However, such exceptions or deviations may result in the rejection of your proposal.

PAYMENT TERMS: NET 30

EXCEPTIONS OR N/A

DEVIATIONS: _____

COMPANY NAME: The GEO Group, Inc.

ADDRESS: 6100 Center Drive, Suite 825

Los Angeles, CA 90045

TELEPHONE: (310) 348-3000 E-MAIL: jblack@geogroup.com

SUBMITTED BY: JAMES BLACK Vice President
Name (Printed) Title



SIGNATURE

CITY JAIL OPERATIONS AND MANAGEMENT AGREEMENT
(The GEO Group, Inc. and The City of Garden Grove, CA)
BUDGET

	YEAR ONE	YEAR TWO	YEAR THREE
	July 1, 2015 to June 30, 2016	July 1, 2016 to June 30, 2017	July 1, 2017 to June 30, 2018
Staffing (9.625 FTE)	\$ 390,030	\$ 401,731	\$ 413,783
Jail Administrator (1)			
Jail Officers (8.5)			
Jail Director (.125)			
Salaries, Overtime, Benefits, Taxes, Training, Recruitment, New Hire Costs			
Operating Costs	\$ 12,880	\$ 13,266	\$ 13,664
Incidental Expenses, Office Supplies, Food, Inmate Care Items			
Insurances	\$ 36,942	\$ 38,050	\$ 39,192
Direct Costs	\$ 439,852	\$ 453,048	\$ 466,639
Management Fee	\$ 74,775	\$ 77,018	\$ 79,329
TOTAL OPERATIONS COST	\$ 514,627	\$ 530,066	\$ 545,968

Note:

Monthly billing will equal one twelfth (1/12) of the annual Total Operations Cost each month regardless of actual expenses.
3% COLA escalator in Years Two & Three



CERTIFICATE OF LIABILITY INSURANCE

Page 1 of 2
DATE (MM/DD/YYYY)
10/07/2014

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

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

PRODUCER Wendy Fleenor Willis Insurance Services of Georgia, Inc. c/o 26 Century Blvd. 813-490-6843 P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL: certificates@willis.com ADDRESS:
	INSURER(S) AFFORDING COVERAGE INSURER A: National Union Fire Insurance Co. of Pitt 19445-002 INSURER B: New Hampshire Insurance Company 23841-001 INSURER C: Steadfast Insurance Co. 26387-001 INSURER D: Illinois National Insurance Company 23817-001 INSURER E: INSURER F:
INSURED The GEO Group Inc and All Subsidiaries including Cornell Companies, Inc. 621 Northwest 53rd Street Suite 700 Boca Raton, FL 33487	NAIC# A, XV A, XV A, XV A, XV

COVERAGES

CERTIFICATE NUMBER: 22238251

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSRD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Medical Professional <input checked="" type="checkbox"/> Civil Rights GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		2047539 (AOS)	10/1/2014	10/1/2015	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 5,000,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 25,000,000 PRODUCTS - COM/POP AGG \$ 5,000,000
A	AUTOMOBILE LIABILITY		3814809 (AOS)	10/1/2014	10/1/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 3,000,000
B	<input checked="" type="checkbox"/> ANY AUTO		3814810 (MA)	10/1/2014	10/1/2015	BODILY INJURY (Per person) \$
A	<input type="checkbox"/> ALLOWED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		3814811 (VA)	10/1/2014	10/1/2015	BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION \$		IPR379227402	10/1/2014	10/1/2017	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		028234570 (AOS)	10/1/2014	10/1/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
A	ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	028234571 (CA)	10/1/2014	10/1/2015	E.L. EACH ACCIDENT \$ 2,000,000
D			028234572 (FL)	10/1/2014	10/1/2015	E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
B			028234575 (MA)	10/1/2014	10/1/2015	E.L. DISEASE - POLICY LIMIT \$ 2,000,000
C	Professional Liability		IPR379230302	10/1/2014	10/1/2015	\$3,000,000. Per Loss \$3,000,000. Annual Aggregate

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

SEE ATTACHED:

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
10-4-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
2-27-15

CERTIFICATE HOLDER

CANCELLATION

City of Garden Grove Attn: Risk Management 11222 Acacia Parkway Garden Grove, CA 92840	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS: AUTHORIZED REPRESENTATIVE <i>[Signature]</i>
---	---

Call: 4532956 Tpl: 1875798 Cert: 22238251 © 1988-2010 ACORD CORPORATION. All rights reserved.

ACORD 25 (2010/05)

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Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
10-15-15



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis Insurance Services of Georgia, Inc.		NAMED INSURED The GEO Group Inc and All Subsidiaries including Cornell Companies, Inc. 621 Northwest 53rd Street Suite 700 Boca Raton, FL 33487	
POLICY NUMBER See First Page			
CARRIER See First Page	NAIC CODE	EFFECTIVE DATE: See First Page	

ADDITIONAL REMARKS
THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Additional Workers Compensation
Policy #028234577 (NJ/PA)
Policy Period: 10/1/2014 - 10/1/2015
Carrier: New Hampshire Insurance Company
Limits: \$2,000,000 E.L. Each Accident
\$2,000,000 E.L. Disease-Each Employee
\$2,000,000 E.L. Disease-Policy Limit

Additional Workers Compensation
Policy #028234573 (AK/AZ/VA)
Policy Period: 10/1/2014 - 10/1/2015
Carrier: New Hampshire Insurance Company
Limits: \$2,000,000 E.L. Each Accident
\$2,000,000 E.L. Disease-Each Employee
\$2,000,000 E.L. Disease-Policy Limit

Additional Workers Compensation
Policy #028234574 (IL/KY/NC/UT)
Policy Period: 10/1/2014 - 10/1/2015
Carrier: National Union Fire Insurance Co. of Pittsburgh
Limits: \$2,000,000 E.L. Each Accident
\$2,000,000 E.L. Disease-Each Employee
\$2,000,000 E.L. Disease-Policy Limit

Additional Workers Compensation
Policy #028234576 (MN)
Policy Period: 10/1/2014 - 10/1/2015
Carrier: New Hampshire Insurance Company
Limits: \$2,000,000 E.L. Each Accident
\$2,000,000 E.L. Disease-Each Employee
\$2,000,000 E.L. Disease-Policy Limit

Pollution Liability
Policy #PLC2032977
Policy Period: 10/1/2012 - 10/1/2015
Carrier: Chartis Specialty Insurance Company
Limit: \$10,000,000 Each Incident
\$10,000,000 Policy Aggregate

General Liability:
Contractual Liability is provided per form CG0001 - Commercial General Liability.
Coverage includes Severability of interest and Cross Suits. Sexual Molestation - Physical Abuse is not excluded.

General Liability and Auto Liability:
Blanket Additional Insured is included to Certificate Holder if required by written contract.
Insurance is Primary and Non Contributory.

General Liability, Auto Liability, Workers' Compensation:
Blanket Waiver of Subrogation is provided as required by written contract.
City of Garden Grove, its Officers, Officials, Agents, Employees, Attorneys & Volunteers are included as Additional Insured (except Worker's Compensation) where required by written contract.
Waiver of Subrogation is applicable where required by written contract.
The insurance is Primary and Non-Contributory over any existing insurance and limited to liability arising out of the operations of the Named Insured and where required by written contract.
Excess policy is follow form. ✓

Handwritten notes: 10-15-15 10-4-15

GC

ENDORSEMENT

This endorsement, effective 12:01 A.M. 10/01/2014 forms a part of

policy No. GL 204-75-39 issued to THE GEO GROUP INC

by NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - WHERE REQUIRED UNDER CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION II - WHO IS AN INSURED, is amended to include as an additional insured:

Any person or organization to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you.

However, the insurance provided will not exceed the lesser of:

- The coverage and/or limits of this policy, or
- The coverage and/or limits required by said contract or agreement.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

[Signature]
Authorized Representative or
Countersignature (in States Where
Applicable)

GL

ENDORSEMENT

This endorsement, effective 12:01 A.M. 10/01/2014 forms a part of

policy No. GL 204-75-39 issued to THE GEO GROUP INC

by NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ADDITIONAL INSURED - PRIMARY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Section IV, Commercial General Liability Conditions, paragraph 4., Other Insurance, subparagraph a. Primary Insurance, is amended by the addition of the following:

However, coverage under this policy afforded to an additional insured will apply as primary insurance where required by contract, and any other insurance issued to such additional insured shall apply as excess and noncontributory insurance.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
10-15-15

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
10-4-15

[Signature]
Authorized Representative or
Countersignature (in States Where
Applicable)

POLICY NUMBER: GL 204-75-39 ✓

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

<p>Name Of Person Or Organization: PURSUANT TO APPLICABLE WRITTEN CONTRACT OR AGREEMENT YOU ENTER INTO.</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV - Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

GL

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes

place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person

or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants";

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any

contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages be-

cause of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C - MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
- These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be

damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by;

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage C;

b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage B.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

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

7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the

claim or "suit" and the date received; and
(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is

primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and

self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.However, "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or

organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials

to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or

- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.

- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
- a. Means:
 - (1) Any goods or products, other than real

property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
22. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # MAN002

This endorsement, effective 12:01 A.M. 10/01/2014 forms a part of

Policy No. GL 204-75-39 ✓ issued to THE GEO GROUP INC

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

CIVIL RIGHTS COVERAGE ENDORSEMENT

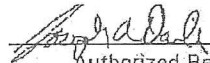
This endorsement modifies insurance provided under the following:

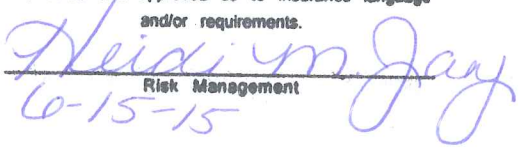
COMMERCIAL LIABILITY COVERAGE FORM

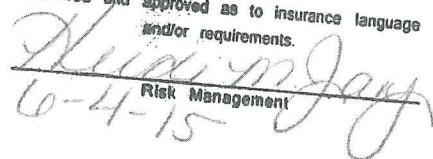
SECTION I - COVERAGES, COVERAGE A. - BODILY INJURY AND PROPERTY DAMAGE LIABILITY,

1. Insuring Agreement is amended to include the additional paragraph:

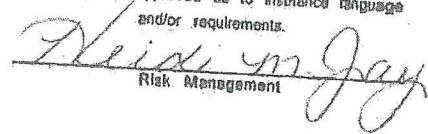
- f. This insurance applies to "bodily injury" and "property damage" arising out of or relating to civil rights violations, so long as such violations and any and all resulting injury(ies) are not expected or intended from the standpoint of the insured or any person or organization either representing or acting on behalf of the insured.


 Authorized Representative

Reviewed and approved as to insurance language
 and/or requirements.

 Risk Management
 6-15-15

Reviewed and approved as to insurance language
 and/or requirements.

 Risk Management
 6-4-15

Manuscript

Reviewed and approved as to insurance language
 and/or requirements.

 Risk Management

ENDORSEMENT

This endorsement, effective 12:01 A.M. 10/01/2014 forms a part of policy No. GL 204-75-39 ✓ issued to THE GEO GROUP INC

by NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL INJURY DEFINITION EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section V - Definitions, 14. - "Personal Injury and Advertising Injury" is amended to read:

- 14. "Personal injury and advertising injury" means injury, including consequential "bodily injury", humiliation, mental anguish or shock, arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material, in any manner, that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy.
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement."

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
2-27-15

[Signature]
Authorized Representative or
Countersignature (in States Where
Applicable)

Auto Liability

ENDORSEMENT

This endorsement, effective 12:01 A.M. 10/01/2014 forms a part of

policy No. CA 381-48-09 ✓ issued to THE GEO GROUP INC.

by NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - WHERE REQUIRED UNDER CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SCHEDULE

ADDITIONAL INSURED:

Any person or organization for whom you are contractually bound to provide Additional Insured status but only to the extent of such person's or organization's liability arising out of the use of a covered "auto".

I. SECTION II - LIABILITY COVERAGE, A. Coverage, 1. - Who Is Insured, is amended to add:

d. Any person or organization, shown in the schedule above, to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of use of a covered "auto". However, the insurance provided will not exceed the lesser of:

- (1) The coverage and/or limits of this policy, or
- (2) The coverage and/or limits required by said contract or agreement.

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Heidi M. Jay
Authorized Representative or
Countersignature (in States Where
Applicable)

AL

POLICY NUMBER: CA 381-48-09 ✓

COMMERCIAL AUTO
CA 00 01 03 06

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols
1	Any "Auto"
2	Owned "Autos" Only Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-Fault Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos" Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees" partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned "Autos" Only Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II - LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused

by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. Care, Custody Or Control

"Property damage" to or "covered pollution

cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than

one site.

- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "in-

sured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the

covered "auto" is returned to use or we pay for its "loss"

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing, or demolition contest, or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless

caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
 - b. Blowouts, punctures or other road damage to tires.
4. We will not pay for "loss" to any of the following:
 - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
 - b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
 - c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
 - d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

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

4. No Benefit To Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay

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damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Em-

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ployee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to

you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in Paragraph 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraph 1., 2., 3., or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or

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other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

1. Damages because of "bodily injury" or "property damage"; or
2. A "covered pollution cost or expense", to which this insurance applies, are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT

This endorsement forms a part of
Policy No. 3814809 (AOS) ✓
Issued to: The GEO Group Inc and All Subsidiaries

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Section IV - Business Auto Conditions, A. - Loss Conditions, 5. - Transfer of Rights of Recovery Against Others to Us, is amended to add:

However, we will waive any right of recover we have against any person or organization with whom you have entered into a contract or agreement because of payments we make under this Coverage Form arising out of an "accident" or "loss" if:

- (1) The "accident" or "loss" is due to operations undertaken in accordance with the contract existing between you and such person or organization; and
- (2) The contract or agreement was entered into prior to any "accident" or "loss".

No waiver of the right of recovery will directly or indirectly apply to your employees or employees of the person or organization, and we reserve our rights or lien to be reimbursed from any recovered funds obtained by any injured employee.

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Authorized Representative

62897 (6/95)

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
2-27-15

EXCESS LIABILITY

INTEGRATED INSURANCE POLICY

NOTICE OF CANCELLATION – ADDITIONAL INSURED - ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR 3792274-02 ✓

Endorsement No. 28

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 9 is deleted and replaced with the following:

Notice of Cancellation / Additional Insured

It is hereby understood and agreed that the Policy is amended to include Additional Insured Status for the State of California – City of Garden Grove, its officers, officials, agents, employees, attorneys, volunteers and consultants at 11222 Acacia Parkway, Garden Grove, CA 92842.

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

John P. Clarke

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Excess
Liability

INTEGRATED INSURANCE POLICY
EXCESS LIABILITY COVERAGE FORM - OCCURRENCE

I. DECLARATIONS

This Coverage Form is to be attached to and form a part of Policy Number: IPR3792274-02 ✓

Item 1. First Named Insured: The GEO Group, Inc.

Item 2. Effective Date of Coverage Form: October 1, 2014

II. INSURING AGREEMENT

The Underwriter shall indemnify the Insured, in excess of the Limits of Liability and Retained Amount as set forth in the Schedule of Underlying Insurance applicable to the coverage provided by this Coverage Form, for all Loss the Insured becomes legally obligated to pay.

This coverage applies to Loss only if prior to the Policy Period, no Insured knew that the Loss had occurred or was incurred, in whole or in part. If an Insured knew, prior to the Policy Period, that a Loss occurred or was incurred, then any continuation, change or resumption of such Loss during or after the Policy Period will be deemed to have been known prior to the Policy Period.

Loss which occurs or is incurred during the Policy Period and was not, prior to the Policy Period, known to have occurred or to have been incurred by any Insured includes any continuation, change or resumption of that Loss after the Policy Period; and

Loss will be deemed to have been known to have occurred or to have been incurred at the earliest time when any Insured:

1. Reports all, or any part, of the Loss to the Underwriter or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the Loss; or
3. Becomes aware by any other means that Loss has occurred or has begun to occur.

III. EXCLUSIONS

In addition to the exclusions contained in the Underlying Insurance Program for this Coverage Form and the exclusions contained in the General Terms and Conditions, this Coverage Form does not apply:

A. Asbestos

to any obligation or liability, damage, Loss, cost or expense arising out of or relating in any way to:

1. Asbestos; or
2. Any claim, Suit or proceeding arising out of or relating in any way to any demand, requirement, order, direction, determination, or request that the Insured or any other entity pay, repay or reimburse sums expended or to be expended to test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
3. Any claim, Suit or proceeding arising out of or relating in any way to any demand, requirement, order, direction, determination or request that the Insured or any other entity test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
4. Any sums that the Insured becomes legally obligated to pay as damages because of the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos.

B. Electronic Data

to damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate Electronic Data.

C. Employment Practices

to any obligation or liability incurred by or imposed upon any Insured arising out of the discrimination against or humiliation to any:

1. current or former officer, director, or employee of any Insured, or
2. applicant for employment by any Insured,

arising out of employment practices of any Insured, including wrongful discrimination, harassment, or dismissal or wrongful termination of any such officer, director, or employee or wrongful refusal to hire such applicant.

with the Underwriter's consent.

Q. Work means:

1. Work or operations performed by an Insured or on an Insured's behalf; and
2. Materials, parts or equipment furnished in connection with such work or operations noted in 1. above.

Insured's Work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in 1. or 2. above.

V. SCHEDULE OF UNDERLYING INSURANCE

A. Controlling Policy or Policies

Coverage	Insurer	Policy Number	Self-Insured Retention / Deductible	Limits of Liability		Policy Term
General Liability including Products & Completed Operations: AK,AZ,CA,CO,CT,DC,FL,GA,IL,IN,KS,KY,LA,MA,MD,MI,MN,MO,NC,NE,NH,NJ,NM,NV,NY,OK,OR,PA,RI,SC,TX,UT,VA,WY ALAE in additions to limits	National Union Fire Insurance Company of Pittsburgh, PA	GL 2047539	\$3,000,000	\$5,000,000 \$25,000,000 \$5,000,000	Each Occurrence General Aggregate Products & Completed Operations	10/01/2014 to 10/01/2015
General Liability Park Place Cafe	CSU Producer Resources, Inc.	CSU0051364	N/A	\$1,000,000 \$2,000,000 \$2,000,000	Each Occurrence General Aggregate Products & Completed Operations	10/01/2014 to 10/01/2015
Automobile Liability: AK,AZ,CA,CO,CT,FL,GA,IL,IN,KS,LA,MD,MI,MN,MO,NC,NE,NJ,NM,NV,NY,OH,OK,OR,PA,RI,SC,TX,UT,VA,WA ALAE in addition to limits	National Union Fire Insurance Company of Pittsburgh, PA	CA 3814809	\$1,000,000	\$3,000,000	Not Applicable	10/01/2014 to 10/01/2015
Automobile Liability VA ALAE in addition to limits	National Union Fire Insurance Company of Pittsburgh, PA	CA 3814811	\$1,000,000	\$3,000,000	Not Applicable	10/01/2014 to 10/01/2015

~~6-4-15~~ ~~2/27/15~~

✓ 6/15/15

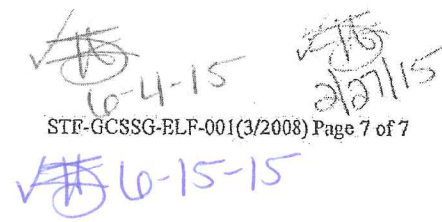
Coverage	Insurer	Policy Number	Self-Insured Retention / Deductible	Limits of Liability		Policy Term
Automobile Liability MA ALAE in addition to limits	New Hampshire Insurance Company	CA 3814810	\$1,000,000	\$3,000,000	Not Applicable	10/01/2014 to 10/01/2015
Employers Liability CO,CT,DC,IN,KS,LA,MD,MI, MN,MO,NE,NM,NV,NY,OK, OR,RI,SC,TX	New Hampshire Insurance Company	WC 028234570	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability MA,NC,OH,WA,WY	New Hampshire Insurance Company	WC 028234575	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability CA	National Union Fire Insurance Company of Pittsburgh, PA	WC 028234570	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability FL	Illinois National Insurance Co.	WC 028234572	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability MN	New Hampshire Insurance Company	WC 028234576	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability NJ,PA	New Hampshire Insurance Company	WC 028234577	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability IL,KY,NC,UT	New Hampshire Insurance Company	WC 028234574	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Employers Liability AK,AZ,VA	New Hampshire Insurance Company	WC 028234573	\$2,000,000	\$2,000,000 \$2,000,000 \$2,000,000	Each Accident Each Employee Policy Limit	10/01/2014 to 10/01/2015
Miscellaneous Professional Liability	Steadfast Insurance Company	IPR 3792303-02	N/A	\$3,000,000 \$3,000,000	Each Loss Policy Limit	10/01/2014 to 10/01/2015

B. Other Policies/Retention: NIL

The title and any headings in this coverage form are solely for convenience and form no part of the terms and conditions of coverage.


Authorized Representative

1.14.2015
Date


6-4-15
2/27/15
6-15-15

Excess Liability

INTEGRATED INSURANCE POLICY
WAIVER OF SUBROGATION - ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR 3792274-02 ✓

Endorsement No. 30

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 11 is deleted and replaced with the following:

Waiver of Transfer of Rights to Reason Recovery Payment (Waiver of Subrogation)

The Transfer of Our Right of Recovery Payment, Section IV, Item P of General Conditions and Limitations does not apply to the person(s) or organization(s) shown in the Schedule below, but only to the extent that subrogation is waived prior to the "Loss" or the "Event" under a contract with that person or organization.

Name(s) of Person(s) or Organization(s):

City of Garden Grove, its officers, officials, agents, employees, attorney, volunteers and consultants
11222 Acacia Parkway
Garden Grove, CA 92842

Attention: Risk Management

Contract: City Jail Operations and Management Agreement between Correctional Systems, Inc. and the City of Garden Grove.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

John P. Coulter

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

INTEGRATED INSURANCE POLICY
NOTICE OF CANCELLATION TO ADDITIONAL INTERESTS - ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR 3792274-02 ✓

Endorsement No. 29

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 10 is deleted and replaced with following:

Notice of Cancellation to Additional Interests

It is agreed:

We shall provide written notice in accordance with state law in the event this policy is cancelled or nonrenewed, for any reason other than nonpayment of premium, to those entities set out in the schedule below.

Schedule

Notice will be mailed to: City of Garden Grove, its officers, officials, agents, employees, attorney, volunteers and consultants

11222 Acacia Parkway
Garden Grove, CA 92842

Within 30 days of cancellation or nonrenewal

To the attention of: Risk Management

Contract, Permit or Job Number: City Jail Operations and Management Agreement
(Correctional Systems, Inc. and the City of Garden Grove)

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

John P. Embley

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language
and/or requirements.
Heidi M. Jay

Risk Management
6-4-15

Reviewed and approved as to insurance language
and/or requirements.
Heidi M. Jay

Risk Management
6-15-15

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy).

This endorsement, effective 12:01 AM 10/01/2014 forms a part of Policy No. WC 028-23-4571 ✓

Issued to THE GEO GROUP INC

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

We have a right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization with whom you have a written contract that requires you to obtain this agreement from us, as regards any work you perform for such person or organization.

The additional premium for this endorsement shall be 2.00 % of the total estimated workers compensation premium for this policy.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Countersigned by _____

Boyd Adala

INTEGRATED INSURANCE POLICY

NOTICE OF CANCELLATION / ADDITIONAL INSURED ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR3792303-02 ✓

Endorsement No. 21

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 11 is deleted and replaced with the following:

Notice of Cancellation / Additional Insured

It is hereby understood and agreed that the Policy is amended to include Additional Insured Status for the State of California – City of Garden Grove, its officers, officials, agents, employees, attorneys, volunteers and consultants at 11222 Acacia Parkway, Garden Grove, CA 92840.

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

John P. Lombini

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language and/or requirements

Heidi M. Jay
6-4-15
Risk Management

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
6-15-15
Risk Management

INTEGRATED INSURANCE POLICY
ADDITIONAL INSUREDS ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR 3792303-02 ✓

Endorsement No. 24

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 14 is deleted and replaced with the following:

It is hereby understood and agreed that this policy is amended to include Additional Insured Status for City of Garden Grove, its offices, officials, agents, employees, attorneys, volunteers and consultants at 11222 Acacia Parkway, Garden Grove, CA 92840 including State and Federal cases where coverage is provided under this policy.

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

John P. Conkle

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay

Risk Management

6-15-15

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay

Risk Management

6-4-15

Professional Liability

INTEGRATED INSURANCE POLICY

NOTICE OF CANCELLATION TO ADDITIONAL INTERESTS ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR3792303-02 ✓

Endorsement No. 22

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 12 is deleted and replaced with the following:

Notice of Cancellation to Additional Interests

It is agreed:

We shall provide written notice in accordance with state law in the event this policy is cancelled or nonrenewed, for any reason other than nonpayment of premium, to those entities set out in the schedule below.

Schedule

Notice will be mailed to: City of Garden Grove, its officers, officials, agents, employees, attorney, volunteers and consultants

11222 Acacia Parkway
Garden Grove, CA 92840

Within 30 days of cancellation or nonrenewal

To the attention of: Risk Management

Contract, Permit or Job Number: City Jail Operations and Management Agreement
(Correctional Systems, Inc. and the City of Garden Grove)

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

John P. Lambler
Authorized Representative

6-2-2015
Date

Reviewed and approved as to insurance language
and/or requirements
Heidi M. Jay
Risk Management
6-4-15

Reviewed and approved as to insurance language
and/or requirements.
Heidi M. Jay
Risk Management
6-15-15

Prof. Liab.

INTEGRATED INSURANCE POLICY
ENDORSEMENT

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR3792303-02

Endorsement No. 15

Effective Date of Endorsement: October 1, 2014

It is agreed that this Insurance is excess over any other Insurance whether primary, excess, contingent or on any other basis:

- (1) Unless such insurance is specifically purchased to apply as excess of this policy, or
- (2) The first Named Insured is obligated by contract to provide primary Insurance.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

[Signature]
Authorized Representative

1-14-2015
Date

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
2-27-15

INTEGRATED INSURANCE POLICY

**WAIVER OF TRANSFER OF RIGHTS TO REASON RECOVERY PAYMENT (WAIVER OF SUBROGATION)
ENDORSEMENT**

First Named Insured: The GEO Group, Inc.

This endorsement is to be attached to and form a part of Policy Number: IPR3792303-02 ✓

Endorsement No. 23

Effective Date of Endorsement: October 1, 2014

It is hereby understood and agreed that Endorsement No. 13 is deleted and replaced with the following:

Waiver of Transfer of Rights to Reason Recovery Payment (Waiver of Subrogation)

The Transfer of Our Right of Recovery Payment, Section IV, Item P of General Conditions and Limitations does not apply to the person(s) or organization(s) shown in the Schedule below, but only to the extent that subrogation is waived prior to the "Loss" or the "Event" under a contract with that person or organization.

Name(s) of Person(s) or Organization(s):

City of Garden Grove, its officers, officials, agents, employees, attorney, volunteers and consultants
11222 Acacia Parkway
Garden Grove, CA 92840

Attention: Risk Management

Contract: City Jail Operations and Management Agreement between Correctional Systems, Inc. and the City of Garden Grove.

All other terms and conditions remain unchanged.

The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-15-15

John P. Larkin

Authorized Representative

6-2-2015

Date

Reviewed and approved as to insurance language
and/or requirements.

Heidi M. Jay
Risk Management
6-4-15



EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)
03/04/2014

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

PRODUCER NAME CONTACT PERSON AND ADDRESS: Willis Insurance Services of Georgia, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	PHONE (A/G, No, Ext): 877-945-7378	COMPANY NAME AND ADDRESS Steadfast Insurance Co. P O Box 96520 Chicago, IL 60693	NAIC NO: 26387-001
FAX (A/G, No): 888-467-2378	E-MAIL ADDRESS: certificates@willis.com	IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH	
CODE: AGENCY CUSTOMER ID #:	SUB CODE:	POLICY TYPE Property	
NAMED INSURED AND ADDRESS The GEO Group Inc and All Subsidiaries including Cornell Companies, Inc. 621 Northwest 53rd Street Suite 700 Boca Raton, FL 33487		LOAN NUMBER	POLICY NUMBER XPP379228105
ADDITIONAL NAMED INSURED(S)		EFFECTIVE DATE 03/01/2014	EXPIRATION DATE 03/01/2015
		CONTINUED UNTIL TERMINATED IF CHECKED <input type="checkbox"/>	
		THIS REPLACES PRIOR EVIDENCE DATED:	

Reviewed and approved as to insurance language and/or requirements.

Property

Reviewed and approved as to insurance language and/or requirements.

Risk Management

0-15-15

PROPERTY INFORMATION (Use REMARKS on page 2, if more space is required) BUILDING OR BUSINESS PERSONAL PROPERTYLOCATION/DESCRIPTION
CONTRACT OPERATION OF THE CITY OF GARDEN GROVE JAIL

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

COVERAGE INFORMATION	PERILS INSURED	BASIC	BROAD	SPECIAL	DED.
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: \$	250,000,000				DED: \$100,000
<input checked="" type="checkbox"/> BUSINESS INCOME	<input checked="" type="checkbox"/> RENTAL VALUE	X			Actual Loss Sustained; # of months:
BLANKET COVERAGE		X			If YES, indicate value(s) reported on property identified above: \$250,000,000
TERRORISM COVERAGE		X			Attach Disclosure Notice / DEC
IS THERE A TERRORISM-SPECIFIC EXCLUSION?				X	
IS DOMESTIC TERRORISM EXCLUDED?				X	
LIMITED FUNGUS COVERAGE			X		DED:
FUNGUS EXCLUSION (If "YES", specify organization's form used)			X		
REPLACEMENT COST		X			
AGREED VALUE			X		
COINSURANCE			X		If YES, %
EQUIPMENT BREAKDOWN (If Applicable)		X			If YES, LIMIT: \$100,000,000 DED: \$100,000
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg			X		If YES, LIMIT: DED:
- Demolition Costs			X		If YES, LIMIT: DED:
- Incr. Cost of Construction			X		If YES, LIMIT: DED:
EARTH MOVEMENT (If Applicable)		X			If YES, LIMIT: see below DED: see below
FLOOD (If Applicable)		X			If YES, LIMIT: see below DED: see below
WIND / HAIL (If Subject to Different Provisions)		X			If YES, LIMIT: see below DED: see below
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS				X	

Reviewed and approved as to insurance language and/or requirements.

2-27-15

Reviewed and approved as to insurance language and/or requirements.

Risk Management

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

MORTGAGEE	CONTRACT OF SALE	LENDER SERVICING AGENT NAME AND ADDRESS
LENDERS LOSS PAYABLE		
NAME AND ADDRESS CITY OF GARDEN GROVE 11222 ACACIA PKWY. 6100 CENTER DRIVE, SUITE 825 GARDEN GROVE, CA 92840		AUTHORIZED REPRESENTATIVE <i>[Signature]</i>

Cyber Liability



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/04/2015

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

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

PRODUCER MCGRIFF, SEIBELS & WILLIAMS OF GEORGIA, INC. <i>Betsy Beck</i> 5605 Glenridge Drive - Suite 300 Atlanta, GA 30342 <i>404-497-7564</i> <i>bbeck@mcgriff.com</i>	CONTACT NAME: PHONE (A/C, No, Ext): 404 497-7500 FAX (A/C, No):	
	E-MAIL ADDRESS:	
INSURED The Geo Group, Inc. 621NW 53rd Street, Suite #700 Boca Raton, FL 33487	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Lloyd's of London	
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES

CERTIFICATE NUMBER: DVPSMKNG

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			<i>Reviewed and approved as to insurance language and/or requirements.</i> <i>Heidi Janz</i> <i>Risk Management</i> <i>6-4-15</i>			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$	
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$	
A	Cyber Coverage			B0146CYUSA1500676	02/27/2015	02/27/2016	Per Claim/Aggregate	\$ 10,000,000

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

Evidence of Insurance

Reviewed and approved as to insurance language and/or requirements.
Heidi Janz
Risk Management
6-15-15

CERTIFICATE HOLDER City of Garden Grove Attn: Heidi Janz, Risk Management 11222 Acacia Pkwy. Garden Grove, CA 92840	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/04/2015

Crime/Employee Theft.

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

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

PRODUCER
MCGRIFF, SEIBELS & WILLIAMS OF GEORGIA, INC. *Betsy Beck*
5605 Glenridge Drive - Suite 300
Atlanta, GA 30342 *404-497-7504*

CONTACT NAME:
PHONE (A/C, No, Ext): 404 497-7500 FAX (A/C, No):
E-MAIL ADDRESS:

bbeck@mcgriff.com

INSURER(S) AFFORDING COVERAGE
INSURER A : Hanover Insurance Company NAIC # 22292

INSURED
The Geo Group, Inc.
621NW 53rd Street, Suite #700
Boca Raton, FL 33487

INSURER B :
INSURER C :
INSURER D :
INSURER E :
INSURER F :

COVERAGES CERTIFICATE NUMBER: ZUBHATKB REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						Reviewed and approved as to insurance language and/or requirements. <i>Heidi Janz</i> Risk Management 6-4-15 * Loss Payee Endorsement to follow. See attached e-mail. EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Crime Coverage			BDA1021988	10/01/2014	10/01/2015	Deductible: \$ 500,000 \$ 175,000 \$ \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Garden Grove is added as Joint Loss Payee.

Reviewed and approved as to insurance language and/or requirements.
Heidi Janz
Risk Management
6-15-15

CERTIFICATE HOLDER CANCELLATION

The City of Garden Grove
Attn: Heidi Janz, Risk Management
11222 Acacia Pkwy.
Garden Grove, CA 92840

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE
[Signature]

CONTRACT WITH GEO GROUP, INC. FOR JAIL BOOKING AND SECURITY SERVICES
(F: 55-The GEO Group, Inc.)

Following staff's presentation and City Council discussion, it was moved by Council Member Beard, seconded by Council Member Phan that:

A contract be awarded to Geo Group Inc. to provide jail booking and security services, in the amount not to exceed \$1,590,661 beginning fiscal year 2015/2016 through Fiscal Year 2017/2018; and

The Interim City Manager or his designee be authorized to sign the agreement and make any modifications as needed on behalf of the City.

The motion carried by a 4-0-1 vote as follows:

Ayes: (4) Beard, Bui, Nguyen, Phan
Noes: (0) None
Absent: (1) Jones

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Allan L. Roeder
Dept: Interim City Manager
Subject: AWARD OF CONTRACT TO GEO GROUP INC.
FOR JAIL SERVICES RFP NO. S-1162

From: Todd D. Elgin
Dept: Police
Date: June 23, 2015

OBJECTIVE

To seek City Council approval to award a contract to GEO Group Inc. (GEO), to provide jail booking and security to the Police Department.

BACKGROUND

In June 2000, the City Council approved the City's first contract with GEO Group Inc. (formerly CSI) to provide 24 hour jail booking and security services for the Police Department. Because of GEO's excellent performance history, the Police Department is requesting that the current contracts with the company be renewed on a 3-year basis. The current contract is set to expire on June 30, 2015.

A formal Request for Proposal (RFP) was completed to evaluate other jail service companies that chose to participate in the selection process.

DISCUSSION

By using contract jail services, Police Officers are able to reduce the time it takes to process arrestees and return to the field. These jail services reduce the Police Officer's prisoner processing time from approximately two hours to approximately fifteen minutes, thus increasing their availability to handle additional calls for service. In 2014, GEO's jail staff processed 5,619 arrestees, generating manpower savings of approximately 9,833 hours. These savings enabled the Department to keep the equivalent of approximately five (5) additional Police Officers on the street.

The RFP was posted on the City's web site on April 8, 2015, and was completed by May 2015. The selection consisted of two (2) jail service companies successfully completing the RFP process. GEO Group Inc. submitted one price proposal with their RFP. G4S Security Solutions (G4S), submitted two (2) price proposals with their RFP. The pre-proposal meeting was held on April 22, 2015, with both jail service companies in attendance. The due date for RFP No. S-1162 was May 8, 2015, and two (2) completed submissions were submitted.

The evaluation criteria and scoring weights were Price: 30 percent, Project Plan: 35 percent, and qualifications and ability to meet proposal requirements: 35 percent. Submissions were reviewed for basic compliance with the terms required in the RFP and scored accordingly. Based upon the packages reviewed, both companies that responded to the RFP passed this initial screening process.

AWARD OF CONTRACT TO GEO GROUP INC. FOR JAIL SERVICES

June 23, 2015

Page 2

The jail services companies finished with the following scores:

Proposer	Rater 1	Rater 2	Rater 3	Total
GEO Group	895	825	1000	2720
G4S Option #1	846	776	986	2608
G4S Option #2	828	793	968	2589

After completion of the RFP response scoring, staff determined that GEO Group Inc. best suits the Police Department's needs. GEO jail staff is familiar with Department policy and protocol for operating the jail. GEO's price proposal is approximately \$7,000.00 less than their current contract, and was less money than G4S's proposal.

FINANCIAL IMPACT

The financial impact to the City will be \$1,590,661 over the life of the three (3) year contract. Fiscal year 2015/2016, \$514,627, fiscal year 2016/2017, \$530,066 and fiscal year 2017/2018, \$545,968.

The cost of the jail contract is partially mitigated by booking fees collected by the Department. In 2014, approximately \$97,000 was collected through this process. The cost of the proposed contract for GEO's services was anticipated and is fully funded in the Police Department's current budget. No additional funding will be necessary.

RECOMMENDATION

It is recommended that the City Council:

- Award a contract to GEO Group Inc. in the amount not to exceed \$1,590,661 beginning fiscal year 2015/2016 through fiscal year 2017/2018.
- Authorize the Interim City Manager or his designee to sign the agreement and make any modifications as needed on behalf of the City.



TODD D. ELGIN
Chief of Police



By: Chris Lawton, Lieutenant
Community Policing Bureau

Attachment: Agreement

Recommended for Approval



Allan L. Roeder
Interim City Manager