**APPENDIX E**

**Participating Addendum**

* + - 1. This Participating Addendum is made and entered into as of [month/day/year] (“Participating Addendum Effective Date”) by and between the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ***[add full name of the JBE]*** (“JBE”) and [add name of Contractor] (“Contractor”) pursuant to the Master Agreement #MA-SF202207 (“Master Agreement”) dated September 1, 2023 between the ***Judicial Council of California*** (“Establishing JBE”) and Contractor. Unless otherwise specifically defined in this Participating Addendum, each capitalized term used in this Participating Addendum shall have the meaning set forth in the Master Agreement.
      2. This Participating Addendum constitutes and shall be construed as a separate, independent contract between Contractor and the JBE, subject to the following: (i) this Participating Addendum shall be governed by the Master Agreement, and the terms in the Master Agreement are hereby incorporated into this Participating Addendum; (ii) the Participating Addendum (including any purchase order documents pursuant to the Participating Addendum) may not alter or conflict with the terms of the Master Agreement, or exceed the scope of the Work provided for in the Master Agreement; and (iii) the term of the Participating Addendum may not extend beyond the expiration date of the Master Agreement. The Participating Addendum and the Master Agreement shall take precedence over any terms and conditions included on Contractor’s invoice or similar document.
      3. Under this Participating Addendum, the JBE may at its option place orders for the Goods using a purchase order, subject to the following: such purchase order is subject to and governed by the terms of the Master Agreement and the Participating Addendum, and any term in the purchase order that conflicts with or alters any term of the Master Agreement (or the Participating Addendum) or exceeds the scope of the Work provided for in this Agreement, will not be deemed part of the contract between Contractor and JBE. Subject to the foregoing, this Participating Addendum shall be deemed to include such purchase orders.
      4. The JBE is solely responsible for the acceptance of and payment for the Work under this Participating Addendum. The JBE shall be solely responsible for its obligations and any breach of its obligations. Any breach of obligations by the JBE shall not be deemed a breach by the Establishing JBE or any other Participating Entity. The Establishing JBE shall have no liability or responsibility of any type related to: (i) the JBE’s use of or procurement through the Master Agreement (including this Participating Addendum), or (ii) the JBE’s business relationship with Contractor. The Establishing JBE makes no guarantees, representations, or warranties to any Participating Entity.
      5. Pricing for the Work shall be in accordance with the prices set forth in the Master Agreement.
      6. The term of this Participating Addendum shall be from the Effective Date until: [\_\_\_\_\_\_\_\_\_\_*month/day/year – may not exceed the term of the Master Agreement*].
      7. The JBE hereby orders, and Contractor hereby agrees to provide, the following Work:

1. **Goods**
   1. **Description of Goods.** As ordered by each JBE under a Participating Addendum, Contractor shall provide to the JBEs the following products, goods, materials, and supplies (“Goods”) free and clear of all liens, claims, and encumbrances, and in accordance with this Agreement:

* Vehicles (as listed in Appendix B, Attachment 1)
  + 1. **Vehicle Leasing Requirements:**

1.1.1.1. Vehicle lease terms shall be for a base period of 60 months.

1.1.1.2 All vehicles will be on an open-ended lease. The Open-ended lease will require final payment from the JBE to Contractor to be based on the difference between the residual (projected) value of the property leased as shown below in table 1.1.1.4, and its realized (actual) value as determined by the MSRP of the vehicle. Open-ended leases must have no mileage restrictions.

* + - 1. Each lease will be assigned to the JBE and not assigned to any individual drivers. All leases will allow for multiple users.
      2. Vehicles must depreciate as follows:

|  |  |  |
| --- | --- | --- |
| **Depreciation and Residual Terms** | | |
|  | | |
| **Term** | **Depreciation per month** | **Residual value of vehicle at end of term** |
| 60 | 1.33% | 20% |

1.1.1.5 The Judicial Council reserves the right to extend the initial term of the Master Agreement for up to one additional year by written notice to the Contractor prior to the expiration of the Master Agreement.

1.1.1.6 Thirty (30) days prior to the expiration or termination of any lease under the Master Agreement, the Contractor must supply end-of-term balance and estimated wholesale value of the leased vehicle to the JBE at the end of the 60-month term.

* + - 1. Thirty (30) days prior to the expiration or termination of leases under the Master Agreement, the Contractor must contact the Judicial Council or other participating JBE to determine whether the leased vehicles should be returned to the same place where delivery was accomplished or to another destination mutually agreeable to the parties.
      2. The Contractor must provide a written inspection form that is signed and dated by both the JBE and the Contractor at the time the leased vehicle is returned to the Contractor upon termination or expiration of the lease for a specific vehicle.
      3. The JBE may terminate up to 10% of the leased vehicle fleet ordered before the end of a leased vehicle period provided that the performance of each vehicle terminated reaches 50% of the leased vehicle period, free of charge. For example, if the base period is 6 years, and the leased vehicles have been leased for a minimum of 3 years, the JBE may terminate up to 10% of the vehicles leased under that performance period, free of charge.

1.1.1.10At the end of the lease, the successful proposer will pay for the difference between the car’s residual value and its actual value if the car’s value is higher than the residual value at lease end. The JBE will pay the successful proposer the difference between the car’s residual value and its actual value if the car’s value is lower than the residual value at the lease end .

1.1.1.10.1 Upon expiration of each lease, Contractor shall provide the JBE or the Judicial Council, as applicable, with a terminal rental adjustment settlement document that includes the following:

i. Any final charges or credits;

ii. A printout from the Automotive Leasing Guide, Black Book, or other comparable reputable publication acceptable to the JBE or Judicial Council, as applicable, that shows the most recent residual value of the leased vehicle;

iii. The settlement calculation; and

iv. The settlement amount, if any, to be paid by the JBE to the Contractor or by the Contractor to the JBE.

1.1.1.11 The Contractor must give the Judicial Council and other JBEs access to all final sales data.

* + - 1. Any JBE may choose to extend the lease term of the vehicle by an additional period of time mutually agreeable to each party 30 days prior to the expiration of termination of a specific leased vehicle. The Contractor must provide to the JBE adjustments, if any, to the amount of the lease payment along with new reduced book value at the end of the extension period.
      2. Pricing must be fixed for the entire duration of the lease entered into under the Master Agreement. Pricing for the lease shall include all applicable charges or costs, including but not limited to costs associated with the preparation of all paperwork necessary for vehicle titles, licenses, delivery and any other miscellaneous fees.
      3. Leased vehicles shall be for the most current model year as determined by the date on which the leased vehicles are requested by a JBE.

1.1.1.15 Vehicle warranty must be bumper-to-bumper for the term of the lease at no extra charge and 24 hours per day, 7 days a week, roadside driver assistance program must be provided at no extra charge.

1.1.1.16 All pre-delivery vehicle servicing must be performed in accordance with accepted new car delivery preparation standards.

* + - 1. Each leased vehicle shall be equipped with all legal devices required for highway operation and meet all Department of Transportation, State of California, Cal/OSHA, and federal standards and requirements.
      2. All vehicles must meet California Emissions Standards.
      3. All vehicles must include the following features:

Automatic Transmission

Bumper to Bumper Warranty for the lease period

Bluetooth technology

Front and rear floormats

AM/FM radio

Adjustable steering column

Adjustable front seats

Cruise control

Air conditioning

Spare tire

Driver and passenger front-impact airbags

Power mirrors

Telematics (see Section 2.3.1)

* + - 1. The Contractor must provide a loaner vehicle for any JBE employee after drop-off for servicing/repair or, alternatively, if no loaner vehicle is available, must provide a ride to pick up a rental vehicle from its network of rental facilities, and provide a ride back to the service center from the rental facility if the repairs or maintenance require overnight servicing.
         1. The Contractor is required to provide the JBE with a loaner from its own fleet of vehicles, or if unavailable, a rental from its network of rental facilities. Such loaner or rental vehicle must be of similar make and model as the leased vehicle that is being serviced or repaired. A loaner or rental vehicle will be provided for up to five (5) days free of charge when a leased vehicle is undergoing repairs or maintenance that requires overnight servicing. If vehicle maintenance or servicing is not due to the fault of the JBE (i.e., defective vehicle, recall, etc.) then the JBE will not be held accountable and Contractor will provide a loaner or rental vehicle free of charge for the duration of the repairs or maintenance.
      2. The Contractor must have a network of rental facilities or be able to deliver vehicles in all major California cities and to the following areas of the State of California:
         1. Northern/Central Region (NCR) – Shasta, Placer, Nevada, Sacramento, Fresno.
         2. Southern Region (SR) – Kern, Los Angeles, Orange, Riverside, San Diego, Burbank.
         3. Bay Area/Northern Coastal Region (BANCR) – Mendocino, Sonoma, Contra Costa, Alameda, Santa Clara, San Francisco.
      3. The Contractor’s participating locations for vehicle pickup are the franchised dealers in the closest proximity to the user’s location. The Contractor shall submit a monthly invoice to each JBE for payment for the entire month in arrears. The Contractor shall invoice at the full monthly amount shown in the lease. For vehicles in the JBE’s possession for a partial month, the Contractor shall invoice at a pro rata share of the monthly amounts based on the number of days the vehicle was in the JBE’s possession. A month shall be interpreted as thirty (30) days for the purposes of this computation. Lease payments must not begin to accrue until the JBE accepts delivery of the vehicle, and will be payable only for days the vehicle is in the JBE’s possession, and shall cease upon return of the leased vehicle to the Contractor.
      4. Contractor will register all leased vehicles with the Department of Motor Vehicles. Contractor will install temporary registration documents on each vehicle prior to delivery to the JBE. Contractor will provide EXEMPT license plates and registrations within thirty (30) days of delivery of a leased vehicle. Contractor and each JBE shall cooperate and furnish any and all information or documentation which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance.

**1.2 Risk of Loss; Title.** Proposer will deliver the Goods “Free on Board Destination Freight Prepaid”, to the JBE at their designated location.

**1.3** **Inspection and acceptance criteria**.

JBE will inspect each vehicle at the time of lease, to verify that that such vehicle is: 1) of size, design, capacity, type and manufacture selected by the JBE; 2) in good working condition and repair with no mechanical issues; and 3) satisfactory in all respects and is suitable for the JBE’s purpose. JBE will complete an inspection, which may include an inspection check-list to verify that the vehicle meets JBE’s requirements for acceptance.

**1.4** **Goods Warranties**. Proposer warrants that the Goods will be merchantable for their intended purposes, free from all defects in materials and workmanship, in compliance with all applicable specifications and documentation, and free from defects in design. The JBE’s approval of designs or specifications furnished by Proposer shall not relieve Proposer of its obligations under this warranty.

*2.* **Services.**

* 1. **Description of Services.** As ordered by each JBE under a Participating Addendum, Contractor shall perform the following services (“Services”) for the JBEs:
* Fleet Vehicle Maintenance and Management Services for leased vehicles.
* Telematics Program
* Insurance/Accident Management

**2.2** **Fleet Vehicle Maintenance Requirements:** The Contractor must provide a monthly all-inclusive full-service maintenance management program for a fixed monthly fee per leased vehicle.

The Contractor must provide:

1. Driver support to coordinate repairs and minimize vehicle downtime;
2. Cost and quality controls for vehicle repairs;
3. Fleet management support and recommendations;
4. Emergency roadside assistance, 24 hour/day, 7 days a week;
5. Quarterly metrics for costs and service in a spreadsheet that contains information similar to the type of information in the following table:

| **Column Heading** | **Contents** |
| --- | --- |
| Vehicle ID | ID number |
| Maintenance Date | Date maintenance is performed |
| Maintenance Performed | Brief Descriptions, e.g., Oil change, 30K, 60K, 90K, etc. |
| Lessee | JBE name |
| Odometer Reading | Mileage on maintenance date |
| Lease Expiration | Date lease is scheduled to expire |

2.2.1 **Preventive Maintenance (PM)**

The Contractor must provide a description of the preventive maintenance process it has in place. The Contractor must provide a preventive maintenance schedule with notification of key maintenance milestones, for example, 15k, 30k, etc., and the services/parts listed below:

2.2.1.1 All factory recommended preventative maintenance services as pre-scheduled and prescribed by the original equipment manufacturer to be performed at industry standard intervals.

2.2.1.2 All incidental parts required for preventative maintenance (fluids, belts, hoses, ignition and emission components, etc.).

2.2.2 **Maintenance and Repair**

TheContractor must provide the following included services:

2.2.2.1 Contractor agrees that all factory-recommended preventative maintenance services pre-scheduled and prescribed by the original equipment manufacturer will be performed at industry standard intervals. All incidentals and parts required for the preventative maintenance (fluids, belts, hoses, ignition and emission components, etc.) will be included, and Contractor will pay for, or reimburse the JBE for its payment of, all costs and expenses incurred in connection with the maintenance or repair of the vehicle(s) covered by such Vehicle Lease Schedule (each, a “Covered Vehicle”). Maintenance does not cover, and the JBE will remain responsible for and pay for: (i) fuel, (ii) oil and other fluids between changes, (iii) tire repair and replacement, and (iv) washing.

2.2.2.2 Contractor must have a network of maintenance and repair facilities in all major California cities and in the following areas of the State of California. The Contractor’s complete listing of all participating locations for vehicle maintenance and repair are listed in Appendix G:

Northern/Central Region (NCR) – Shasta, Placer, Nevada, Sacramento, Fresno.

Southern Region (SR) – Kern, Los Angeles, Orange, Riverside, San Diego, Burbank.

Bay Area/Northern Coastal Region (BANCR) – Mendocino, Sonoma, Contra Costa, Alameda, Santa Clara, San Francisco.

* + - 1. Capabilities for providing 24 / 7 driver’s aide with regard to emergency roadside assistance for the entire state and the Reno, Nevada/Lake Tahoe area.

A loaner vehicle is to be provided at the State of California’s rate when a leased vehicle is undergoing repairs or maintenance that requires overnight servicing. The State of California’s loaner vehicle rates can be found here, and may be amended from time to time: <https://www.dgs.ca.gov/OFAM/Travel/Resources/Page-Content/Resources-List-Folder/Car-Rental-Resources>. The Contractor must be able to provide loaner vehicle service, rental vehicle service, vehicle drop-off, driver pick-up, etc.

* + - 1. A process for documenting all vehicle repair service performed on a vehicle.
      2. A quality assurance program for all services.
      3. Strategies for minimizing repair times and driver downtime.
      4. A process for monitoring the repair process (time, labor rates, parts used, quality of repair and driver satisfaction).
      5. A support process in the event that a vehicle requires repair service but is under a manufacturer or repair facility warranty.
      6. The following maintenance and repair related information/reports for each JBE:
* Every 2 weeks oil change reminders;
* Monthly summary cost reports:
  + body repairs, mechanical repairs, glass, car rentals, etc.;
* Custom reports as requested by the JBE.

2.2.2.10 The Contractor shall provide metrics on vehicle performance as requested by JBE, but no more than twice per fiscal year for each JBE.

* JBE trends (average cost of repairs, average number of days for repairs, etc.);
* JBE performance vs. Contractor’s other accounts;
* Contractor’s performance vs. Industry (average cost of repairs, average number of days for repairs, etc.);
* JBE cost-savings opportunities.

2.2.2.11 Management of warranty claim service.

**2.2.3 Customer Service that includes the following:**

2.2.3.1 A toll-free 800 number / 24 hours per day for roadside service;

2.2.3.2 A call center;

2.2.3.3 Semi-annual fleet reviews for JBEs;

2.2.3.4 Emergency roadside assistance;

* + - 1. Internet customer service.

**2.2.4 Project Organization and Management**

The Contractor shall establish and maintain an appropriate organizational structure to enable the management of the program. Documentation supporting the Contractor’s ability to provide service under the Master Agreement (including but not limited to office location, service provider network, leasing location) is to be included with the bid submission.

**2.3** **Fleet Telematics Program**

2.3.1 The Contractor shall provide data generated by vehicle telematics to help the JBE optimize the fleet of leased vehicles.

* + - 1. Real-time GPS Tracking
      2. Electronic Logging Device
      3. Fuel efficiency monitoring
      4. Route optimization
      5. Vehicle Diagnostics
  1. **Insurance and Accident Services Requirements:**

2.4.1 Insurance: The Judicial Council shall be responsible to provide vehicle liability protection and collision for claims or lawsuits resulting from the operation of a vehicle. The coverage will be provided through the State Motor Vehicle Self-Insurance Program (VELSIP) and will cover liability arising out of the operation of each vehicle with limits of liability as established by the State of California Office of Risk and Insurance Management (ORIM), and more fully set forth in the State Administrative Manual, section 2420.

* + 1. Collision and Comprehensive Damage and Repairs: As required under this RFP, the Contractor shall be responsible for repairs of all damage to any leased vehicle. The Contractor may charge back to the individual JBE the first $1,000 on any loss or damage. The Contractor is also responsible for all administrative details for all accident reports/repairs, subrogation and insurance processes including:

1. Towing arrangements;
2. Car/van rental arrangements;
3. Appraisals and photographs;
4. Salvage;
5. Claims recovery assistance;
6. Coordination of subrogation and loss recovery;
7. Third party physical damage claims;
8. Reporting associated with accident, repair, subrogation claims, recoveries and legal proceedings involving physical damage to the vehicles; and
9. Accident activity reports.
   * 1. As part of accident administration, the Contractor will be required to receive telephonic and e-mail reports of all accidents involving property damage. The Contractor must promptly notify the Judicial Council Risk Management Unit when an accident involving a vehicle subject to the Master Agreement is reported. The Judicial Council will require that the Contractor cooperate with the ORIM, the JBE, the Judicial Council Risk Management Unit, and the Judicial Council Legal Services Office, or any other designee of the Judicial Council, in the investigation and administration of any claims or lawsuits arising from the JBE’s operation of a vehicle.
     2. Minimally, the Contractor will be required to provide the Judicial Council, and as requested by other JBEs, the following information:
10. Monthly listing of all accidents reported by the JBE with an indication of cost to repair a damaged vehicle.
11. Quarterly subrogation activity report showing the current status of each file.
12. Monthly report showing damages recovered for the reporting period and the cost of repairs for each vehicle. Funds recovered should accompany this report.
13. Semi-annual report to include total cost of repairs and total of recovered damages.
    * + 1. Any notices must be sent to the following address and recipient:

|  |  |
| --- | --- |
| **If to Contractor:** | **If to the JBE:** |
| Ben K. Rosenbloom, President  ben.rosenbloom@glgbos.com  Tidd Circle, Ste 1,  Lexington, MA 02420 | [name, title, address] |
| With a copy to:  Sham Sahni Global Lease Group 260 Bear Hill Rd, Ste 202 Waltham MA 02451 | With a copy to: |
|  |  |

Either party may change its address for notices by giving the other party notice of the new address in accordance with this section. Notices will be considered to have been given at the time of actual delivery in person, three (3) days after deposit in the mail as set forth above, or one (1) day after delivery to an overnight air courier service.

* + - 1. This Participating Addendum and the incorporated documents and provisions (including the terms of the Master Agreement) constitute the entire agreement between the parties and supersede any and all prior understandings and agreements, oral or written, relating to the subject matter of this Participating Addendum.

IN WITNESS WHEREOF, JBE and Contractor have caused this Participating Addendum to be executed on the Participating Addendum Effective Date.

***[JBE]*** ***[CONTRACTOR]***

By: By: Name: Name:

Title: Title: