



## NORTHERN MARIANAS HOUSING CORPORATION

P.O. BOX 500514, Saipan, MP 96950-0514

Email: [nmhc@nmhc.gov.mp](mailto:nmhc@nmhc.gov.mp)

Website: <http://www.nmhc.gov.net>

Tels: (670) 234-7689

234-6866

234-9447

Fax: (670) 234-9021

01/26/2021

Ms. Gab Du Chong  
President  
Chong International Corporation  
PMB 310 Box 10000  
Saipan, MP 96950  
Tel: (670)483-3364

RE: Notice to Proceed  
Lease of Office Space for the Community Development Block Grant-Disaster Recovery (CDBG-DR)  
Program  
Contract No.: NMHC 2021-015

Dear Ms. Chong:

This letter serves as our formal "Notice to Proceed (NTP)" to commence the Lease of Office Space for the CDBG-DR Program at the Ladera Building in Beach Road, Chalan Laulau, Saipan. This NTP shall be effective today and shall expire five (5) years thereafter. Your company shall abide by the terms and conditions as set forth in exhibit "B" of the enclosed contract documents.

Chong International Corporation shall submit on a monthly basis an invoice for the monthly rental of the office space.

If you may have any questions or concerns, please feel free to contact Mr. Jacob Muna, Office Manager/Procurement Officer at the numbers listed above, or 483-9447 or via email at [jjmuna@nmhc.gov.mp](mailto:jjmuna@nmhc.gov.mp).

Sincerely,

A handwritten signature in blue ink, appearing to read "Jesse S. Palacios".

Jesse S. Palacios  
Corporate Director

## ROUTING SLIP

ROUTE	DEPARTMENT/OFFICE	PRINT	DATE IN	DATE OUT
1.	NMHC PROCUMENT	Jacobs	1/15/21	1/15/21
2.	CORPORATE DIRECTOR	JP	1/15/21	1/15/21
3.	ACTING CHIEF FINANCIAL OFFICER	ROGER	1/15/21	1/15/21
4.	ATTORNEY GENERAL	Sepphorah	1/19/21	1/20/21
5.	Chairwoman NMHC BOARD OF DIRECTORS	MTomokare	1/20/21	1/20/21
6.	CONTRACTOR			
7.	NMHC PROCUREMENT	Jacobs	1/25/21	1/25/21

## CONTRACT SPECIFICATION

EXPENDITURE AUTHORITY : Jesse S. Palacios, Corporate Director

TYPE OF PROCUREMENT : Competitive Sealed Proposal

VENDOR : Chong International Corporation

PROJECT : Lease of Office Space

AMOUNT : ADD -0-

TOTAL CONTRACT AMOUNT : NTE: \$686,400.00

ACCOUNT NUMBER : DRI, 55320 AB

CONTRACT NUMBER : NMHC 2021-015

**\*\*2 Copies: 1 - Original for File and 1- Copy Contractor\*\***

*Note: Please contact NMHC Office at (670)234-6866/9447 after the Attorney General signs the contract documents.*

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**  
**CONTRACT FOR LEASE OF PROFESSIONAL OFFICE SPACE FOR NMHC'S**  
**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-**  
**DR) PROGRAM**

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**I. PARTIES**

This contract is between the NORTHERN MARIANAS HOUSING CORPORATION (NMHC), an autonomous public agency of the Commonwealth of the Northern Mariana Islands and referred to herein as "NMHC"; and Chong International Corporation is referred to in this contract as the "LESSOR."

Jesse S. Palacios, NMHC Corporate Director, is the Expenditure Authority for the NORTHERN MARIANAS HOUSING CORPORATION (NMHC). Any reference to the expenditure authority in this contract is a reference to Jesse S. Palacios, Corporate Director. The Expenditure Authority may take any action on behalf of the NMHC provided for by this contract or by law.

**II. NOTICE**

All notices and communications required by this contract shall be in written form and shall be delivered to the following addresses:

Mr. Jacob Muna, Procurement Officer  
Northern Marianas Housing Corporation  
P.O. Box 500514  
Saipan, MP 96950  
Tel: (670)234-6866

Ms. Gab Du Chong, President  
Chong International Corporation  
PMB 310 Box 10000  
Saipan, MP 96950  
Tel: (670)483-3364

**III. COMMUNICATION**

The Lessor shall maintain communications with NMHC at all stages of the Lessor's work. The Lessor will submit any questions it may have to the NMHC regarding its performance under this contract.

#### IV. GENERAL PURPOSE

The purpose of this contract is for the NMHC to procure from the Lessor the services described in this contract and in the attached exhibits and to enjoy any warranty or other services provided for by this contract. The services being procured are described as follows:

1. Lease of Professional Office Space for NMHC's Community Development Block Grant – Disaster Recovery (CDBG-DR) Program

The services being purchased by this contract are further described in *Exhibit B*

The services will be provided on the island of Saipan.

The services will be performed for a duration of *Five (5) Years with an option to renew for another year on a month-to-month basis.*

#### V. LESSOR TO PROVIDE PRODUCT AND SERVICE

The Lessor will provide the following:

- Professional office space with an area of 8,000 square feet at a cost of \$1.35 per square feet per month with installation of split type air conditions & painting and additional 3,562 square feet at no extra charge to contract to house the NMHC's Community Development Block Grant – Disaster Recovery (CDBG-DR) Program located on the 3<sup>rd</sup> Floor of the Ladera Building, Chalan LauLau, Beach Road. Total available space is 11,562 square feet.
- Fifty (50) parking spaces clearly marked and designated for agency vehicles, employees, visitors with at least two designated accessible parking spaces for the NMHC CDBG-DR Program: Thirty (30) parking spaces will be located at the rear of the building and twenty (20) parking spaces located at the front parking lot, on the 3<sup>rd</sup> row, included in rent rate.
- Additional Cost: Water service fee at \$400.00 per month (\$50.00 x 8 units).
- Additional Cost: Trash service fee at \$160.00 per month (\$10.00 x 8 units).
- Additional Cost: Sewage service fee at \$80.00 per month (\$20.00 x 8 units).
- 24 hours a day security service manned by G4S Security and CCTV camera systems, included in rent rate

#### VI. WARRANTY

N/A

#### VII. CONTRACT DOCUMENTS

The following instruments shown in the table below, constitute the contract documents ("Contract Documents") and are incorporated as part of the Contract thereof. If any of the attached documents conflict with this contract, then the language of this contract will control.

EXHIBIT	NAME OF DOCUMENT
A	Standard Terms and Conditions
B	Scope of Work

## **VIII. CONSIDERATION AND SCOPE OF WORK**

Lessor agrees to provide professional office space for the CDBG-DR Program and perform the services described in this contract and the documents attached and incorporated into this contract. The NMHC agrees to pay Lessor in the amount not to exceed **(\$686,400.00)** in exchange for the lease of professional office space and services for a period of Five (5) years, with an option to renew for another year on a month-to-month basis, with the right to terminate the lease without penalty cost or fees should federal funds and other applicable funding sources become unavailable. In addition, the consideration for this agreement is in the mutual covenants and stipulations hereby agreed to by the parties and set out in the following paragraphs.

## **IX. DURATION OF CONTRACT**

The Lessor will begin its performance upon receipt of a Notice to Proceed by NMHC.

This contract will remain in effect for a period of **Five (5) Years** after the receipt of the Notice to Proceed, with an option to renew for another year on a month-to-month basis, with the right to terminate the lease without penalty cost or fees should federal funds and other applicable funding sources become unavailable.

## **X. CONTRACT EXTENSION**

NMHC may extend the term of this contract by written notice to the Lessor 30 days before the contract expires. This extension provision may be exercised more than once, but the total extension of performance may not exceed one (1) year. If NMHC exercises its option to extend this contract, then the contract will continue without any change in the terms and conditions of this contract.

## **XI. DELIVERY AND PAYMENT**

1. The Lessor agrees to begin, and to continue for as long as this contract provides, to provide professional office space for the CDBG-DR Program and to perform the services on the island of Saipan. The Lessor will invoice NMHC and will be paid according to the following schedule:

<b>DATE THE NMHC RECEIVES INVOICE</b>	<b>INVOICE AMOUNT</b>	<b>PAYMENT DUE DATE</b>
1 <sup>st</sup> of Every of month	\$11,440.00/month	NMHC will issue payment to the Lessor within 10 days after submitting an invoice.

2. If the notice to proceed is issued after a date identified in the above-schedule, then the Lessor will invoice the NMHC on the next date identified in the above-schedule. Thereafter, invoices will be issued in accordance with the above-schedule and will continue to be issued until the contract is completed.
3. Payment by NMHC shall be made only upon Lessor's submission of evidence to the Expenditure Authority that the Lessor has provided the professional office space for the CDBG-DR Program and the fixtures and services and has adhered to all contract terms and specifications.

## **XII. SIGNATURE REQUIREMENTS**

No Contract can be formed prior to the approval of all required signatories, as evidenced by the signature affixed below of each of them, made in the order listed. The Contract shall become effective upon certification of contract completion by the NMHC Procurement Officer.

## **XIII. ADJUSTMENTS OF TIME FOR PERFORMANCE**

The Expenditure Authority may grant the Lessor up to thirty (30) additional days to complete the delivery of the services required by this contract. A grant of additional time will only be effective if it is placed in writing and signed by the Expenditure Authority.

The Lessor may grant the NMHC additional time, as necessary, to complete the payment for the services. A grant of additional time will only be effective if it is placed in writing and signed by an agent of the Lessor.

## **XIV. SIGNATURES**

1. Expenditure Authority

I declare that I have complied with the NMHC procurement regulations; that this contract is for a public purpose; and that the contract does not waste or abuse public funds. I declare that I, personally, have the authority to obligate the expenditure of funds for this contract. I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed this day in the Commonwealth of the Northern Mariana Islands.

  
\_\_\_\_\_  
Josse S. Palacios  
Corporate Director  
Expenditure Authority

11/15/2021  
Date:

2. Procurement and Supply

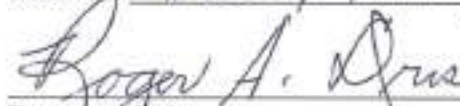
I hereby certify that to the best of my information and belief this contract is in compliance with the NMHC Procurement Regulations, is for a public purpose, the lessor is a responsible lessor, and the contract does not waste or abuse public funds.

  
\_\_\_\_\_  
Jacob Muna  
Procurement Officer

1/15/21  
\_\_\_\_\_  
Date

3. NMHC Fiscal Division


I hereby certify that the funds identified below are available and have been committed for funding of this Contract:

Account: DR1. 55320 <sup>AK</sup>  
Amount: \$686,400.00 <sup>AK</sup>  
  
\_\_\_\_\_  
Roger A. Dris  
Acting-Chief Financial Officer

1/15/2021  
\_\_\_\_\_  
Date

4. Attorney General:

I hereby certify that this contract has been numbered, reviewed and approved as to form and legal capacity.

  
\_\_\_\_\_  
Edward Manibusan  
Attorney General

1/20/2021  
\_\_\_\_\_  
Date

5. NMHC Board of Directors

  
\_\_\_\_\_  
Marcie M. Tomokane  
Chairwoman

01/20/21  
\_\_\_\_\_  
Date



6. Lessor – **Chong International Corporation:**

On behalf of the Lessor, I represent that I am authorized to bind the Lessor to the terms of this Contract, and by my signature I do hereby accept and bind the Lessor to the terms of this Contract. I further represent for the Lessor that no person associated with the Lessor has retained any person in violation of the NMHC procurement regulations.

  
GAB DU CHONG

PRINTED NAME OF SIGNING AUTHORITY

President

TITLE

  
SIGNATURE OF SIGNING AUTHORITY

Date

7. CERTIFICATION OF CONTRACT COMPLETION

I hereby certify that this contract bears all signatures and is therefore complete.

  
Jacob Muna

Procurement Officer

01/25/21

Date



## XV. END OF CONTRACT DOCUMENT

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Procurement Information  
(For government purposes only)

Method of Procurement (Check one only)

- ☐ Competitive Sealed Bids
- ☒ Competitive Sealed Proposal
- ☐ Small Purchase
- ☐ Sole Source
- ☐ Emergency
- ☐ Expedited

Type of Procurement (Check one only)

- ☒ Initial procurement
- ☐ Subsequent procurement –
- ☐ Following Bid Protest
- ☐ Government's Option
- ☐ Replacement for Defaulted Contractor

Government contract numbers of all related contracts with the Vendor:  
Insert Contract Numbers, or NONE

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**EXHIBIT A**  
**NORTHERN MARIANAS HOUSING CORPORATION (NMHC)**  
**STANDARD TERMS AND CONDITIONS**

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**I. TAXES, INSURANCE, AND PERMITS**

The Lessor is responsible for all applicable Commonwealth or federal taxes and fees which may become due and owing by the Lessor by reason of this contract. The Lessor is also responsible for obtaining all insurance, licenses, permits, and certificates that may be required in order to perform this contract.

**II. LITIGATION**

If the NMHC, without any fault on its own part, becomes a party to any litigation by or against the Lessor in connection with this contract, the Lessor shall pay all costs and expenses incurred by the NMHC, including reasonable attorneys' fees.

**III. CONTRACT SUBJECT TO FUNDING**

Continued funding of this Contract beyond the present fiscal year is contingent on availability of funding in future years. In the event that such funding does not become available, the NMHC may terminate the contract without any further liability.

**IV. SATISFACTION OF EXPENDITURE AUTHORITY REQUIRED**

The Lessor agrees to complete the contract according to the terms of the contract and to the full satisfaction of the Expenditure Authority.

**V. REGULATIONS CONTROLLING**

This contract is void if either the procurement processes or contract execution fails to comply with the NMHC Procurement Regulations codified by NMIAC §§ 100-60-001, et seq. Any procurement action of a NMHC official or employee in violation of said regulations is not authorized by the NMHC and is an act for which the NMHC will not take responsibility or be liable for in any manner. The Lessor and the NMHC Expenditure Authority hereby certify that they have both read and understand said procurement regulations and have complied with all such regulations.

**VI. DEBARMENT, SUSPENSION, AND PERSONAL LIABILITY FOR VIOLATION OF PROCUREMENT REGULATIONS**

If the contract is in violation of the procurement regulations codified by NMIAC §§ 100-60-001, et seq., then the Lessor may be subject to debarment or suspension from NMHC contracting. Any person found to be violating the procurement regulations may be personally liable for any damages incurred, in addition to other penalties provided for by law or regulation.

## **VII. CONTRACT DISPUTES**

1. Any dispute arising under this contract between the NMHC and the Lessor shall be submitted to administrative review and appeal as provided for by the procurement regulations codified by NMIAC §§ 100-60-001, et seq.
2. Commonwealth law governs this contract.
3. The NMHC will not be held liable for interest on any judgment taken as a result of any legal action in connection with this contract.
4. The NMHC will not be held liable for any punitive damages as a result of any legal action in connection with this contract.
5. The NMHC will not be held liable for any attorneys' fees incurred by the Lessor as a result of any legal action in connection with this contract.

## **VIII. GRATUITIES**

It shall be a breach of contract for the Lessor to offer, give, or agree to give a gratuity or an offer of employment to any employee or former employee in connection with the execution of this contract.

It shall be a breach of contract for any NMHC employee to solicit, demand, accept, or agree to accept from the Lessor, a gratuity, or an offer of employment in connection with the execution of this contract.

## **IX. RIGHT TO AUDIT**

The Lessor and subLessor or grantee and sub-grantee at all levels shall provide the Public Auditor of the Commonwealth of the Northern Mariana Islands with access to and the right to examine and copy any records, data or papers relevant to this contract or grant until three (3) years have passed since the final payment pursuant to this contract or grant.

## **X. KICKBACKS PROHIBITED**

It shall be a breach of contract for any payment, gratuity or offer of employment to be made by or on behalf of a subLessor under contract to the prime Lessor or higher tier subLessor or any person associated therewith as an inducement for the award of a subcontract or order.

## **XI. CONTINGENT FEES**

The Lessor hereby represents that it has not retained any person to solicit or secure government contracts upon an agreement or understanding for a commission percentage, brokerage or contingent fee except for the retention of a bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

## **XII. TERMINATION FOR DEFAULT**

1. If the Lessor refuses or fails to deliver the goods or services as required or fails to deliver the goods or services within the time period specified by this contract, then the NMHC may terminate this contract by providing written notice of termination to the Lessor. If the NMHC terminates this contract for default, then the Lessor will be liable for damages. In the alternative, the NMHC may insist upon the performance of this contract and the payment of damages for its delay. Failure to deliver the goods or services as required and within the time limits provided by this contract may subject the Lessor to suspension, disbarment, or any other remedy provided by law.
2. The NMHC will not terminate the contract for failure to deliver the goods or services within the specified time if the failure is caused by an act of god, acts of the public enemy, acts of the NMHC, fires, floods, epidemics, or unusually severe weather.
3. The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

## **XIII. TERMINATION FOR CONVENIENCE**

1. The NMHC may, when its interests so require, terminate this contract in whole or in part for the convenience of the NMHC. The NMHC will give written notice of the termination to the Lessor if the contract is terminated for the convenience of the NMHC.
2. If the contract is terminated, then the Lessor will not incur any further obligation in connection with the terminated contract. The Lessor will work to terminate outstanding orders and subcontracts as they relate to the terminated contract and will settle the liabilities and claims arising out of the termination. The Lessor will limit and mitigate its damages as much as possible.
3. If the contract is terminated for convenience, then the parties may enter into a settlement regarding the payment due under this contract. Otherwise, the amounts due under the contract will be as follows, provided that the NMHC may not be held liable for more than the amount to be paid under this contract:
  - a) Costs incurred in preparing to perform and performing the terminated contract.
  - b) Costs of settling and paying claims arising out of termination of subcontracts.
  - c) The reasonable settlement costs of the Lessor.

## **XIV. ASSURANCES**

The Lessor, by signing the contract, affirms that this contract is in compliance with the following federal laws and regulations:

1. **Equal Employment Opportunity.** For all Contracts that qualify as "federally assisted construction contracts" as defined in 41 CFR Part 60-1.3, Lessor agrees to comply with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
2. **Additional Equal Employment Opportunity Clause.** The Lessor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Lessor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
3. **Davis Bacon Act, as amended (40 U.S.C. 3141—3148).** If the Contract is in excess of \$2000 and pertains to construction or repair, and further, if required by Federal program legislation, Lessor shall comply with the Davis-Bacon Act (40 U.S.C. 3141—3148) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, the Lessor is required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, the Lessor shall be required to pay wages not less than once a week.
4. **Copeland "Anti-Kickback" Act (40 U.S.C. 3145) –** If the Order is in excess of \$2000 and pertains to construction or repair, Lessor shall comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3, "Lessors and SubLessors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides in part that Lessor shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which it is otherwise entitled.

5. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)** – If the Contract is in excess of \$100,000 and involves the employment of mechanics or laborers, Lessor shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR part 5). Under 40 U.S.C. 3702 of the Act, Lessor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
6. **Rights to Inventions Made Under a Contract or Agreement** – If the Contract is for the performance of experimental, developmental, or research work, Lessor shall provide for the rights of the Federal Government and the Commonwealth in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
7. **Clean Air Act (42 U.S.C. 7401—7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251—1387), as amended** – If the Contract is in excess of \$150,000 Lessor shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401—7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251—1387). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
8. **Energy Policy and Conservation Act (42 U.S.C. 6201)** – Lessor agrees to comply with all mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).
9. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** – If the Contract is for \$100,000 or more, Lessor and its subLessors shall file the certification required by this statute and associated regulations. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Commonwealth.



10. Debarment and Suspension (E.O.s 12549 and 12689) – Lessor represents and warrants that it is not listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM) in accordance with OMB guidelines at 2 CFR 180 that implement E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and Lessors declared ineligible under statutory or regulatory authority other than E.O. 12549.
11. The Lessor certifies compliance with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. In particular, the requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000.
12. If applicable, the Lessor certifies compliance with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act by procuring solid waste management services in a manner that maximizes energy and resource recovery.
13. If the contracting agency is an EPA financial assistance agreement recipient, then the contract agrees that it shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The Lessor further agrees that it shall carry out the applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the Lessor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies. The Lessor understands that it bears the final responsibility for determining whether the contracting agency is an EPA financial assistance agreement recipient.

**END OF DOCUMENT**



# NORTHERN MARIANAS HOUSING CORPORATION

P.O. BOX 500514, Saipan, MP 96950-0514

Email: [nmhc@nmhc.gov.mp](mailto:nmhc@nmhc.gov.mp)

Website: <http://www.nmhc.gov.net>

## Request for Proposals

### Lease of Office Space for the Community Development Block Grant Disaster Recovery (CDBG-DR) Program Detailed Requirements and Scope of Work

#### I. BACKGROUND INFORMATION

The Northern Marianas Housing Corporation (NMHC), located in the Commonwealth of the Northern Mariana Islands, is soliciting sealed proposals from prospective vendors with the primary objective of leasing professional office space (approximately 8,000 square feet) to house the NMHC's Community Development Block Grant Disaster Recovery (CDBG-DR) Program. This RFQ package contains the necessary information and guidelines for interested vendors to develop and submit proposals.

#### II. NATURE OF WORK

The primary objective of this RFQ is for the leasing of a professional space (approximately 8,000 square feet) to house the NMHC's CDBG-DR Program for a period of five (5) years beginning January 1, 2021 to December 31, 2025 with an option to renew for another year on a month-to-month basis.

#### III. LOCATION OF WORK

The property must be accessible to Beach Road or Middle Road's main thoroughfare on the island of Saipan in the Commonwealth of the Northern Mariana Islands.

#### IV. DETAILED SCOPE OF WORK

The NMHC is soliciting proposals from qualified vendors for the five (5) year lease plus an option to renew for another year on a month-to-month basis of a professional office space to house the CDBG-DR Program with the right to terminate the lease without penalty cost or fees should federal funds or other applicable funding sources become unavailable.

The RFQ requires that proposals must meet the following specifications:

##### 1. **Parking Space**

The property must have a designated parking space available for agency vehicles and those of its employees and visitors with at least two designated accessible parking spaces. Program vehicles may be parked in designated spaces overnight. A minimum of 50 parking spaces should be designated for the Program.

##### 2. **Telecommunication**

The property must have adequate telecommunication lines.

##### 3. **Sanitation and Health Condition**

The property must be located in a sanitary and healthy environment. It must have proper garbage facilities and complies with the health and sanitation standard required under the Sanitation Code of the CNMI.

##### 4. **Light and Ventilation**

The building's common areas must have proper lighting and ventilation system.

##### 5. **Facilities**

The building must have the following facilities/amenities:

- Facility must be move-in ready upon completion of lease agreement/contract;

Exhibit B

- Americans with Disabilities Act (ADA) compliant (parking, restrooms, elevators, hallways, doorways, etc);
- In compliance with Public Law 6-45 and CNMI Administrative Code Title 155-10.1, CNMI Building Code Standards and approved project plans and specifications;
- Main meter and/or sub-meter for electrical and water supply exclusively for the use of the CDBG-DR Program;
- 24-hour water service;
- Sufficient electrical fixtures, lighting fixtures, and convenience outlets. There should also be provisions for electrical system (single phase and three phases) for the air conditioning units and other office equipment to be installed;
- Fire alarm/detection system, fire/emergency exits, as provided by NFPA 101: Life Safety Code;
- Fire extinguishers;
- Adequate air conditioning units to accommodate the square footage requirements of the office space;
- Electrical Facilities/Requirements:
  - All electrical fixtures, convenience outlets, switches and telephone jacks/terminals shall be in good working condition;
- Generator shall be capable of supplying power for critical and life safety conditions. This shall include standby lighting, the fire protection system, security system and elevators (if the Lessee is not located on the ground floor). Additionally, the generator shall be capable of supplying power to IT equipment and the A/C unit(s);
- Trash services;
- Cleaning services, three times per week (Monday, Wednesday, & Friday);
- Maintenance services (building fixtures, lighting, plumbing);
- Reception area with window booth;
- CDBG-DR program should be allowed to demolish/chip portion of walls and floors for the installation of A/C units and other equipment; and
- The building must have a security system in place.

#### 6. IT Requirements

The building must have the following:

- Provision of space for the installation of horizontal and vertical network cabling (structured cabling infrastructure);
- CDBG-DR program should be allowed to demolish/chip portion of walls and floors and ceilings for the installation of data cables;
- There should be ample provision for communication lines/system requirements (i.e., rising, piping, etc);
- Access to the building/electrical room/main distribution frame for any IT troubleshooting; and
- Existing wiring throughout building is desirable.

#### 7. Free Services

- Provision of free parking space for the agency, employee, and client vehicles;
- A rent free construction/renovation period for a minimum of one (1) month before the start of the lease term or as may be agreed upon; and
- Any other services that the bidder may offer.

#### 8. Space Requirements

The building's leasable spaces must be adequate for the CDBG-DR program's area requirement of approximately 8,000 square feet for the following:

- 50 single workstation cubicles
- 10 enclosed rooms for Executives/Managers
- 3 enclosed rooms for private client meetings
- 2 conference rooms
- Storage and filing room
- Server room

- At least two (2) Restrooms
9. **Security Deposit/Prepaid Rent**  
No security deposit or pre-paid rent will be required.
10. **Security**  
Description of the security services available in the building and the name of outside security services utilized.
11. **Additional Proposal Contents**
- Building specification including square footage, utility location and access, single unit or multi-unit business;
  - Cost proposal (i.e., rent and complete listing of pass through, if any, including a 2 year cost history of those items)
  - Proposed schedule of work deadlines to ensure space availability; and
  - Readiness of facility.

V. **INFORMATION AND FORMAT REQUIRED IN THE PROPOSAL**

All proposals submitted by prospective vendors to the Northern Marianas Housing Corporation Central Office must include all items listed below. Incomplete proposals may not be considered.

1. The name of the authorized personnel to negotiate the proposal and contract (should also be the contact personnel).
2. Copy of current business license valid in the CNMI.
3. The company's Tax Identification Number.
4. Proof of insurance coverage and property liability insurance of at least \$100,000.00.
5. Other information that may be helpful to the evaluation team.

NMHC reserves the right to request for additional information or documents that it may consider necessary and relevant to assist it in evaluating a proposal.

VI. **GENERAL AND ADMINISTRATIVE INFORMATION**

1. **Posting of Request for Proposals**

Interested parties can download this Request for Proposals from the CDBG-DR or NMHC website by clicking on the Procurement Tab.

2. **General Provision**

Until the selection process is completed, the content of the proposal will be held in strictest confidence and no details of any proposal will be discussed outside the Evaluation Team created by NMHC. This RFP does not constitute an offer and does not obligate the NMHC in any way. NMHC reserves the right to reject any and all proposals for any reason and waive any defect in said proposals, negotiate with any qualified offers, or cancel in part or its entirety this RFP, if it is in the best interest of NMHC.

NMHC will enter a contract with the successful vendor pursuant to the terms and conditions of the NMHC Procurement Regulations. Selected vendor shall ensure that the office space is move in ready within thirty (30) days of receiving the Notice to Proceed (NTP). Additional terms and conditions will be attached as exhibits to the contract.

3. **Submission Details**

Sealed proposals must be marked "NMHC RFP 2021-003." One original and three (3) copies of sealed proposals must be submitted to the NMHC Central Office, Garapan, Saipan, MP 96950, no later than 10:00 a.m., local time December 4, 2020. Proposals received after the date and time will not be accepted.

**Instructions**

- All submissions must include the RFQ # in the email subject.

- All documents must be submitted in Adobe PDF Format.
- All pages of your proposal must include the RFQ # in the header, plus page number in the footer.

Failure to follow these instructions will be considered unresponsive and your proposal will not be included for technical evaluation.

#### 4. **Cost of Preparation**

All costs incurred by the vendor in preparing a response to this RFP and subsequent inquiries shall be borne by the vendor. All proposals and accompanying documentation will become the property of NMHC and will not be returned. NMHC reserves the right to reject any or all bids for any reason and to waive any defects in said bid, if in its sole opinion, to do so would be in the best interest of NMHC.

#### 5. **Questions**

All questions or requests for clarification must be made in writing to Mr. Jacob Muna, Office Manager/Procurement Manager at [officemanager@nmhc.gov.net](mailto:officemanager@nmhc.gov.net) no later than **10:00 AM, local time, on November 25, 2020.**

All emails **MUST** contain the RFP # in the email subject.

### VII. **EVALUATION CRITERIA**

Proposals received by the submission date and time noted above will be jointly processed on **December 4, 2020 at 10:00 AM local time**. After the evaluation process, NMHC plans to make an award to the vendor whose proposal is most advantageous to NMHC considering the evaluation factors set forth below:

- **Location and Proximity (25 Points)** – This criterion considers the proximity of the building/office space to Middle Road and Beach Road main thoroughfare.
- **Cost Reasonableness (25 Points)** – This criterion includes a review of all costs associated with the lease agreement including lease changes, updates, lease extensions and increases.
- **Lease Requirements (50 Points)** – This criterion includes ability to meet specifications under Section IV: Detailed Scope of Work of this RFP and obligations regarding updates to the property, maintenance responsibilities, general upkeep and repair of immediate and surrounding property. It also includes applicable provisions regarding indemnification, subrogation, and other related business liabilities between the lessor and the lessee.

### VIII. **SUCCESSFUL VENDOR NOTIFICATION PROCESS**

Upon the selection, the successful vendor will be advised to negotiate the contract with NMHC. Should the negotiations fail to result in an agreement, NMHC reserves the right to cancel the negotiations and select the next recommended vendor, which in NMHC's opinion, is the most qualified proposer. If the contract is not agreed to with any of the proposers, the RFP will be cancelled and re-advertised.

In the event all proposals exceed available funds and/or all proposals received do not meet **all** material respects of the request for proposals (RFP), the official with expenditure authority may authorize the procurement officer to negotiate an adjustment of the proposed price including changes in RFP requirements as may be required.

# **Bid Proposal**

## **NMHC RFP 2021-003**

**LEASE OF OFFICE SPACE FOR THE COMMUNITY  
DEVELOPMENT BLOCK GRANT DISASTER RECOVERY  
(CDBG-DR) PROGRAM**

### **CHONG INTERNATIONAL CORP.**

PMB 310 Box 10000 SAIPAN, MP 96950

Office: (670) 483-3364

Email: jangheec@gmail.com

Submission Date: December 1, 2020

**NMHC RFP 2021-003**

Norther Marianas Housing Corporation

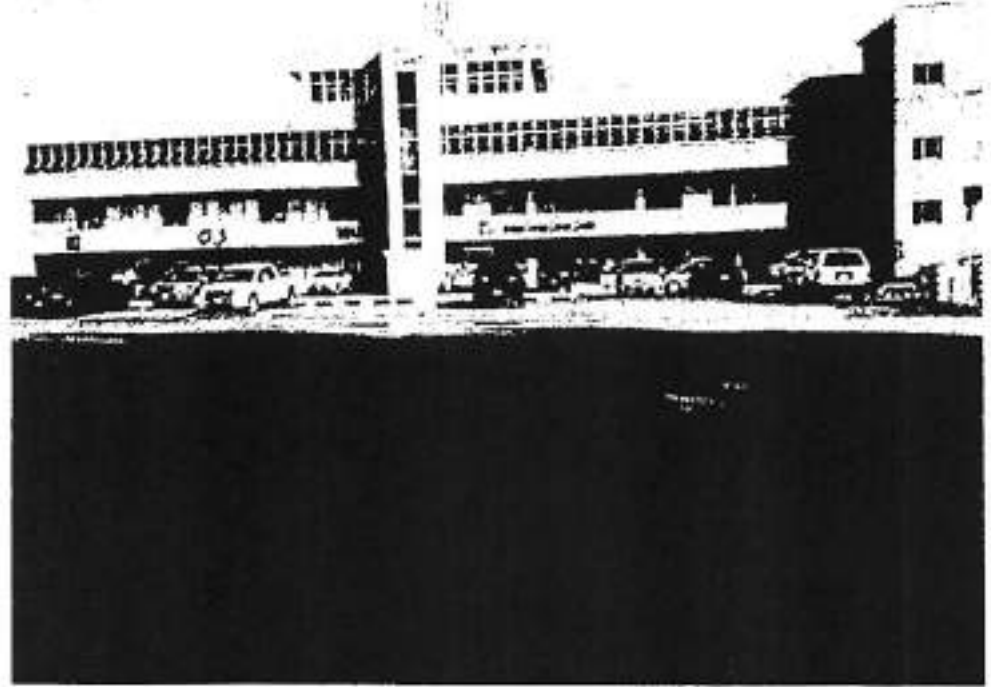
Attn: Mr. Jacob Muna

P.O. Box 500514, Saipan, MP 96950

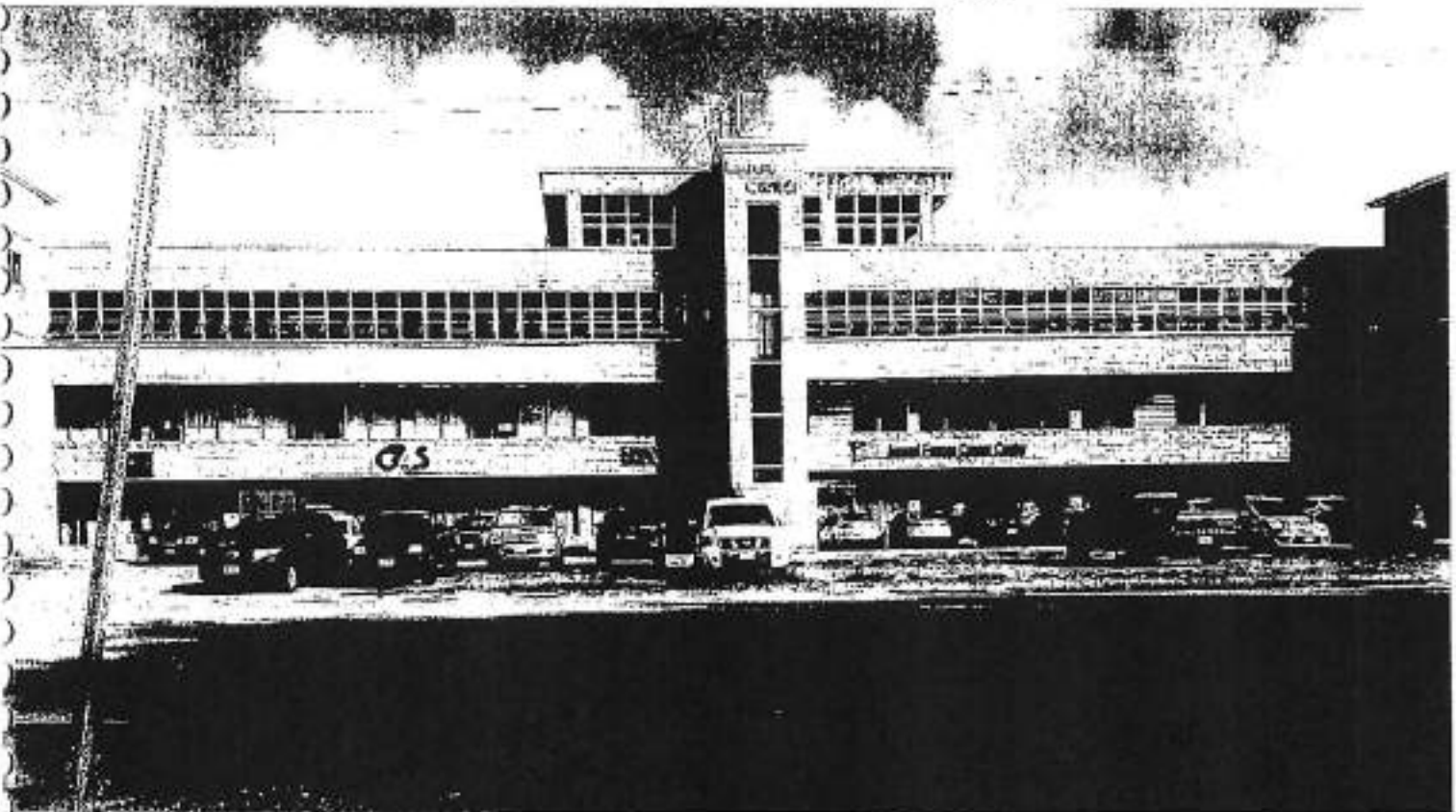


# CIC

CHONG  
INTERNATIONAL  
CORPORATION



***PROPOSAL FOR OFFICE SPACE RENTAL ON SAIPAN  
FOR THE OFFICE OF THE NORTHERN MARIANAS  
HOUSING CORPORATION'S COMMUNITY  
DEVELOPMENT BLOCK GRANT DISASTER RECOVERY  
PROGRAM -NMHC RFP 2021-003***



# CHONG INTERNATIONAL CORP.

PMB 310 Box 10,000, SAIPAN, MP 96950  
Office: (670) 483-3364 Email: jangheec@gmail.com

December 4, 2020

Mr. Jesse S. Palacios  
Corporate Director  
Northern Marianas Housing Corp. (NMHC)  
P.O. Box 500514  
Saipan, MP 96950

And

Mr. Frank Lee Borja  
Acting Chairman  
NMHC Board of Directors  
P.O. Box 500514  
Saipan, MP 96950

*RE: Chong International Corporation's Bid Submission for NMHC RFP 2021-003*

Dear Director Palacios and Acting Chairman Borja:

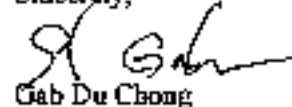
*Hafa Adai* and thank you for the opportunity to submit our company's bid proposal in response to NMHC RFP 2021-003, for the "Lease of Office Space for the Community Block Grant Disaster Recovery (CBDG-DR) Program."

Chong International Corporation is organized and doing business under the laws of the Commonwealth of the Northern Mariana Islands. Our company built, owns, and operates the *Ladera* Center, a 3-storey commercial building, located on Beach Road, Chalan Luluan, Saipan.

Enclosed you will find our company's proposal, consisting of a highly competitive and responsive item-by-item response to each of the detailed requirements and specifications of the scope of work. Additionally, we have included "attachments" of required documents, as well as exhibit pictures of the proposed office space for lease.

Again, thank you for the opportunity to submit our proposal and please contact me directly if you have any questions or would like further clarifications.

Sincerely,



Gab Du Chong  
President  
Chong International Corporation

# **Chong International Corp.'s**

**Proposal In Response to**

**NMHC RFP 2021-003**

# **CHONG INTERNATIONAL CORP.**

PMB 310 Box 10,000, SAIPAN, MP 96950  
Office: (670) 483-3364 Email: jangheec@gmail.com

Submission Date: December 4, 2020

## **NMHC RFP 2021-003**

Norther Marianas Housing Corporation

Attn: Mr. Jacob Muna

P.O. Box 500514, Saipan, MP 96950

**SUBJECT: CHONG INTERNATIONAL CORPORATION's (Ladera Center) BID PROPOSAL FOR OFFICE SPACE RENTAL FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) PROGRAM.**

## **I. Introduction**

### **BUILDING PROFILE:**

The Ladera Center is owned and operated by Chong International Corporation, a corporation organized and doing business under the laws of the Commonwealth of the Northern Mariana Islands. Ladera Center is aesthetically unique in its architectural design and offers luxurious and convenient services for all its tenants and other clients at an affordable price. Ladera Center is in full compliance with all local and federal laws including the Americans with Disabilities Act (ADA) and the CNMI Building Safety Code. The Ladera Center provides ample parking facilities in the front and in the rear of the building, is equipped with rainwater catchment system and tanks, aluminum typhoon shutters designed to withstand winds of up to 125 mph, emergency exit doorways on the south and north entrances of the building, along with handicap accessibilities, and an elevator conveniently positioned at the center of the building.

The proposed area for NMHC RFP 2021-003 is the third floor, which has a total rentable commercial space of 11,563 square footage. The corporation can allow for a subdivision to accommodate the needs of NMHC's 8,000 square footage space requirement. Separate male and female restrooms are accommodated to meet both the building code and the ADA requirements. The construction of Ladera Center is 100% financed by Chong International Corporation, without any loan from any bank or lending institution.

The Ladera Center is equipped with a 24-hour backup generator located behind the building in case of emergencies. In the event the use of the back-up generator is needed, the cost for the generator's fuel will be done separately with written approval of proposed rate from NMHC. There are two (2) water tanks situated behind the building as well, ensuring sufficient and reliable water supply even during water outages. Chong International Corporation will be responsible for building and ground maintenance.

The Ladera Center fronts Saipan's Beach Road in Chalan Laulau, with the majestic and tranquil view of the blue Saipan lagoon. It is conveniently and centrally located in a commercial area perfect for full service banks, medical clinics, law offices, department merchandise stores, restaurants, and so forth. The facility has all the necessary amenities able to accommodate any type of commercial business activity here in the Commonwealth.

Ladera Center is located in the prime business center of Saipan, within the vicinity of a major Bank (the First Hawaiian Bank to the south just a 2-minute walking distance) and the future opening of Bank of Saipan next to the former Hakubotan Center. Joeten Motors and Adkins Kroll is located within a minute driving distance. The CNMI Department of Public Works is located just a walk away at the Oleai Center on top of the First Hawaiian Bank.

Currently, the U.S. Marine Corps Recruiting Center, U.S. Army Recruiting Center, a women's fashion store, APEC Environmental Services, a convenient store, G4S Security Headquarters, and the CNMI 2020 Census are all current tenants of Ladera Center.

G4S Security operates their office space 24hours a day. They monitor all their security operations around the island which includes their operations in Ladera Center. At any given time of the day, they are continuously present at the Ladera Center. The CNMI 2020 Census has just ended their lease with Ladera Center occupying the entire 3<sup>rd</sup> floor of the Ladera Center. The 2020 CNMI Census had to retrofit the entire 3<sup>rd</sup> floor to meet the Data, Telecommunication, and Security mandated requirement of the US Census. All of the infrastructure enhancements and updates are still in place on the area being proposed here for office space under NMHC RFP 2021-003

## **II. Detailed Scope of Work**

### **LADERA CENTER'S PROPOSAL to NMHC's Scope of Work Requirement**

#### **1. PARKING SPACE**

Ladera Center will designate 50 parking spaces to the NMHC CDBG-DR Program. Thirty (30) parking spaces in the rear of the building and 20 parking spaces on the front parking lot, on the 3<sup>rd</sup> row, will be dedicated to NMHC CDBG-DR PROGRAM. All NMHC CDBG-DR Program parking stalls will be clearly marked for NMHC CDBG-DR Program use.

#### **2. TELECOMMUNICATION**

The Ladera Center is currently set up for telecommunication lines from both IT&E and Docomo. The proposed 3<sup>rd</sup> floor space was retrofitted by US Census to meet their telecommunication demands. All rooms including the 3 open-space floors for cubicles are telephone plug-in-ready with IT&E facilities. There are over 60 preset telephone jacks plug-in-ready in each office space, conference rooms, storage room, training room and the 3 open space areas. All the telephone jacks are still in place, and all that is required is for IT&E to turn ON their lines for the phones to be back in service.

#### **3. SANITATION and HEALTH CONDITION**

Ladera Center exceeds the Sanitation and Health requirements of the CNMI Sanitation Code. We have two (2) current and one (1) former tenants who are federal agencies. Their standard requirement exceeds the condition set forth in the CNMI Sanitation Code. Ladera Center's garbage facilities are located in the back of the building and are properly enclosed from the public's view or from feral animals. Our garbage refuse are collected twice a week by a private sanitation company on contract with our company.

#### **4. LIGHT and VENTILATION**

The Ladera Center common areas, which includes all of our parking lots, the hallways of each floor, the staircases, and the elevator are all well lighted and properly ventilated.



## **5. FACILITIES**

Ladera Center offers the following:

- The proposed office space is ready for immediate occupancy upon completion of and executions of the lease agreement/contract.
- We are in full compliance with the American with Disabilities Act (ADA).
- Elevator is operating and in good working condition. Elevator maintenance is performed by ETC, and annual inspection and test is being performed by Guam Inspection and Certification Bureau, Inc.
- We are in compliance Public Law 6-64, the CNMI Building Code. See attached Building Occupancy Certificate.
- All CUC meters for utilities are conveniently situated on the first floor for easy access by CUC personnel.
- We have 24-hours water services, supported with back up water tanks and a fully functioning water catchment system.
- The proposed office space was recently retrofitted and upgraded to meet US Census Bureau specification needs for electrical fixtures and outlets. All rooms in the proposed area are all set up for the installation of split-type air conditioning systems, with additional outlets to meet the demands of other office equipment.
- We are in compliance with NFPA Life Safety Code. Fire Alarms/Smoke Detectors and fire extinguishers are installed.
- The required split-type air conditioners will be ready once the notification of intent to award is issued by NMHC.
- The proposed office space has been upgraded in its electrical fixtures including some 220 voltage outlets as required by US Census. Lighting and switches have also been upgraded for US Census uses. All telephone jacks are brand new and all are in excellent working condition.

## **6. IT REQUIREMENTS**

The proposed office space has a separate and secured Server Room with combination locking door system that meets the US Census Bureau's stringent specification requirements. Additionally, the proposed office space has been pre-wired with CAT 6 cables for high speed data transfer computer networks, with said cables running through the drop ceiling and secured through PVS electrical piping systems to protect

the CAT 6 lines through each of the offices, open bay area, as well as in the training, conference, and storage rooms, where they are easily accessible. All the lines are open and have both "ready plug and play" data jacks and telephone jacks. The server room serves as the computer network hub and is equipped with 3 fiber optic lines pre-installed and ready for use. All that is needed to get this system back in operation, is simply to inform IT&E to TURN ON their services.

#### **7. FREE SERVICES**

- Ladera Center will accommodate NMHC by providing 1 month rent free for construction and renovation before the start of the lease term.
- Free parking spaces will be provided to NMHC's CDBG-DR Program, its employees, and clients' vehicles.

#### **8. SPACE REQUIREMENTS**

The proposed office space meets NMHC CDBG-DR Program's desired office space of 8,000 sq. feet, with more than adequate space area to accommodate:

- 50 single workstation cubicles
- 10 enclosed rooms for Executives/Managers
- 3 enclosed rooms for private client meetings
- 2 conferences rooms
- Storage and filing room
- Server room

Plus, additional space is available for the following:

- Front office access control for visitors
- Staff lounge area
- 8 individual bathrooms that can be designated for each gender
- Rear balcony that can be designated for "Smoking Area".

#### **9. SECURITY DEPOSIT/PREPAID RENT**

Ladera Center will NOT require any security deposit or pre-paid rental to NMHC CDBG-DR Program.

#### **10. SECURITY**

Ladera Center currently utilizes G4S manned security as they are tenants of the building. CCTV cameras are installed for ground security, which is complimented and

reinforced with the CCTV systems of other tenants in the building including G4S and the Army and USMC Recruiting Office.

#### **11. ADDITIONAL PROPOSAL and REQUIRED DOCUMENTS**

**See Attached with this proposal.**

1. Office Floor Plan
2. Proposed renovation/installation (to be submitted)
  - Air condition Installation
3. Building Occupancy Permit
4. Fire Permit (to be submitted)
5. Business License
6. Building Liability Insurance
7. EIN (federal tax) Number: 52-XXXX4089
8. CNM Tax ID Number: 99-XXX0594
9. GUC Meter Numbers (to be submitted)

#### **III. Current Space Layout for the CDBG-DR Program (11,563 sq. ft.)**

***- See Attached Office Floor Plan***

- 3 Clerk Rooms to accommodate 50 single workstation cubicles
  - Clerk Room #1 - 74 ft 1 in x 22 ft 3 in
  - Clerk Room #2 - 35 ft 10 in x 17 ft 7 in
  - Clerk Room #3 - 35 ft 10 in x 17 ft 7 in
- 9 Enclosed Rooms for Executives/Manager
  - Office Space #1 - 17 ft 3 in x 11 ft
  - Office Space #2 - 17 ft 3 in x 11 ft
  - Office Space #3 - 17 ft 3 in x 11 ft
  - Office Space #4 - 17 ft 3 in x 11 ft
  - Office Space #5 - 17 ft 3 in x 11 ft
  - Office Space #6 - 17 ft 3 in x 11 ft
  - Office Space #7 - 17 ft 3 in x 11 ft
  - Office Space #8 - 17 ft 3 in x 11 ft
  - Office Space #9 - 17 ft 6 in x 11 ft 9 in
- 2 Conference Rooms
  - Conference Room #1 - 22 ft 6 in x 17 ft 3 in
  - Conference Room #2 - 31 ft 1 in x 28 ft 8 in

- 1 Storage and Filing Room
  - Storage Room #1 - 28 ft 1 in x 22 ft 3 in
- 1 Server / Network Room
  - Server Room #1 - 17 ft 1 in x 8 ft 2 in
- 1 Break / Lunch Room
  - Break Room #1 - 28 ft 8 in x 13 ft 2 in
- 8 Individual Restrooms (can be assigned separate male/female)

#### **IV. Point of Contact**

**Ms. Gab Du Chong**  
**President**  
**CHONG International Corporation**  
**PMP 310 Box 10000**  
**Saipan, MP 96950**  
**TEL: 670-483-3364**  
**EMAIL: jangbeec@gmail.com**

#### **V. Proposed Rental Rate Per Month**

Earliest Date of Availability	<b><u>December 10, 2020</u></b>
Total Available Area of Proposed Property	<b><u>11,563 Sq. feet.</u></b>
Quote for 8,000 sq. feet Per month with installation of Split Type Air Conditions & Painting:	<b><u>\$1,35 sq. feet per month.</u></b>
Initial Term of Lease	<b><u>Five (5) years beginning January 1, 2021</u></b>
<b><u>With a signed 5 years lease, Ladera Center will provide the remaining 3,563 square feet of unused space at no extra charge to the contract.</u></b>	
Option to Renew Lease:	<b>One (1) year on a month-to-month basis</b>
 <b><u>Additional Monthly Costs</u></b>	
Water, Trash and Sewage Fee	<b><u>\$640.00 total per Month</u></b>
<b>(Breakdowns are \$50 water / \$20 sewage / \$10 trash per billing cycle)</b>	
 • <b><u>Total yearly lease (12Months) w/ Water, Sewer &amp; Trash Service:    \$137,280.00</u></b>	

- **Total 5 years Lease with Water, Sewer and Trash Service: \$686,400.00**

## **VI. Optional Services**

### **Janitorial Cleaning Services (Optional)**

Three x Week (M, W, F) **\$1,500.00**

### **Maintenance Services (Optional)**

Air Condition Maintenance **\$500.00**

We are open to negotiations in order to meet and accommodate all of NMHC's needs. Please feel free to call me directly at 483-3364 or I may be reached via email at the following email address: [langheer@gmail.com](mailto:langheer@gmail.com). Thank you very much for your kind consideration of our proposal.

Regards,

  
Gao Du Cheng  
President / Ladera Center

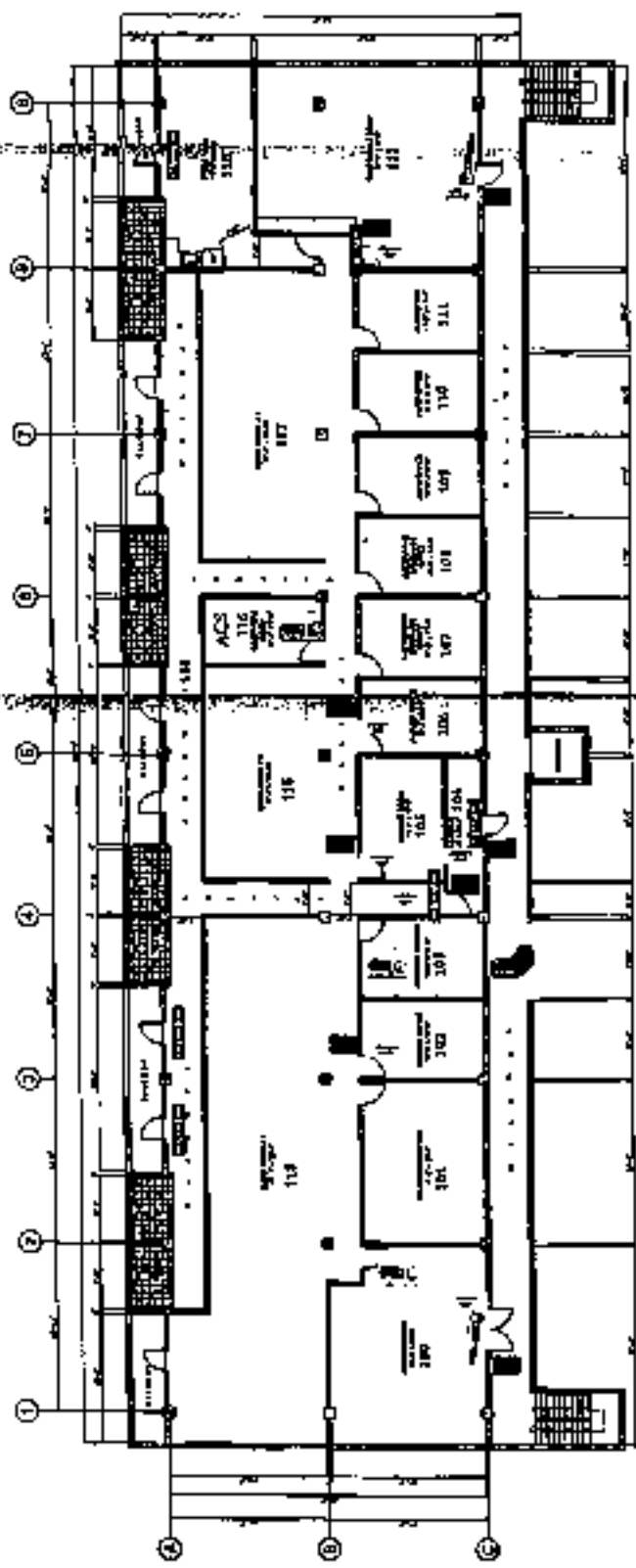
ATTACHMENTS:

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# Attachments

- Building Floor Plan
- Certificate of Occupancy
- Business License
- Building Insurance





LEGENDS & SYMBOLS

- ACS - Access Control Panel
- Card Reader
- Push Bar Sounder
- Door Strike
- Safe Key / Knob Bar
- Regular Push Bar
- Cypher Door Lock

1 NEW FLOOR PLAN LAYOUT

A-2 SCALE: 1/16" = 1'-0"

APPROVED BY: DATE

NO.	DATE	DESCRIPTION	BY	CHK
1	11/11/11	REVISIONS	11/11/11	11/11/11
2	11/11/11	REVISIONS	11/11/11	11/11/11
3	11/11/11	REVISIONS	11/11/11	11/11/11
4	11/11/11	REVISIONS	11/11/11	11/11/11
5	11/11/11	REVISIONS	11/11/11	11/11/11
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17	11/11/11	REVISIONS	11/11/11	11/11/11
18	11/11/11	REVISIONS	11/11/11	11/11/11
19	11/11/11	REVISIONS	11/11/11	11/11/11
20	11/11/11	REVISIONS	11/11/11	11/11/11

# Commonwealth of the Northern Mariana Islands

## CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE IS ISSUED PURSUANT TO THE REQUIREMENTS OF SECTION 7029, PUBLIC LAW, 6-45, CNMI BUILDING SAFETY CODE, CERTIFYING THAT AT THE TIME OF ISSUANCE, THIS STRUCTURE WAS IN COMPLIANCE WITH THE VARIOUS CODES REGULATING BUILDING CONSTRUCTION OR USE.

Permit No.	<u>BSC-C20-S-254</u>		
Applicable Building Code	<u>IBC 2009 as per P.L. 6-45</u>	Special Conditions	<u>N/A</u>
Use and Occupancy	<u>Group B - Business</u>	Location	<u>Chalan Lau lau, Saipan</u>
Type of Construction	<u>Type II-A</u>	Issued Date	<u>January 14, 2020</u>
Design Occupant Load	<u>N/A total occupant(s) (Commercial Space Rental)</u>	Expiration Date	<u>January 14, 2021</u>
Owner	<u>Chong International Corporation</u>	Building Official	<u>Isagani C. Salazar, Architect</u>
Address	<u>PMB 310 Box 10000, Saipan, MP 96950</u>		

### POST IN A CONSPICUOUS PLACE

Removal of this certificate is **ONLY** allowed by the Building Official.

NOTE: THE ISSUANCE OF THIS CERTIFICATE OF OCCUPANCY DOES NOT RELIEVE THE OWNER/CONTRACTOR OF SECURING PERMITS REQUIRED BY OTHER GOVERNMENT AGENCIES.



# Business License

DEPARTMENT OF FINANCE  
Division of Revenue and Taxation  
Commonwealth of the Northern Mariana Islands

IN COMPLIANCE WITH PUBLIC LAW 72-73 AND ALL OTHER APPLICABLE LAWS IN THE  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, THE LICENSEE

CHONG INTERNATIONAL CORPORATION  
LOCATED AT

Chalan Kanan

IS HEREBY LICENSED TO ENGAGE IN THE BUSINESS OF

COMMERCIAL SPACE RENTAL

53112

5611(f)

AND TO ADHERE TO ALL RULES AND REGULATIONS OF THE DIVISION

1655 - 0001 - 0001

8/28/2020

8/28/2021

AND EXPIRE ON

7/19/2020

DATE OF ISSUE

SECRETARY OF FINANCE

This license must be displayed in an conspicuous place.

*David J. J. J.*  
DAVID J. J. J.

Chong International Corp.  
PMB 310 P.O. Box 10000  
Saipan, MP 96950  
United States

Bill To: Chong International Corp.

 **pacifica**  
Insurance  
Underwriters, Inc.  
P.O. Box 500168  
Saipan, MP 96950  
Tel: (670) 234-8267/7722/7310  
Email: [piul@pacificains.com](mailto:piul@pacificains.com)  
Website: [www.pacificains.com](http://www.pacificains.com)

## Invoice

Invoice Date: 2/21/2020

---

**Balance Due: \$0.00**

Policy ID: 71370  
Policy Number: FICOMSA20000000800  
Name of Insured: Chong International Corp.  
Provider: 108 Century Insurance Company, Ltd. (B)  
Class: 100/130 FI FIRE Fire & Allied  
Effective Date: 2/6/2020  
Expiration Date: 2/6/2021  
Premium: \$5,735.00

---

### Past Transactions:

Date	Type	Amount	Method
2/6/2020	Payment	(\$5,735.00)	Check: #3067

**Thank you for choosing to insure with Pacifica Insurance Underwriters, Inc.! Rest assured.**



# Century Insurance Company

G/F JP Centre, Beach Road  
 Serapen PMB 193 Box 10000 Saipan MP 96950-8900  
 Tel# 1(670)234-0500/234-0609 Fax# 1(670)234-1845

Invoice No. SA-00100389

## POLICY DECLARATIONS

FI-COM-SA-20-0000008-00

FIRE

PLACE OF ISSUE SAIPAN, CNMI	DATE OF ISSUE February 15, 2020	POLICY PERIOD From 12:01 AM on February 8, 2020 To 12:01 AM on February 8, 2021	
NAME OF INSURED CHONG INTERNATIONAL CORPORATION			
MAILING ADDRESS PMB 310 BOX 10000 SAIPAN MP96950		CONTACT NUMBER 322-3364	REFERENCE POLICY NO. CIC-SA-FICOM20-1008
BUSINESS ADDRESS PMB 310 BOX 10000 SAIPAN MP96950		AGENT PACIFICA INSURANCE UNDERWRITERS INC	
LIENHOLDER / MORTGAGEE		LIENHOLDER / MORTGAGEE ADDRESS	
DESCRIPTION OF PROPERTY ON THE BUILDING ONLY		INSURED'S ESTIMATE OF VALUE USD 2,548,655.00	
LOCATION ALONG BEACH ROAD CHALAN LAULA SAIPAN	BUILDING CONSTRUCTION UN-CONCRETE WALLS UNDER CONCRETE ROOF PARTLY THREE PARTLY FOUR STORY CONCRETE BUILDING UNDER CONCRETE ROOF		
OCCUPANCY Commercial Building	BOUNDARIES FRONT BEACH ROAD RIGHT UN-NAMED ROAD LEFT UN-OCCUPIED COMMERCIAL BUILDING REAR PARTLY ONE AND PARTLY TWO RESIDENTIAL APARTMENT		
ENDORSEMENTS / WARRANTIES AND CLAUSES AS PER ATTACHED SCHEDULE			
This policy provides the coverages and limits enumerated below.			
PERILS INSURED	SUM INSURED	DEDUCTIBLE	
FIRE AND LIGHTNING	2,548,655.00	10,000.00	
Premium	USD	5,735.00	

Century Insurance Company

*[Signature]*  
 AUTHORIZED SIGNATURE

*Sufficient property liability ins. & premise liability ins.*

# POLICY SCHEDULE

Line : FIRE Policy Period  
 Subline : COMMERCIAL FIRE From : February 6, 2020 12:01:00 AM  
 To : February 6, 2021 12:01:00 AM  
 Issue Date : February 15, 2020  
 Policy No. : FI-CON-SA-20-0000008-00 Premium :USD 5,735.00  
 Insured : CHONG INTERNATIONAL CORPORATION :  
 Address : PNB 310 BOX 10000 SAIPAN MP96930 Amount Due :USD 5,735.00  
 Ref. Pol No.: CIC-SA-FICOM20-1999

BRIAN S. REYES as an additional named insured

## PROPERTY INSURED

Item : 1 - ON THE BUILDING ONLY  
 Description : ON PARTLY THREE AND PARTLY FOUR story concrete building under concrete roof. 1ST FLOOR OCCUPIED AS GAS SECURITY, ARMED FORCES CAREER CENTER, HERBAL STORE, BEAUTY PARLOR; 2ND FLOOR OCCUPIED AS CHINA MEXICO'S OFFICE AND PARTLY VACANT SPACE; 3RD FLOOR UNDER RENOVATION AND PENTHOUSE.  
 Location of Risk : ALONG BEACH ROAD  
 CHALAN LALELU  
 SAIPAN  
 Type : BUILDING  
 Construction : II-Concrete walls under concrete roof  
 Bldg. Construction : PARTLY THREE PARTLY FOUR STORY CONCRETE BUILDING UNDER CONCRETE ROOF  
 Occupancy : Commercial Building  
 Boundaries (Front) : BEACH ROAD  
 (Right) : ON-ROAD ROAD  
 (Left) : ON-OCCUPIED COMMERCIAL BUILDING  
 (Rear) : PARTLY ONE AND PARTLY TWO RESIDENTIAL APARTMENT

601 CO -INSURANCE

Peril/s		Sum Insured		Premium
FIRE AND LIGHTNING	USD	2,548,615.00	USD	5,735.00

## DEDUCTIBLES

Deductible/s	Amount	Rate (%)	Peril/s
\$10,000.00 each occurrence			F/L

## WARRANTIES AND CLAUSES

CP00 MP FIRE CAUSE OF LOSS  
 CP 02 MP BASIC CAUSE OF LOSS PART  
 CP 12 MP BUILDING AND PERSONAL COVERAGE  
 PRE-EXISTING DAMAGES EXCLUSION  
 MOLD, TERMITES, INSECTS EXCLUSION CLAUSE  
 CP 100 MP COMMERCIAL PROPERTY COVERAGE CONDITIONS  
 WAR AND TERRORISM EXCLUSION ENDORSEMENT  
 DEDUCTIBLE CLAUSE  
 CO-INSURANCE CLAUSE  
 CP 20029 SOLAR SYSTEMS/SOLAR PANELS EXCLUSION

## FIRE CAUSES OF LOSS PART

### CAUSES OF LOSS COVERED

When "Fire Causes of loss" is shown on the declarations, the covered causes of loss are:

1. **Fire or Lightning.**
2. **Explosion.** This includes explosion of gas or fuel in a firebox, combustion chamber, or flue. This cause of loss does not include loss caused by rupturing, bursting, or operating of pressure release devices; or rupturing or bursting due to the expansion of contents of a building or structure due to water.

### CAUSES OF LOSS EXCLUDED

1. We do not pay for loss if one or more of the following exclusions apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
  - a. **Ordinance or Law** – We do not cover loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.
  - b. **Earth Movement or Volcanic Eruption** – We do not cover loss caused by any earth movement (other than sinkhole collapse) or caused by eruption, explosion, or effusion of a volcano. Earth movement includes, but is not limited to earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting of earth.

We cover direct physical loss by fire, explosion, or volcanic action resulting from either earth movement or eruption, explosion, or effusion of a volcano.

All volcanic eruptions that occur within a 168 hour period shall be considered a single loss.

Sinkhole collapse means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock

formation. It does not include the value of the land or the cost of filling sinkholes.

Volcanic action means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow. It does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

- c. **Civil Authority** – We do not cover loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

We cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a cause of loss excluded under this policy.

- d. **Nuclear Hazard** – We do not cover loss caused by a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by, contributed to or aggravated by a covered cause of loss; and whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct physical loss by fire resulting from the nuclear hazard is covered.
- e. **Utility Failure** – We do not cover loss caused by interruption of power or other utility services resulting from any cause if the interruption takes place away from the described premises. Interruption includes reduced or increased voltage, low or high pressure, or other interruptions of normal services.

We cover the direct physical loss by a covered cause of loss which occurs on the described premises as a result of any power interruption.

- f. **War** – We do not cover loss caused by war. This means:
  - 1) declared war, undeclared war, civil war, insurrection, rebellion, or revolution;
  - 2) a warlike act by a military force or by military personnel;

## **MOLD, TERMITES, INSECTS EXCLUSION CLAUSE**

It is hereby understood and agreed that this Policy does not cover loss caused by:

(1) wear and tear, deterioration or loss caused by any quality in

property that causes it to damage or destroy itself.

(2) rust, rot, mold or other fungi.

(3) dampness of atmosphere, extremes of temperature.

(4) contamination.

(5) rats, mice, termites, moths or other insects.

Ensuing loss caused by collapse of the building or any part of the building, water damage, or breakage of glass which is part of the building is covered if the loss would otherwise be covered under this policy.

Except as varied herein, all other terms and conditions of the policy remain the same.



## CO-INSURANCE CLAUSE

This Company shall not be liable for a greater proportion of any loss or damage to the property described herein than the sum insured bears to ONE HUNDRED percent [100%] of the ACTUAL CASH VALUE of said property at the time such loss shall happen, nor for more than the proportion which this policy bears to the total insurance thereon.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### PRE-EXISTING DAMAGES EXCLUSION

This insurance does not apply to damage to property which began prior to the inception of this policy, and which alleged to continue into the policy period.

This exclusion applies whether or not:

1. the damage or its cause was known to any insured before the inception date of this policy;
2. the cause of the damage to property is repeated or continuous to occur into the coverage period of this policy.

## **WAR AND TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto, it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to any uprising, military or usurped power, or
- (2) any act of terrorism.

For the purpose of this endorsement, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group (s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.

This Endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

Notwithstanding the above and subject otherwise to the terms, conditions and limitations of this insurance policy in respect only of personal lines, this insurance will pay loss, damage, cost or expense caused by any act of terrorism provided such act is not directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with biological, chemical, radioactive or nuclear pollution or contamination or explosion.

Except as varied by this Endorsement, all other terms and conditions of the policy remain the same.

## BASIC CAUSES OF LOSS PART

**CAUSES OF LOSS COVERED**

When "Basic Causes of Loss" is shown on the declarations, the covered causes of loss are:

1. **Fire or Lightning.**

2. **Explosion.** This includes explosion of gas or fuel in a firebox, combustion chamber, or flue. This cause of loss does not include loss caused by rupturing, bursting, or operating of pressure release devices; or rupturing or bursting due to the expansion of contents of a building or structure due to water.

3. **Sonic Boom.**

4. **Smoke.** This includes sudden and accidental loss caused by smoke.

We do not cover loss from smoke from industrial operations or agricultural smudging.

5. **Vehicles and Aircraft.** This includes loss caused by actual physical contact of aircraft, objects falling from aircraft, vehicles, or objects thrown by vehicles with covered property. Aircraft includes spacecraft and self-propelled missiles.

We do not cover loss caused by vehicles you own or lease, or that are operated in the course of your business.

6. **Riot or Civil Commotion.** This includes looting and pillaging at the time and place of the riot or civil commotion. We also cover loss caused by striking employees of the owner or tenant's while occupying the described premises.

7. **Vandalism.** This means willful and malicious damage to, or destruction of, the described premises.

We do not cover loss caused by theft, except for intentional damage done by burglars.

We do not cover loss to glass (other than glass building blocks) which is part of a building, structure, or outdoor sign. We do cover loss to other property caused by breakage of glass by vandals.

8. **Sprinkler Leakage.** This includes loss caused by leakage or discharge of water or other substances from within a sprinkler system.

We cover loss caused by collapse or fall of a tank which is part of a sprinkler system.

We cover the costs of repairs or replacement of a covered sprinkler system when damage is caused by freezing or by breakage that results in sprinkler leakage. We also cover the reasonable cost of removing and replacing part of the covered building or structure necessary to make repairs.

A sprinkler system is an automatic fire protection system and any non-automatic fire protection equipment supplied from the sprinkler system.

9. **Sinkhole Collapse.** This means sudden settlement or collapse of earth supporting the covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

We do not cover the value of land; the cost of filling sinkholes; or sinking or collapse of land into man-made underground cavities.

10. **Volcanic Action.** This means:

- a. airborne volcanic blast or airborne shock waves;
- b. ash, dust, or particulate matter; or
- c. lava flow.

All loss that occurs within a 168-hour period shall be considered a single loss.

We do not cover removal of ash, dust, or particulate matter that does not cause direct physical loss to the described premises.

- b. **Contamination or Deterioration** – We do not cover loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust or any quality, fault, or weakness in property that causes it to damage or destroy itself. If loss caused by a covered cause of loss results, we cover the resulting loss.
- c. **Electrical Currents** – We do not cover loss caused by arcing or by electrical currents other than lightning. If a fire results, we cover only the loss caused by fire.
- d. **Increased Hazard** – We do not cover loss occurring while the hazard has been materially increased by any means within your knowledge or your control.
- e. **Mechanical Breakdown** – We do not cover loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force. If loss caused by a covered cause of loss results, we cover the resulting loss.
- f. **Neglect** – We do not cover loss caused by your neglect to use all reasonable means to save covered property at and after the time of loss.

We do not cover loss caused by your neglect to use all reasonable means to save and preserve covered property when endangered by a covered cause of loss.

- g. **Rupturing or Bursting** – We do not cover loss caused by rupturing or bursting of water pipes (other than sprinkler systems) unless caused by a covered cause of loss.
- h. **Smog, Smoke, Vapor, or Gas** – We do not cover loss caused by smog, smoke, vapor, or gas from agricultural smudging or industrial operations unless caused by a covered cause of loss.
- i. **Water Damage** – We do not cover loss caused by accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing water or steam other than a sprinkler system, unless the system or appliance is damaged by a covered cause of loss.
- j. **Wear and Tear** – We do not cover loss caused by wear and tear, marring, or scratching unless caused by a covered cause of loss.

### **Solar Systems/Solar Panels Exclusion**

The coverage We provided under this Policy does not extend to cover damages sustained by Solar Systems/Solar Panels installed in the covered property caused by any peril covered under Homeowners and Property Insurance of the Building being insured.

Nothing herein contained shall be held to vary, waive, or change any of the terms, limits or conditions of the Policy, except as hereinafter set forth.

## **DEDUCTIBLE CLAUSE**

**Notwithstanding anything contained in the printed conditions of the Policy to the contrary, it is hereby understood and agreed that with respect to any loss or damage covered by this Policy, the Company shall not be liable on account of any loss or damage arising from any one occurrence -- including the duty to defend in any suit -- unless the amount of loss or damage exceeds the amount shown in the Policy Schedule and/or Policy Declaration Page.**

## COMMERCIAL PROPERTY COVERAGE CONDITIONS

### AGREEMENT

In return for your payment of the required premium, we provide the coverage described herein subject to all the terms of the Commercial Property Coverage. This coverage is also subject to the declarations and additional conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements may also apply. They are identified on the declarations. Certain words have special meaning. These words are shown in "bold type".

### DEFINITIONS

1. The words **you** and **your** mean the persons or organizations named as the insured on the declarations.
2. The words **we**, **us**, and **our** mean the company providing Commercial Property Coverage.
3. **Declarations** means all pages labeled "Declarations," "Supplemental Declarations," or "Schedules," which pertain to this policy.
4. **Limit** means the amount of coverage that applies.
5. **Pollutant** means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned.
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
6. **Terms** means all provisions, limitations, exclusions, conditions, and definitions that apply.

### CONDITIONS

1. **Assignment** -- This policy may not be assigned without our written consent.
2. **Benefit to Others** -- Insurance under the Commercial Property Coverage shall not directly or indirectly benefit anyone having custody of your property.

3. **Cancellation** -- You may cancel this policy by returning the policy to us or by giving us written notice and stating at what future date coverage is to stop.

We may cancel this policy, or one or more of its parts, by written notice sent to you at your last mailing address known to us. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If we cancel this policy for nonpayment of premium, we will give you notice at least 10 days before the cancellation is effective. If we cancel this policy for any other reason, we will give you notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

Your return premium, if any, will be calculated according to our rules. It will be refunded to you with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

4. **Change, Modification, or Waiver of Policy Terms** - A waiver or change of the terms of this policy must be issued by us in writing to be valid.
5. **Conformity With Statute** -- Terms of the Commercial Property Coverage, in conflict with the statutes of the state where the described premises are located, are amended to conform to such statutes.
6. **Control of Property** -- The Commercial Property Coverage is not affected by any act or neglect beyond your control.
7. **Death of an Individual Named Insured** -- If you die, your rights and duties under the Commercial Property Coverage pass to your legal representative or other person having proper temporary custody of your property.
8. **Examination of Books and Records** -- We may examine and audit your books and records that relate to this policy during the policy period and within three years after the policy has expired.
9. **Inspections** -- We have the right, but are not obligated, to inspect your property and operations at any time. This inspection may be made by us or may be made on our behalf. An inspection or its resulting



## BUILDING AND PERSONAL PROPERTY COVERAGE PART

We cover direct physical loss to covered property at the premises described on the declarations caused by a covered cause of loss.

### AGREEMENT

In return for your payment of the required premium, we provide the coverage described herein subject to all the terms of the Commercial Property Coverage. This coverage is also subject to the declarations and additional conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

### PROPERTY COVERED

We cover the following types of property for which a limit is shown on the declarations.

#### BUILDING PROPERTY

This means buildings and structures described on the declarations, including:

1. completed additions;
2. fixtures, machinery, and equipment which are a permanent part of the described building or structure;
3. outdoor fixtures;
4. personal property owned by you and used to maintain or service the described building or structure or its premises, including air-conditioning equipment; fire extinguishing apparatus; floor coverings; and appliances for refrigerating, cooking, dish washing, and laundering;
5. if not covered by other insurance:
  - a. additions under construction, alterations, and repairs to the building or structure; and
  - b. materials, equipment, supplies, and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations, or repairs to the building or structure.

#### BUSINESS PERSONAL PROPERTY

This means your business personal property in the buildings and structures described on the declarations or in the open (or in vehicles) on or within 100 feet of the described premises. Unless otherwise specified on the declarations, this includes:

1. your interest in personal property of others to the extent of your labor, material, and services;
2. your use interest as tenant in improvements to the described building or structure. Improvements are fixtures, alterations, installations, or additions:
  - a. to a building or structure you occupy but do not own; and
  - b. made or acquired at your expense and which cannot be legally removed by you; and
3. leased personal property which you have a contractual responsibility to insure, unless otherwise insured by the Commercial Property Coverage under Personal Property of Others.

#### PERSONAL PROPERTY OF OTHERS

This means personal property of others:

1. that is in your care, custody, or control; and
2. located in the buildings and structures described on the declarations or in the open (or in vehicles) on or within 100 feet of the described premises.

However, our payment for loss to personal property of others is only for the benefit of the owners of the personal property.

### PROPERTY EXCLUDED AND LIMITATIONS

1. **Animals** -- We do not cover animals, including birds and fish, unless owned by others and boarded by you. We do cover animals you own and hold for sale.
2. **Antennas, Awnings, Canopies, Fences, and Signs** -- Except as provided under Supplemental Coverages, we do not cover outdoor:
  - a. radio, television, satellite, dish-type, or other antennas including their masts, towers, and lead-in wiring;
  - b. awnings or canopies of fabric or slat construction or their supports;

(including aircraft or watercraft and their motors, equipment, and accessories) that are:

- a. required to be licensed for use on public roads, or
- b. operated principally away from the described premises.

We do cover vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale. However, this does not include autos you hold for sale. We also cover rowboats or canoes out of water at the described premises.

#### **ADDITIONAL COVERAGES**

1. **Debris Removal** – We cover the cost to remove the debris of covered property that is caused by a covered cause of loss. This coverage does not include costs to:

- a. extract pollutants from land or water; or
- b. remove, restore, or replace polluted land or water.

We do not pay any more under this coverage than 25 percent of the amount we pay for the direct physical loss. We do not pay more for loss to property and debris removal combined than the limit for the damaged property.

However, we pay an additional amount of debris removal expense up to \$5,000 when the debris removal expense exceeds 25 percent of the amount we pay for direct physical loss or when the loss to property and debris removal combined exceeds the limit for the damaged property.

We do not pay any expenses unless they are reported to us in writing within 180 days from the date of direct physical loss to covered property.

2. **Emergency Removal** – We cover loss to covered property while moved or being moved from the described premises for preservation from loss caused by a covered cause of loss. We pay for any direct physical loss to that property. This coverage applies for up to 10 days after the property is first moved. This does not increase the limit.
3. **Fire Department Service Charges** – We pay up to \$1,000 to cover your liability, assumed by contract or agreement prior to the loss, for fire department service charges.

This coverage is limited to charges incurred when the fire department is called to save or protect covered property from a covered cause of loss.

No deductible applies.

This is an additional limit.

4. **Pollutant Clean Up and Removal** – We pay your expense to extract pollutants from land or water at the described premises if the discharge, dispersal, seepage, migration, release, or escape of the pollutants is caused by a covered cause of loss that occurs during the policy period.

We pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of pollutants only when the expense of extracting the pollutants is covered by this Additional Coverage.

The most we pay for each described premises is \$10,000 for the sum of all such expenses arising out of a covered cause of loss occurring during each separate 12 month period of this policy. The expenses are paid only if they are reported to us in writing within 180 days from the date the covered cause of loss occurs.

This is an additional limit.

#### **CAUSES OF LOSS COVERED**

See the applicable Causes of Loss Part shown on the declarations.

#### **SUPPLEMENTAL COVERAGES**

If a Coinsurance percentage of 80% or more is shown on the declarations, we provide the following supplemental coverages.

Unless otherwise stated, each supplemental coverage:

- a. applies for loss caused by a covered cause of loss;
  - b. applies to property in or on buildings or structures described on the declarations or in the open (or in vehicles) within 100 feet of the described premises;
  - c. is an additional amount of coverage; and
  - d. is not subject to and not considered in applying coinsurance.
1. The following supplemental coverages apply when a limit is shown on the declarations for either Building Property or Business Personal Property.
    - a. **Antennas, Awnings, Canopies, Fences, and Signs** – We pay up to \$1,000 for your outdoor:

valuable papers and records, including those which exist on electronic or magnetic media.

We cover expenses in excess of normal that you necessarily incur to reduce loss, but only to the extent that they reduce the loss under this coverage.

- c. **Personal Effects** – We pay up to \$500, at each described premises, for personal effects owned by you, your officers, your partners, or your employees. This coverage is limited to \$100 on property owned by any one person.

- d. **Personal Property – Acquired Locations** – We cover your business personal property at locations that you acquire, other than fairs or exhibitions.

This coverage applies for 30 days from the date you acquire the location or until you report the acquired location to us, whichever occurs first. This coverage does not extend beyond the end of the policy period.

You must pay any additional premium due from that date you acquire the location.

We pay up to 10 percent of the limit shown on the declarations for Business Personal Property but not exceeding \$100,000 for each location.

- e. **Personal Property of Others** – We pay up to \$2,500, at each described premises, for personal property of others in your care, custody, or control. This coverage is only for the benefit of the owners of the personal property.
- f. **Property in Transit** – We pay up to \$1,000 for covered business personal property (other than property in the care, custody, or control of your salesperson) in transit more than 100 feet from the described premises in vehicles you own, lease, or operate.

We only cover direct physical loss caused by civil commotion; collision with another vehicle or object, other than the road bed; explosion, fire; hail; lightning; overturn or upset of the vehicle; riot; vandalism; or windstorm.

This coverage also includes loss of an entire package, case, or bale from within a locked part of your vehicle caused by burglary.

- g. **Valuable Papers and Records – Research Cost** – We pay up to \$1,000 for the cost of research or other expenses necessary to reproduce, replace, or restore lost information on

lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist.

#### WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** – In case of a loss, you must:

- give us or our agent prompt notice including a description of the property involved (we may request written notice);
- give notice to the police when the act that causes the loss is a crime; and
- give notice to the credit card company if the loss involves a credit card.

2. **Protect Property** – You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss. We pay the reasonable costs incurred by you for necessary repairs or emergency measures performed solely to protect covered property from further damage by a covered cause of loss if a covered cause of loss has already caused a loss to covered property. However, we do not pay for such repairs or emergency measures performed on property which has not been damaged by a covered cause of loss. This does not increase our limit.

3. **Proof of Loss** – You must send us, within 60 days after our request, a signed, sworn proof of loss. This must include the following information:

- the time, place, and circumstances of the loss;
- other policies of insurance that may cover the loss;
- your interest and the interests of all others in the property involved, including all mortgages and liens;
- changes in title or occupancy of the covered property during the policy period;
- detailed estimates for repair or replacement of covered property;
- available plans and specifications of buildings or structures;
- detailed estimates of any covered loss of income and expenses; and
- an inventory of damaged and undamaged covered personal property showing in detail the quantity, description, cost, actual cash value, and amount of the loss. You must attach to the inventory copies of all bills, receipts, and related

shall not exceed the amount you spend to repair or replace the damaged or destroyed property.

Except as provided under Limited Replacement Cost, replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced. You may make a claim for actual cash

value before repair or replacement takes place, and later for the replacement cost if you notify us of your intent within 180 days after the loss.

#### HOW MUCH WE PAY

1. **Insurable Interest** – We do not cover more than your insurable interest in any property.
2. **Deductible** – We pay only that part of your loss over the deductible amount stated on the declarations in any one occurrence. The deductible applies to the loss before application of any coinsurance or reporting provision.
3. **Loss Settlement Terms** – Subject to paragraphs 1., 2., 4., 6., and 8. under How Much We Pay, we pay the lesser of:
  - a. the amount determined under Valuation;
  - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
  - c. the limit that applies to covered property.
4. **Coinurance** – When a coinsurance percentage is shown on the declarations, we only pay a part of the loss if the limit is less than the value of the covered property at the time of the loss multiplied by the coinsurance percentage shown for it on the declarations. Our part of the loss is determined using the following steps:
  - a. Multiply the value of the covered property at the time of the loss by the coinsurance percentage;
  - b. Divide the limit for covered property by the figure determined in 4.a. above; and
  - c. Multiply the total amount of loss, after the application of any deductible, by the figure determined in 4.b. above.

The most we pay is the amount determined in 4.c. above or the limit, whichever is less. We do not pay any remaining part of the loss.

If there is more than one limit shown on the declarations for this Coverage Part, this procedure applies separately to each limit.

If there is only one limit shown on the declarations for this Coverage Part, this procedure applies to the total of all covered property to which the limit applies.

#### Example – Underinsurance

Value of covered property	\$100,000
Coinurance	80%
Limit	\$80,000
Loss	\$21,000
Deductible	\$1,000

Step a.:  $\$100,000 \times 80\% = \$80,000$  (minimum limit needed to meet coinsurance requirements)

Step b.:  $\$80,000 - \$80,000 = .75$

Step c.:  $\$21,000 - \$1,000 = \$20,000$   
 $\$20,000 \times .75 = \$15,000$

We pay no more than \$15,000. We do not pay the remaining \$6,000.

#### Example – Sufficient Insurance

Value of covered property	\$100,000
Coinurance	80%
Limit	\$80,000
Loss	\$21,000
Deductible	\$1,000

Step a.:  $\$100,000 \times 80\% = \$80,000$  (minimum limit needed to meet coinsurance requirements)

Step b.:  $\$80,000 \div \$80,000 = 1.00$

Step c.:  $\$21,000 - \$1,000 = \$20,000$   
 $\$20,000 \times 1.00 = \$20,000$

We pay no more than \$20,000 in excess of the deductible. No penalty applies.

#### Example – Blanket Limit

Value of covered property	
Building at Location 1.	\$75,000
Building at Location 2.	\$75,000
Personal Property at Location 2.	\$50,000
Total Value of covered property	\$200,000
Coinurance	80%
Limit	\$128,000
Loss	
Building at Location 2.	\$20,000
	AAIS

2. **Assignment** — This policy may not be assigned without our written consent.

3. **Benefit to Others** — Insurance under the Commercial Property Coverage shall not directly or indirectly benefit anyone having custody of your property.

4. **Cancellation** — You may cancel this policy by returning the policy to us or by giving us written notice and stating at what future date coverage is to stop.

We may cancel this policy, or one or more of its parts, by written notice sent to you at your last mailing address known to us. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If we cancel this policy for nonpayment of premium, we will give you notice at least 10 days before the cancellation is effective. If we cancel this policy for any other reason, we will give you notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

Your return premium, if any, will be calculated according to our rules. It will be refunded to you with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

5. **Change, Modification, or Waiver of Policy Terms** — A waiver or change of the terms of this policy must be issued by us in writing to be valid.

6. **Conformity With Statute** — Terms of the Commercial Property Coverage, in conflict with the statutes where the described premises are located, are amended to conform to such statutes.

7. **Control of Property** — The Commercial Property Coverage is not affected by any act or neglect beyond your control.

8. **Death of an Individual Named Insured** — If you die, your rights and duties under the Commercial Property Coverage pass to your legal representative or other person having proper temporary custody of your property.

9. **Examination of Books and Records** — We may examine and audit your books and records that relate to this policy during the policy period and within three years after the policy has expired.

10. **Inspections** — We have the right, but are not obligated, to inspect your property and operations at any time. This inspection may be made by us or

may be made on our behalf. An inspection or its resulting advice or report does not warrant that your property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for our benefit only.

11. **Liberalization** — If we adopt a revision of forms during a policy period which broadens the Commercial Property Coverage without additional premium, the broadened coverage will automatically apply to this policy. This also applies if we adopt the revision within 60 days before or during the policy period.

12. **Microrepresentation, Concealment, or Fraud** — The Commercial Property Coverage is void as to you and any other Insured if, before or after a loss:

a. you have or any other Insured has willfully concealed or misrepresented:

- 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
- 2) your interest herein;

b. there has been fraud or false swearing by you or any other Insured with regard to a matter that relates to this insurance or the subject thereof.

13. **Mortgage Provisions** — If a mortgagee (mortgage holder) is named in this policy, loss to Building Property shall be paid to the mortgagee and you as their interest appears. If more than one mortgagee is named, they shall be paid in order of precedence.

The insurance for the mortgagee continues in effect even when your insurance may be void because of your acts, neglect, or failure to comply with the coverage terms. The insurance for the mortgagee does not continue in effect if the mortgagee is aware of changes in ownership or substantial increase in risk and does not notify us.

If we cancel this policy, we notify the mortgagee at least 10 days before the effective date of cancellation if we cancel for your nonpayment of premium, or 30 days before the effective date of cancellation if we cancel for any other reason.

We may request payment of the premium from the mortgagee, if you fail to pay the premium.

If we pay the mortgagee for a loss where your insurance may be void, the mortgagee's right to collect that portion of the mortgage debt from you then belongs to us. This does not affect the mortgagee's right to collect the remainder of the mortgage debt from you. As an alternative, we may pay the mortgagee the remaining principal and accrued interest in return for a full assignment of the

Chong International Corp.  
PMB 310 P.O. Box 10000  
Saipan, MP 96950  
United States

Bill To: Chong International Corp.

 **pacifica**  
Insurance  
Underwriters, Inc.  
P.O. Box 500158  
Saipan, MP 96950  
Tel: (870) 234-6287/7722/7310  
Email: [puii@pacificains.com](mailto:puii@pacificains.com)  
Website: [www.pacificains.com](http://www.pacificains.com)

## Invoice

Invoice Date: 2/21/2020

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**Balance Due: \$0.00**

Policy ID: 71371  
Policy Number: GLCGLSA2000001400  
Name of Insured: Chong International Corp  
Provider: 108 Century Insurance Company, Ltd. (B)  
Class: 500 GL PL General/Premises Liability  
Effective Date: 2/8/2020  
Expiration Date: 2/6/2021  
Premium: \$810.00

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### Past Transactions:

Date	Type	Amount	Method
2/6/2020	Payment (\$810.00)	Check: #3087	

**Thank you for choosing to insure with Pacifica Insurance Underwriters, Inc.! Rest assured.**



# Century Insurance Company

GIF JP Centre, Beach Road  
Garapan PMB 193 Box 10000 Saipan MP 96850-8900  
Tel# 1(670)234-0560/234-0509 Fax# 1-(670)234-1845

Invoice No. SA-001M0389

## POLICY DECLARATIONS

GL-CGL-SA-20-0000014-00

GENERAL LIABILITY

PLACE OF ISSUE SAIPAN, CNMI	DATE OF ISSUE February 17, 2020	POLICY PERIOD From 12:01 AM on February 8, 2020 To 12:01 AM on February 8, 2021	
NAME OF INSURED CHONG INTERNATIONAL CORPORATION			
MAILING ADDRESS PMB 310 BOX 10000 SAIPAN MP96950		CONTACT NUMBER 322-3364	REFERENCE POLICY NO. CIC-SA-GL20-1018
BUSINESS ADDRESS PMB 310 BOX 10000 SAIPAN MP96950		AGENT PACIFICA INSURANCE UNDERWRITERS INC	
Territorial Limits: Saipan, Commonwealth of Northern Mariana Islands			
ENDORSEMENTS / WARRANTIES AND CLAUSES AS PER ATTACHED SCHEDULE			
This policy provides the coverages and limits enumerated below.			
COVERAGE	SUM INSURED	DEDUCTIBLE	
BODILY INJURY/PROPERTY DAMAGE- AGGREGATE	300,000.00		
BODILY INJURY PER ACCIDENT	300,000.00		
BODILY INJURY PER PERSON	50,000.00	1,000.00	
PROPERTY DAMAGE	50,000.00	1,000.00	
Premium	USD	\$10.00	

Century Insurance Company

  
AUTHORIZED SIGNATURE

**POLICY SCHEDULE**

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Line : GENERAL LIABILITY Policy Period  
 Subline : COMMERCIAL GENERAL From : February 6, 2020 12:01 AM  
 LIABILITY To : February 6, 2021 12:01 AM  
 Issue Date : February 17, 2020  
 Policy No. : GL-CGL-SA-20-D000014-00 / CIC- Premium : USD 810.00  
 9A-GL20-1018  
 Insured : CHONG INTERNATIONAL  
 CORPORATION  
 Address : PMB 310 BOX 10030 SAIPAN Total Amount Due : USD 810.00  
 MP96950

**Coverage 1 : PREMISES LIABILITY**

Description : Within the insured's premises occupied as commercial rental units located at Chalan Lau Lau, Beach Road.  
 Location : Saipan, Commonwealth of Northern Mariana Islands  
 Liability : Total Policy Aggregate \$300,000.00

Peril/s	Sum Insured		Premium	
BODILY INJURY/PROPERTY DAMAGE- AGGREGATE	USD	300,000.00	USD	810.00
BODILY INJURY PER ACCIDENT	USD	300,000.00	USD	0.00
BODILY INJURY PER PERSON	USD	50,000.00	USD	0.00
PROPERTY DAMAGE	USD	50,000.00	USD	0.00

**Deductible/s**

\$1,000.00 per accident for Property Damage  
 \$1,000.00 per accident for Bodily Injury

-----  
 The following Clauses and Endorsements apply to this Policy :  
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ASBESTOS CLAUSE  
 TENANT'S LIABILITY EXCLUSION CLAUSE  
 SEXUAL ABUSE EXCLUSION CLAUSE  
 WAR AND TERRORISM EXCLUSION ENDORSEMENT  
 JURISDICTION CLAUSE  
 ELECTRONIC DATA ENDORSEMENT  
 SPONSORED EVENTS OR SPECIAL EVENTS EXCLUSION CLAUSE  
 GL 0004 NATURAL DISASTER EXCLUSION  
 DEDUCTIBLE CLAUSE  
 GL 600 MP COMMERCIAL LIABILITY (PREMISES ONLY)



## **ASBESTOS CLAUSE**

It is hereby understood and agreed that this Policy does not apply to any loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos - containing materials and the Company shall have no duty of any kind with respect to any such loss, demand, claim or suit.

## **TENANT'S LIABILITY EXCLUSION**

Notwithstanding anything contained in the printed conditions of the Policy and all endorsement attached thereto to the contrary:

It is hereby understood and agreed that this Policy does not apply to legal liability for Bodily Injury and/or Property Damage caused by an occurrence arising out of the operation-maintenance and use of the premises by all TENANTS/LESSEES such as but not limited to Karaoke Bars, Clubs, Restaurants, Massage Parlors, Stores, and other tenants' operations and use. All Tenants/Lessees shall each be legally responsible for their own and individual operation in the respective premises.

It is further understood and agreed that this Policy applies only to Owner or Landlord's liability to a third party.

Except as varied herein, all other terms and conditions remain unchanged.

**SEXUAL ABUSE EXCLUSION**

It is hereby understood and agreed that this policy does not apply to any claim based upon or arising out of sexual intimacy, sexual molestation, sexual harassment, sexual exploitation or sexual assault by the insured.

Except as varied herein, all other terms and conditions remain unchanged.

## **WAR AND TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto, it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to any uprising, military or usurped power, or
- (2) any act of terrorism.

For the purpose of this endorsement, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group (s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.

This Endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

Notwithstanding the above and subject otherwise to the terms, conditions and limitations of this insurance policy in respect only of personal lines, this insurance will pay loss, damage, cost or expense caused by any act of terrorism provided such act is not directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with biological, chemical, radioactive or nuclear pollution or contamination or explosion.

Except as varied by this Endorsement, all other terms and conditions of the policy remain the same.

## **JURISDICTION CLAUSE**

Notwithstanding anything contained in the Policy to the contrary, It is hereby understood and agreed that the indemnity provided herein shall not apply to:

- a) Compensation for damages in respect of judgements delivered or obtained otherwise than by a Court of competent jurisdiction within the territorial limit stated in the Basic Territory in Commercial General Liability Coverage Form.
- b) Costs and expenses of litigation which are not incurred in and recoverable in the territorial limit stated in the Basic Territory in Commercial General Liability Coverage Form.

## **ELECTRONIC DATA ENDORSEMENT**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

a) This Policy does not insure, loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to "Trojan Horses", "worms" and "time or logic bombs".

b) However, in the event that a peril listed below results from any of the matters described in paragraph a)

Above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

- Listed Perils
- Fire
- Explosion

### **Electronic Data Processing Media Valuation**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the

ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

## **SPONSORED EVENTS OR SPECIAL EVENTS EXCLUSION**

It is hereby understood and agreed that this policy does not cover any liability arising out from any of the following classes of claims:

1. Sponsored Events
2. Special Events

As used in this clause, "sponsored events" means any activity or event which does not involve the direct participation of the Insured or any of its officer, employee, representative, or agent to such activity or event which the Insured has agreed to sponsor, endorse, or support, in whole or in part, whether by providing financial support or otherwise.

As used in this clause "special events" means any event or activity organized or participated by the Insured or any of its officer, employee, representative or agent to such activity or event, which is not a normal and usual part of the business activities of the Named Insured.

Except as varied herein, all other terms and conditions remain unchanged.

## NATURAL DISASTER EXCLUSION

It is hereby noted and agreed that this policy does not cover any third party claim caused directly or indirectly by any natural disaster including any claims for inadequate, insufficient, negligent, or wrongful preparation or mitigation, of any Bodily Injury or Property Damage relating to any of the following natural disasters:

***Typhoon, Windstorm or Hail.*** A storm consisting of very strong winds declared and defined by local civil authorities to be a Typhoon, Windstorm or Hail.

***Earthquake.*** A sudden shaking of the ground as a result of movements within the earth's crust.

***Volcanic Eruption.*** The eruption, explosion, or effusion of a volcano.

***Tsunami/Tidal Wave.*** A very large wave often caused by an earthquake, submarine landslide, or other geologic disturbance.

***Flood.*** An overflowing of a large amount of water beyond its normal confines, especially over what is normally dry land.

Except as varied herein, all other terms and conditions remain unchanged.



## **DEDUCTIBLE CLAUSE**

Notwithstanding anything contained in the printed conditions of the Policy to the contrary, it is hereby understood and agreed that with respect to any loss or damage covered by this Policy, the Company shall not be liable on account of any loss or damage arising from any one occurrence -- including the duty to defend in any suit -- unless the amount of loss or damage exceeds the amount shown in the Policy Schedule and/or Policy Declaration Page.

## COMMERCIAL LIABILITY COVERAGE (PREMISES ONLY)

The following Table of Contents shows how this Commercial Liability Coverage is organized. It will help you locate particular sections of this form.

### TABLE OF CONTENTS

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Endorsements may also apply. They are identified on the declarations.

Refer to the Definitions for words that have special meanings. These words are shown in "bold type".

### AGREEMENT

Subject to all the terms, and in return for your payment of the required premium, we provide the Commercial Liability Coverage described in this policy.

Policy terms that relate to cancellation, changes made to the policy, examination of books and records, inspections and surveys, and assignment or transfer of rights or duties also apply.

9. **Insured premises** means the location shown on the declarations, the grounds, and all adjoining access ways.

10. **Leased worker** means a person whom you lease from a labor leasing firm under a contract or agreement to perform duties related to the conduct of your business. **Leased worker** does not include a temporary worker.

11. **Limit** means the amount of coverage that applies.

12. **Loading or unloading** means the movement of property:

- starting with after it is removed from the point where it has been accepted for transit by a motorized vehicle, an aircraft, or a watercraft;
- continuing while it is in or on such vehicle; and
- ending when it has been removed from the vehicle at its point of destination.

**Loading or unloading** includes movement by:

- a hand truck; or
- any mechanical device only when attached to the vehicle.

13. **Motorized vehicle** means a self-propelled land or amphibious vehicle regardless of method of surface contact. This includes parts and equipment.

This does not include vehicles that are designed and used to assist the handicapped and not required to be licensed for road use.

14. **Occurrence** means an accident and includes repeated exposure to similar conditions.

15. **Products/completed work hazard** —

- Products hazard** means bodily injury or property damage occurring away from the insured premises and arising out of products after physical possession of the products has been relinquished to others.
- Completed work hazard** means bodily injury or property damage occurring away from the insured premises and arising out of your work. It does not include work that has not been completed, or that has not been abandoned.

Your work is deemed completed at the earliest of the following times:

- when all work specified in your contract has been done;
- when all your work to be done at a job site has been completed if your contract includes work at more than one site; or
- when your work 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 job site.

Work which requires further service, maintenance, correction, repair, or replacement because of a defect or deficiency, but which is otherwise complete, shall be deemed completed.

c. Neither of these hazards include bodily injury or property damage arising out of:

- the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle, created by loading or unloading;
- the presence of tools, uninstalled equipment, or abandoned or unused materials; or
- products or work for which the classification on the declarations specifies "including Products/Completed Work."

16. **Products** means goods or products manufactured, sold, handled, distributed, or disposed of by you, others trading under your name, or a person or organization whose business or assets you have acquired.

**Products** includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, or performance of products;
- containers (other than vehicles), materials, parts, or equipment furnished in connection with such goods or products; and
- providing or failing to provide warnings or instructions.

**Products** does not include:

- vending machines or other property that is rented to or placed for the use of others, but not sold; or
- real property.

## **SUPPLEMENTAL COVERAGES**

Subject to all the terms of the Principal Coverages, we provide the following incidental coverages. They do not increase the limits stated for the Principal Coverages.

### **INCIDENTAL CONTRACTUAL LIABILITY**

1. We cover bodily injury or property damage liability which is assumed under the following contracts or agreements:
  - a. lease of premises;
  - b. easement or license agreement (this does not include an agreement in connection with any construction or demolition operation within 50 feet of a railroad);
  - c. promise to indemnify a municipality if required by an ordinance (this does not apply in connection with work done for the municipality);
  - d. sidetrack agreement; or
  - e. elevator maintenance agreement.
2. This coverage does not apply to that part of any contract or agreement that indemnifies any person or organization for damage by fire to premises rented or loaned to you.

### **INCIDENTAL VEHICLE COVERAGE**

We pay for bodily injury or property damage arising out of:

1. the parking of a motorized vehicle on premises owned by, rented to, or controlled by you or on the ways immediately adjoining, if the motorized vehicle is not owned by or rented to or loaned to an insured;
2. a motorized vehicle while it is used to service the insured premises and not subject to motor vehicle registration; or
3. a watercraft that is on shore on premises owned by, rented to, or controlled by you.

### **INCIDENTAL MEDICAL MALPRACTICE INJURY**

1. We cover bodily injury arising out of the rendering or failure to render the following services:
  - a. medical, surgical, dental, x-ray, or nursing services or treatment, or the furnishing of food or beverages in connection therewith; or

b. the furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

2. This coverage does not apply to:

- a. expenses incurred by an insured for first aid to others at the time of an accident;
- b. an insured or an employee engaged in the business or occupation of providing any of the services described under 1.a. and 1.b. above; or
- c. injury caused by an indemnitee if such indemnitee is engaged in the business or occupation of providing any of the services described in 1.a. and 1.b. above.

## **DEFENSE COVERAGE**

Payments under this coverage are included within the limits for the Commercial Liability Coverage.

1. We have the right and duty to defend a suit seeking damages which may be covered under the Commercial Liability Coverage. We may make investigations and settle claims or suits we decide are appropriate.

Suit includes any alternative dispute resolution proceeding involving bodily injury or property damage to which:

- a. you must submit; or
- b. you submit with our consent.

2. We do not have to provide defense after we have paid an amount equal to the limit as the result of:

- a. a judgment; or
- b. a written settlement agreed to by us.

3. If we defend a suit, we will pay:

- a. The costs taxed to the insured.
- b. The expenses incurred by us.
- c. The actual loss of earnings by an insured for the time spent away from work at our request. We pay up to \$100 per day.
- d. The necessary expenses incurred by an insured at our request.

This exclusion applies where the insured is liable either as an employer or in any other capacity, or there is an obligation to fully or partially reimburse a third person for damages arising out of paragraph 8.a. or 8.b. above.

This exclusion does not apply to liability assumed by the insured under a contract covered under Incidental Contractual Liability Coverage.

9. We do not pay for:

a. **bodily injury or property damage** arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of pollutants:

- 1) at or from the insured premises unless the bodily injury or property damage arises from the heat, smoke, or fumes of a fire which becomes uncontrollable or breaks out from where it was intended to be located;
- 2) 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, or processing or treatment of waste; or
- 3) at or from any premises, site, or location where any insured or any contractor or subcontractor, directly or indirectly under your control, is working:
  - a) if the pollutant is brought on or to the premises, site, or location in connection with such work by such insured, unless the bodily injury or property damage arises from the heat, smoke, or fumes of a fire which becomes uncontrollable or breaks out from where it was intended to be located; or
  - b) if the work is to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to or assess the effects of pollutants.

b. any loss, cost or expense arising out of any:

- 1) request, demand, or order 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 any governmental authority relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to or

assessing the effects of pollutants.

Pollutants means:

- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be disposed of as well as recycled, reclaimed, or reconditioned.
- b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

10. We do not pay for bodily injury if benefits are provided or are required to be provided by the insured under a workers' compensation, disability benefits, occupational disease, unemployment compensation, or like law.

11. We do not pay for bodily injury or property damage that arises out of war. War includes undeclared war, civil war, insurrection, rebellion or revolution, or an act or a condition of war.

12. We do not pay for bodily injury that arises out of any:

- a. refusal to employ;
- b. termination of employment;
- c. coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, sexual misconduct, or other employment-related practices, acts, or omissions; or
- d. consequential bodily injury as a result of 12.a., 12.b., and 12.c. above.

This exclusion applies where the insured is liable either as an employer or in any other capacity, or there is an obligation to fully or partially reimburse a third person for damages arising out of paragraph 12.a., 12.b., 12.c., or 12.d. above.

13. We do not pay for bodily injury or property damage included within the products/completed work hazard.

**ADDITIONAL EXCLUSIONS THAT APPLY ONLY TO PROPERTY DAMAGE**

1. We do not pay for property damage to property owned by, occupied by, or rented to you, except as covered under Coverage O.

- 4) the names and addresses of all known and potential claimants and witnesses.

2. **Cooperation** – All insureds involved with an occurrence or an offense must cooperate with us in performing all acts required by the Commercial Liability Coverage.

3. **Volunteer Payments** – An insured must not make payments or assume obligations or other costs except at the insured's own cost. This does not apply to first aid to others at the time of bodily injury.

4. **Other Duties** –

a. If a claim is made or suit is brought, the insured must:

- 1) promptly send to us copies of all legal papers, demands, and notices; and
- 2) at our request assist in:
  - a) a settlement;
  - b) the conduct of suits. This includes the attendance at trials or hearings;
  - c) the enforcing of rights against all parties who may be liable to an insured for the injury or damage;
  - d) the securing of and giving of evidence; and
  - e) obtaining the attendance of all witnesses.

b. In the case of a medical payments loss:

- 1) the injured person (or one acting on such person's behalf) must:
  - a) give us written proof of claim (under oath if requested) as soon as practicable; and
  - b) give us permission to get copies of the medical records; and
- 2) the injured person must submit to medical exams by doctors chosen by us when and as often as we may reasonably require.

#### HOW MUCH WE PAY

1. The limits shown on the declarations and subject to the following conditions, are the most we pay regardless of the number of:

- a. insureds under the Commercial Liability Coverage;
- b. persons or organizations who sustain injury or

damage; or

c. claims made or suits brought.

The payment of a claim under Coverage M does not mean that we admit we are liable under other coverages.

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

- a. all damages under Coverages L and O; and
- b. all medical expenses under Coverage M.

3. The Each Occurrence Limit, subject to the General Aggregate Limit, is the most we will pay for the total of:

- a. damages under Coverages L and O; and
- b. medical expenses under Coverage M,

due to all bodily injury and property damage arising out of a single occurrence.

4. Subject to the Each Occurrence Limit and the General Aggregate Limit, our limit for property damage covered under Coverage O is \$50,000 for each occurrence unless otherwise shown on the declarations.

5. Subject to the Each Occurrence Limit and the General Aggregate Limit, the Coverage M Limit is the most that we will pay under Coverage M for all medical expenses because of bodily injury sustained by any one person.

6. The General Aggregate Limit applies separately to each consecutive 12-month period beginning with the inception date of the Commercial Liability Coverage shown on the declarations. It also applies separately to any remaining policy period of less than 12 months, unless the Commercial Liability Coverage has been extended after it was written. In that case, the additional period will be considered part of the last preceding period for the purpose of determining limits.

#### CONDITIONS

1. **Bankruptcy** – Bankruptcy or insolvency of an insured or of the insured's estate does not relieve us of our obligations under Commercial Liability Coverage.

any insured has impaired our right to recover. An insured may waive the right to recover, in writing, before an occurrence takes place.

**7. Suit Against Us** — No suit may be brought against us unless:

- a. all the terms of the Commercial Liability Coverage have been complied with, and
- b. the amount of the insured's liability has been determined by:
  - 1) a final judgment against an insured as a result of a trial; or
  - 2) a written agreement by the insured, the claimant and us.

No person has a right under the Commercial Liability Coverage to join us or implead us in actions that are brought to determine an insured's liability.

**8. Assignment** — This policy may not be assigned without our written consent.

**9. Cancellation** — You may cancel this policy by returning the policy to us or by giving us written notice and stating at what future date coverage is to stop.

We may cancel this policy, or one or more of its parts, by written notice sent to you at your last mailing address known to us. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If we cancel this policy for nonpayment of premium, we will give you notice at least 10 days before the cancellation is effective. If we cancel this policy for any other reason, we will give you notice at least 30 days in advance of cancellation the time that the cancellation is to take effect.

Your return premium, if any, will be calculated according to our rules. It will be refunded to you with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

**10. Change, Modification, or Waiver of Policy Terms**

— A waiver or change of the terms of this policy must be issued by us in writing to be valid.

**11. Inspections** — We have the right, but are not obligated, to inspect your property and operations at any time. This inspection may be made by us or may be made on our behalf. An inspection or its

resulting advice or report does not warrant that your property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for our benefit only.

**12. Examination of Books and Records** — We may examine and audit your books and records that relate to this policy during the policy period and within three years after the policy has expired.

**NUCLEAR ENERGY LIABILITY EXCLUSION**

This insurance does not apply:

1. under any liability coverage, to bodily injury or property damage:

a. with respect to which an insured under the policy is also an insured under a Nuclear Energy Liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

b. resulting from the hazardous properties of nuclear material and with respect to which:

- 1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
- 2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America or any agency thereof, under any agreement entered into by the United States of America or any agency thereof, with any person or organization.

2. Under any Medical Payments coverage, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

3. Under any liability coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if:

a. the nuclear material:

- 1) is at any nuclear facility owned by, or operated by, or on behalf of, an insured; or
- 2) has been discharged or dispersed therefrom;

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# Exhibits

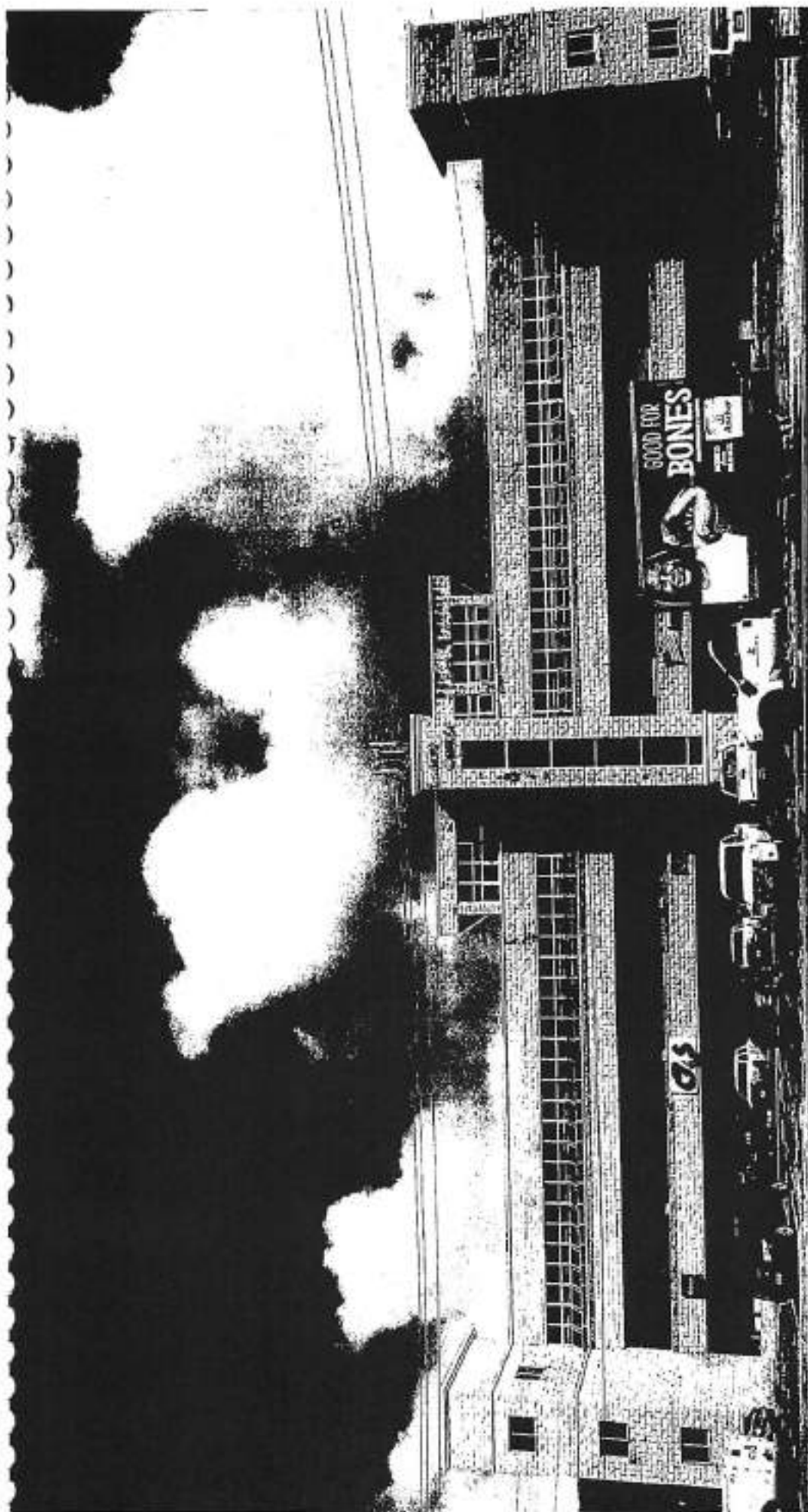
- Pictures of each room indicated in the Building Floor Plan, with the corresponding room number and type.



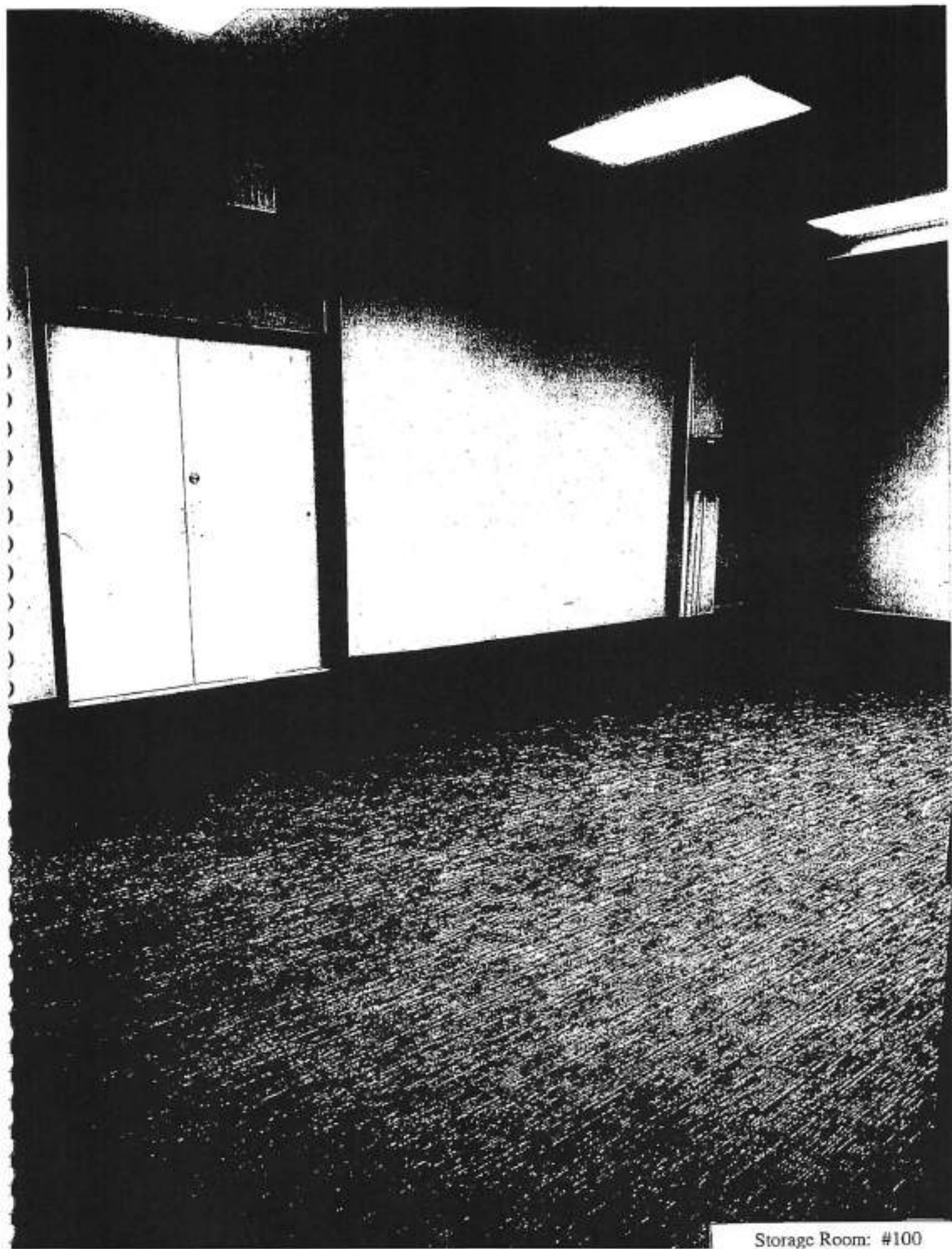
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# Exhibits

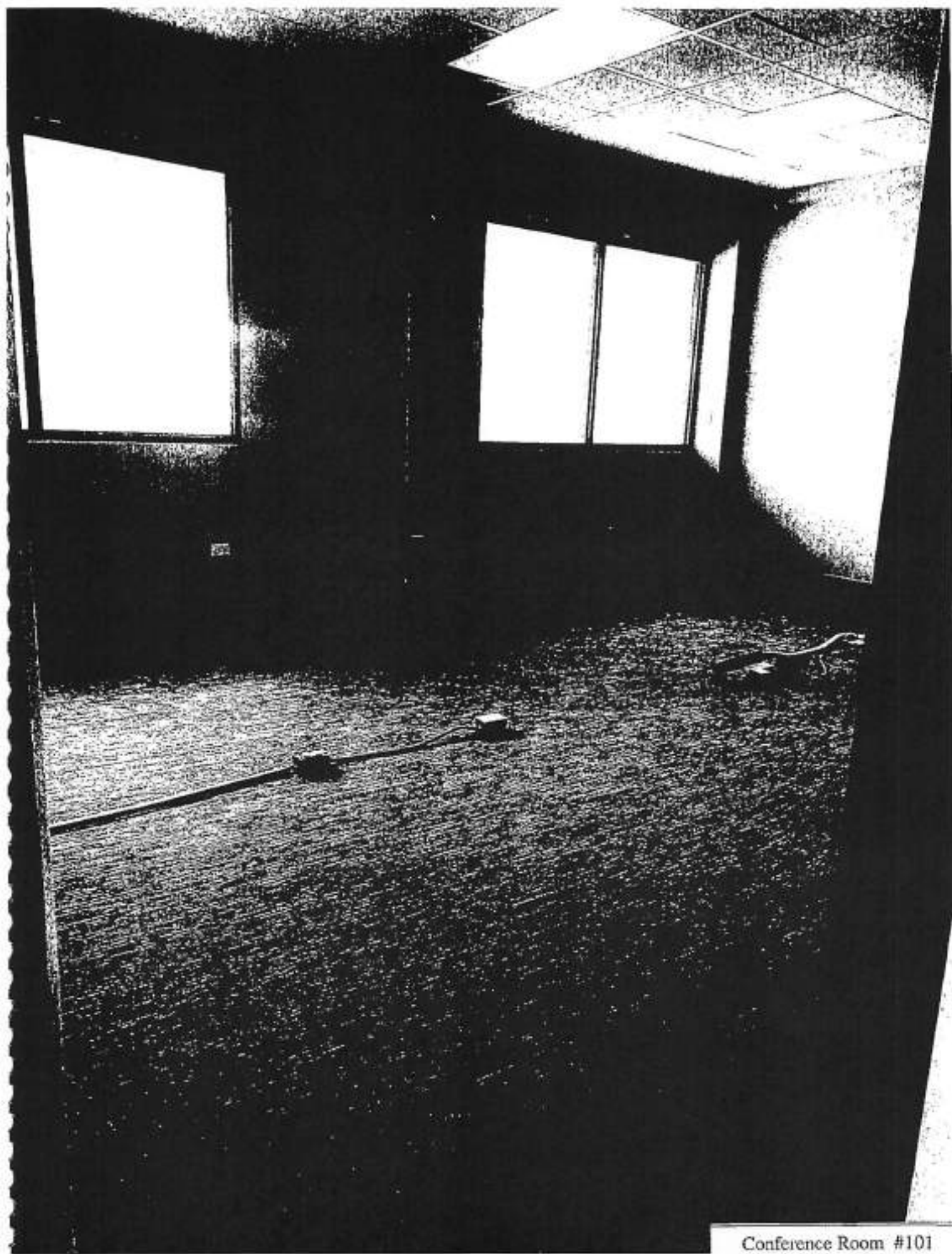
- Pictures of each room indicated in the Building Floor Plan, with the corresponding room number and type.



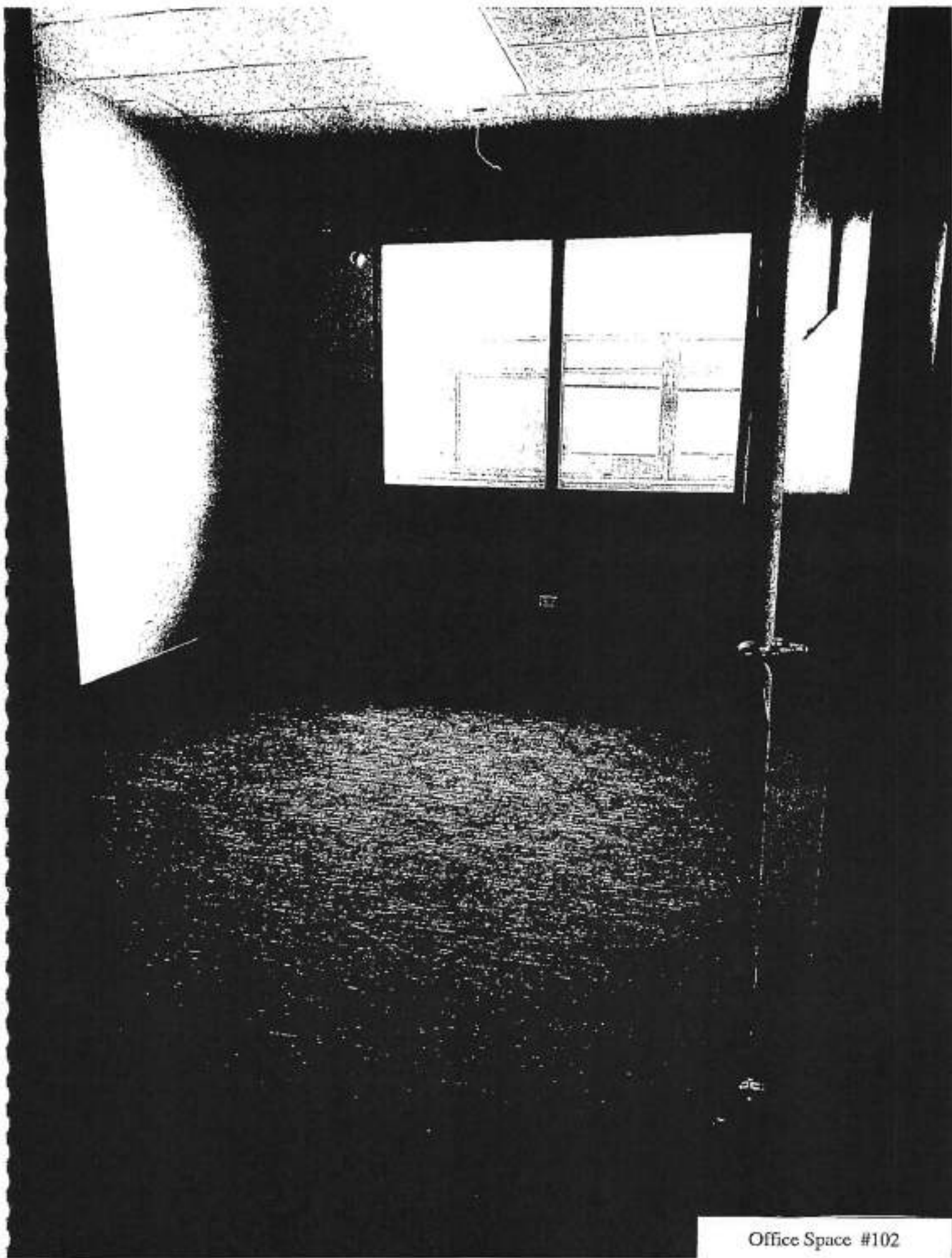
LADERA CENTER  
Front View



Storage Room: #100

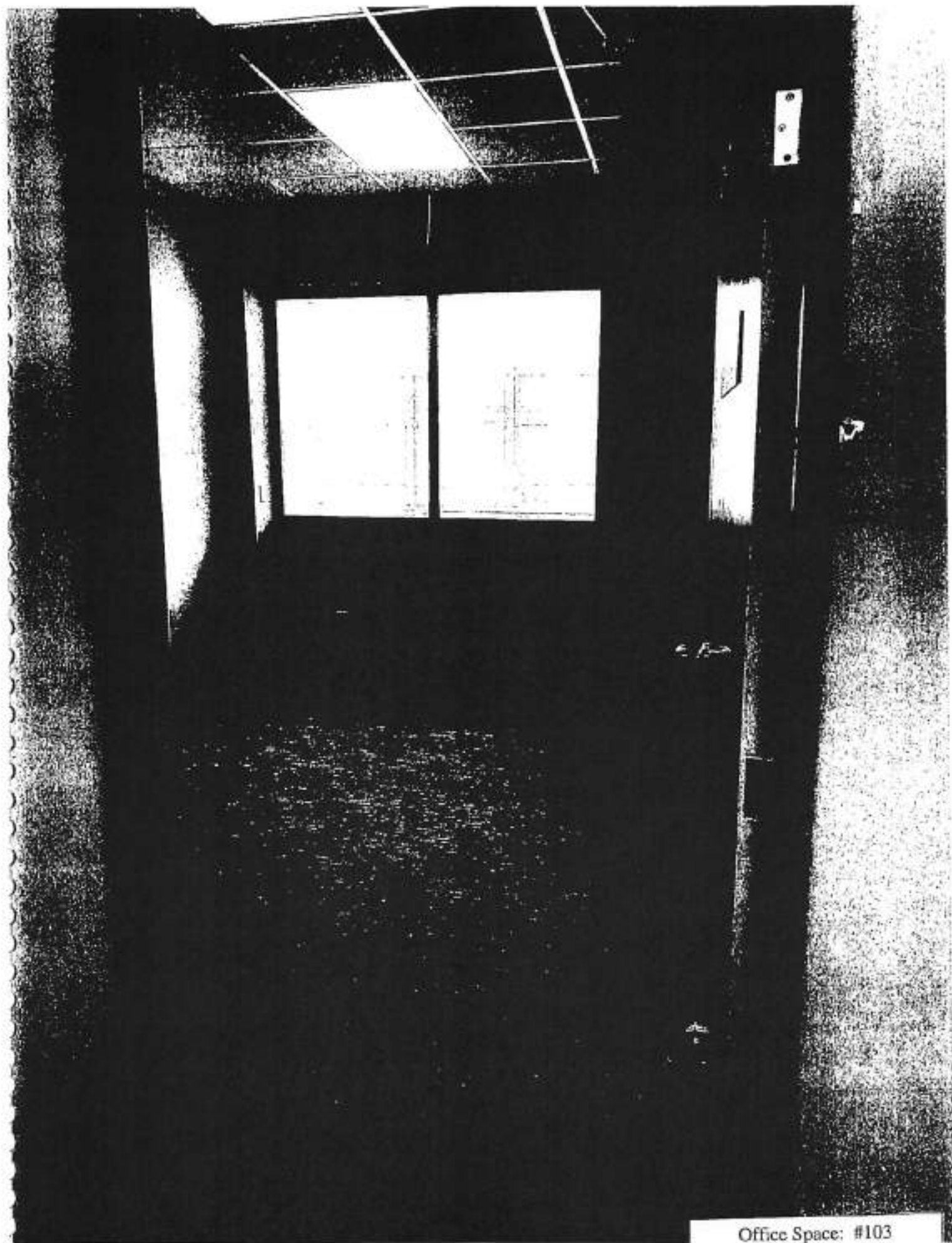


Conference Room #101

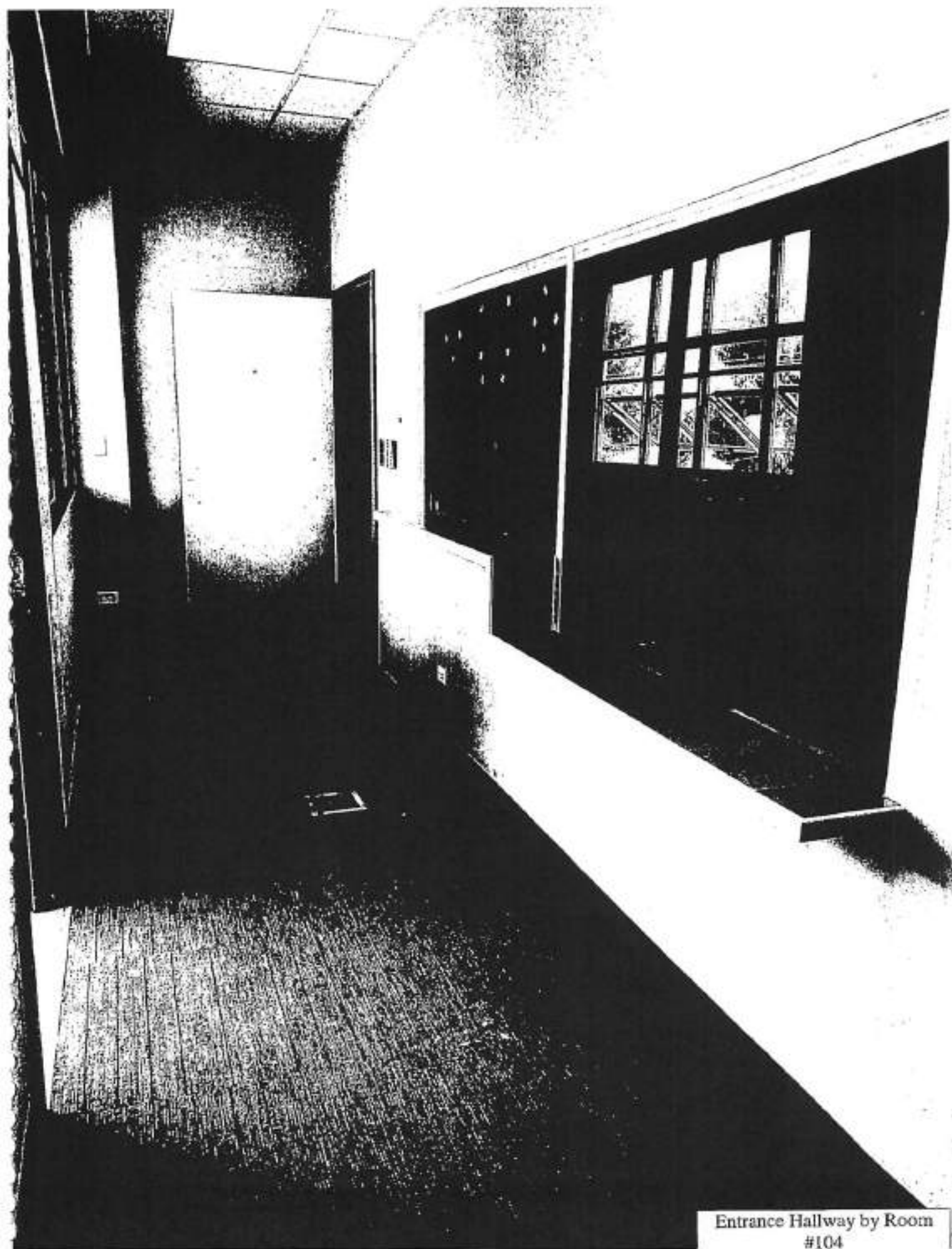


Office Space #102





Office Space: #103

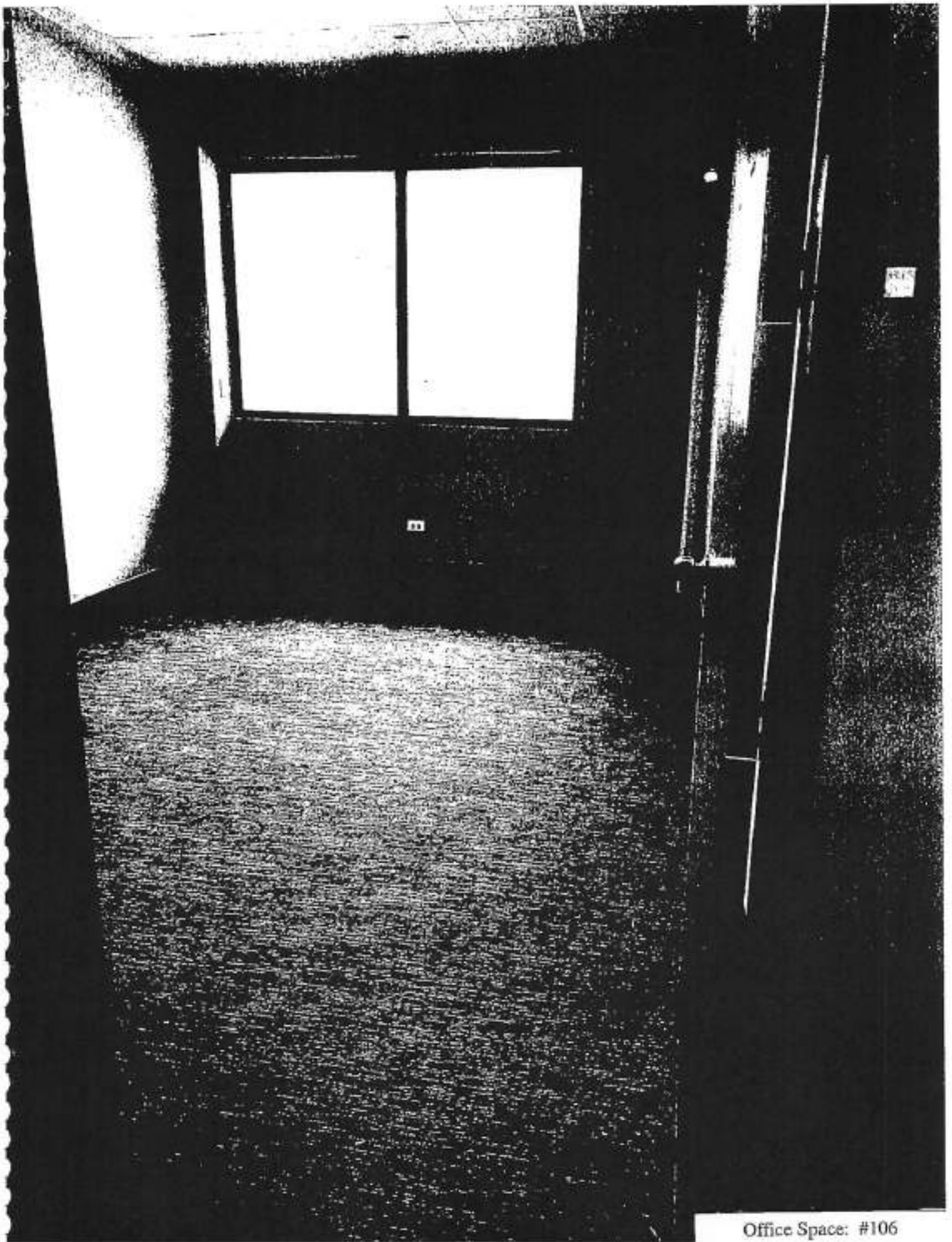


Entrance Hallway by Room  
#104

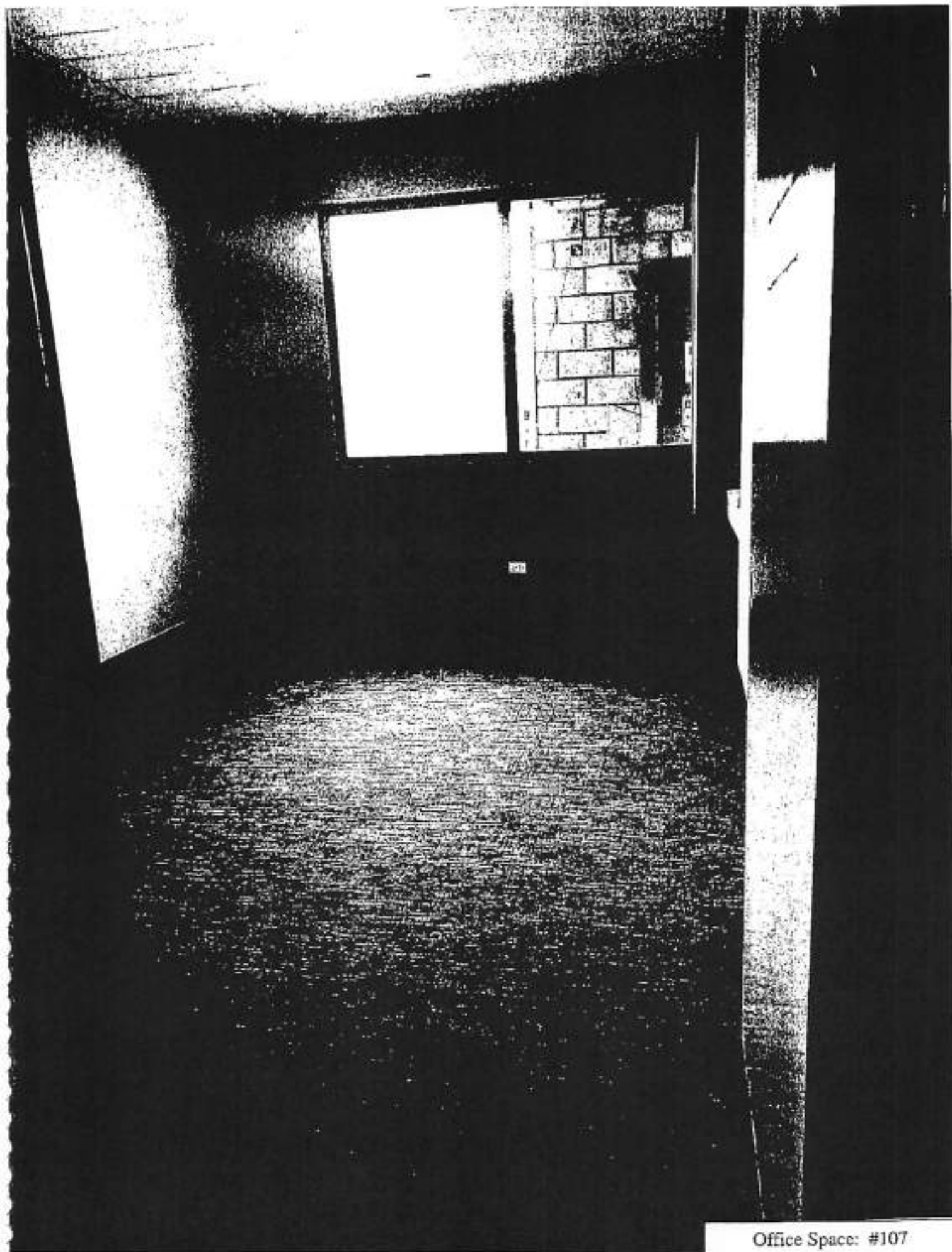


Office Space: #105

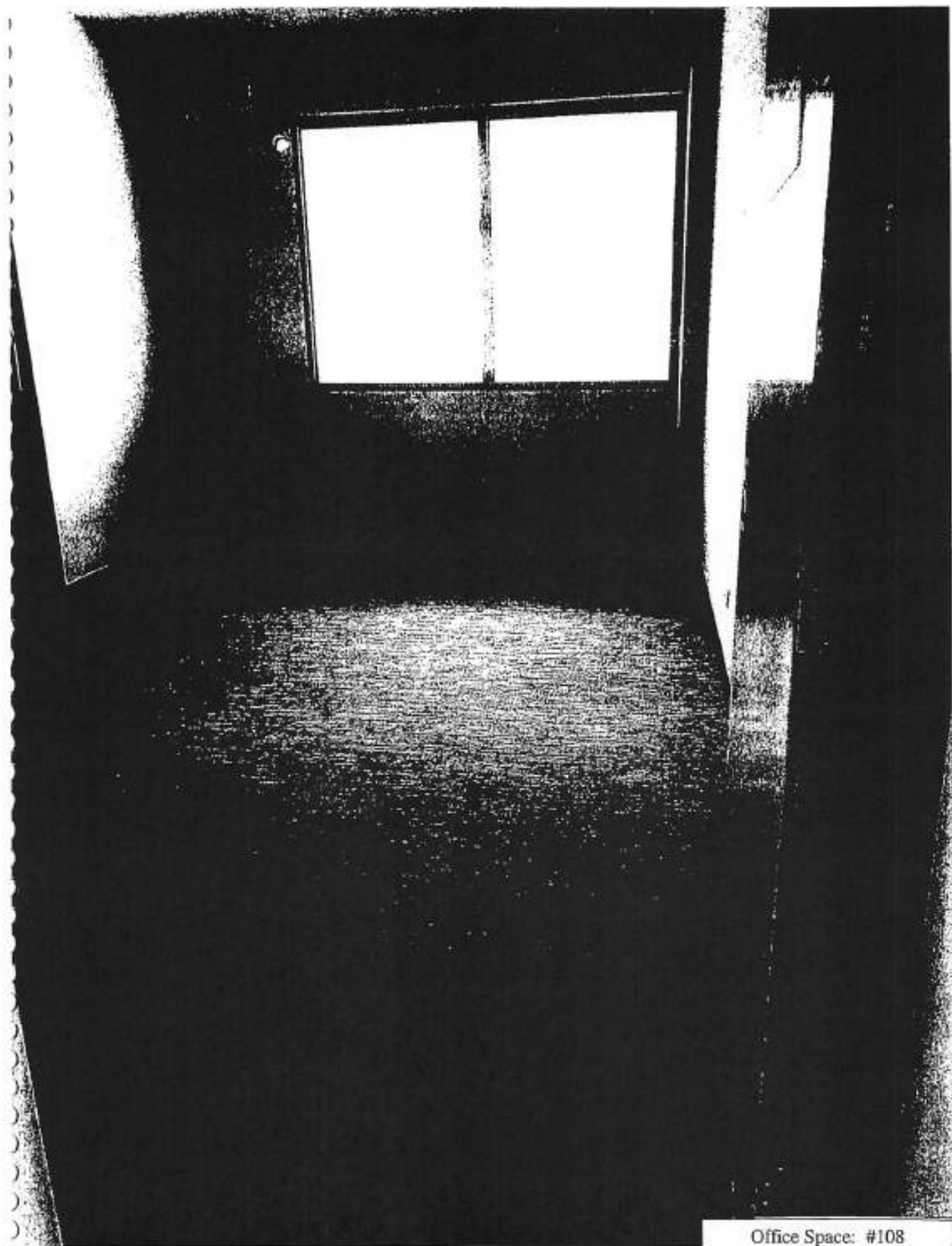




Office Space: #106



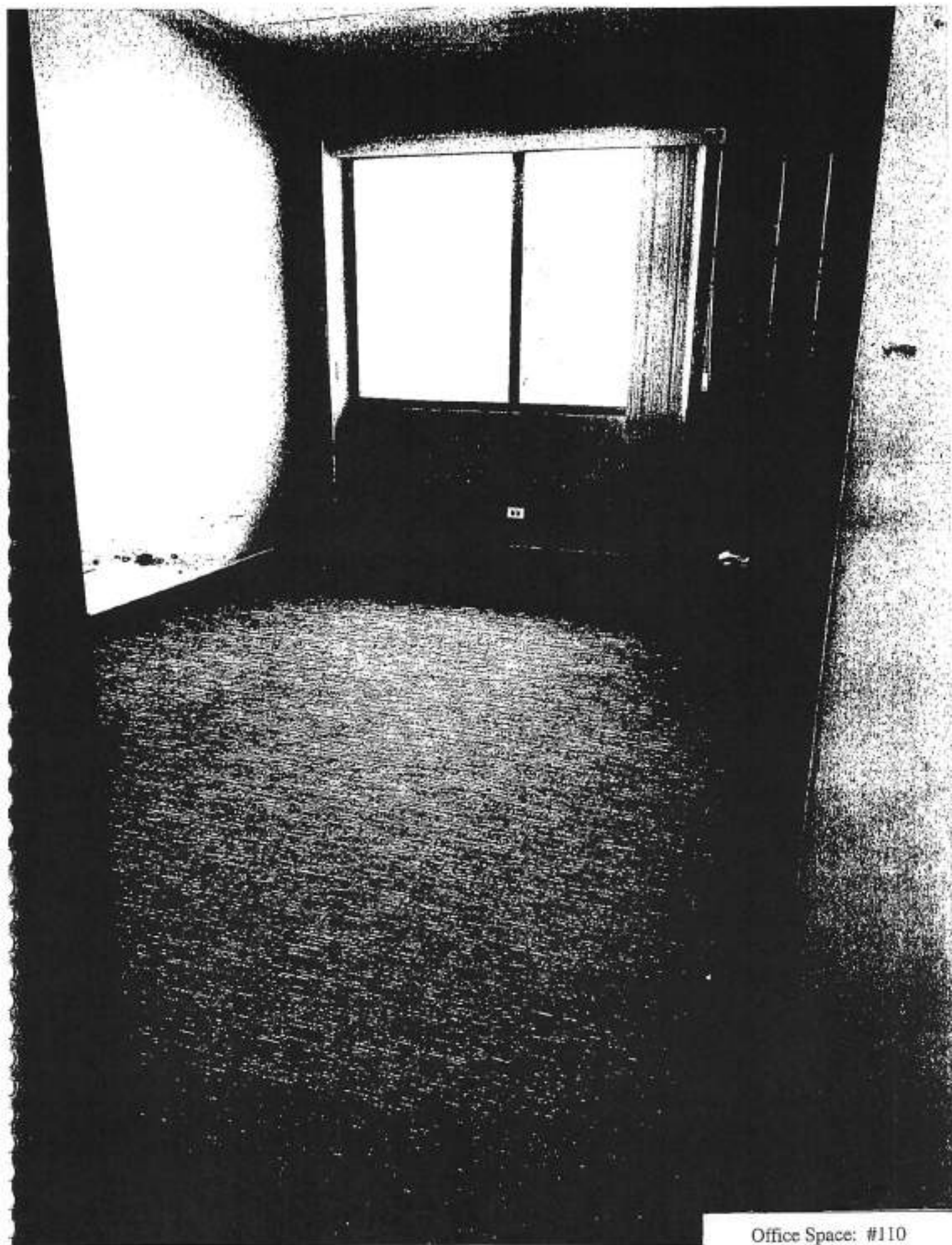
Office Space: #107



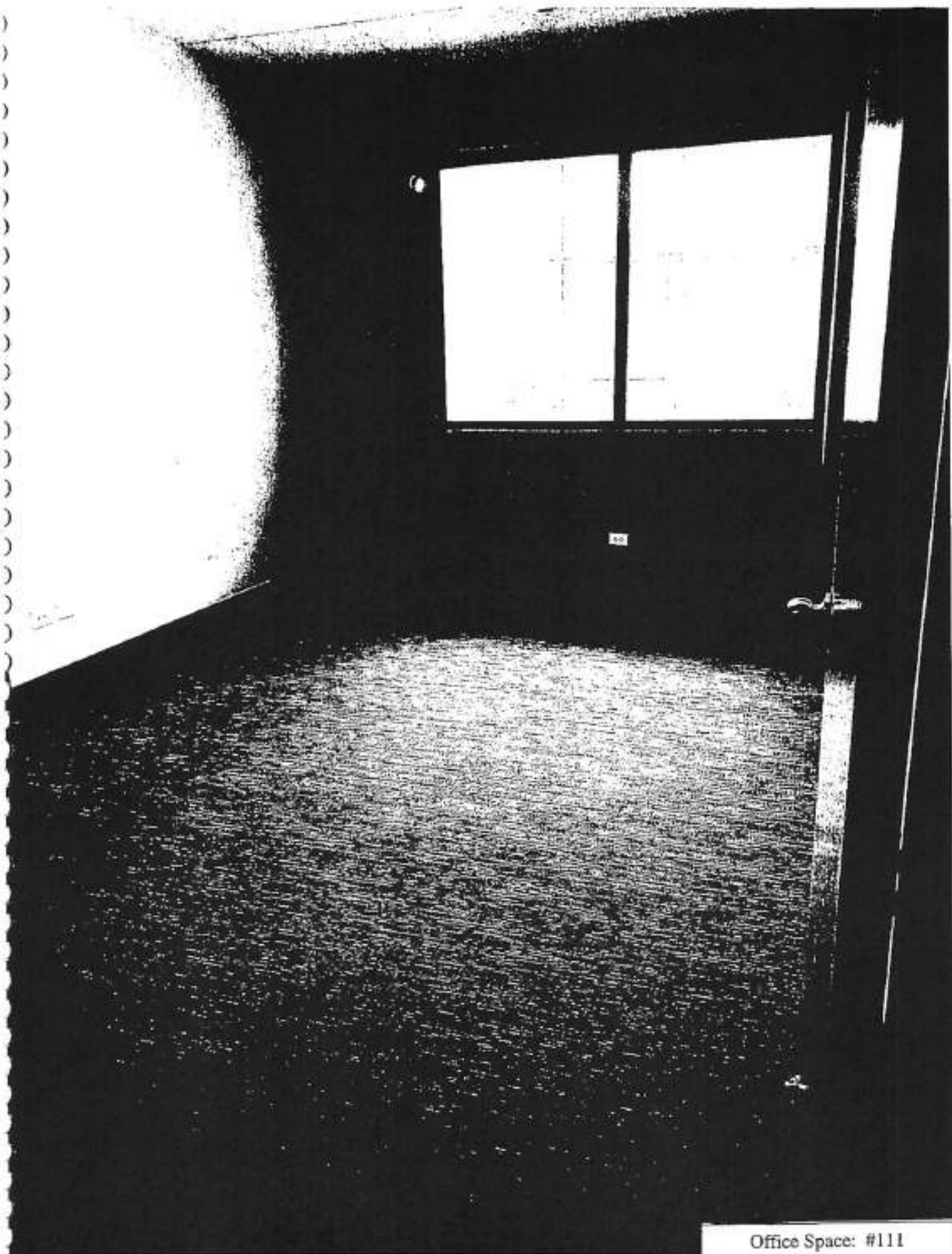


Office Space: #109

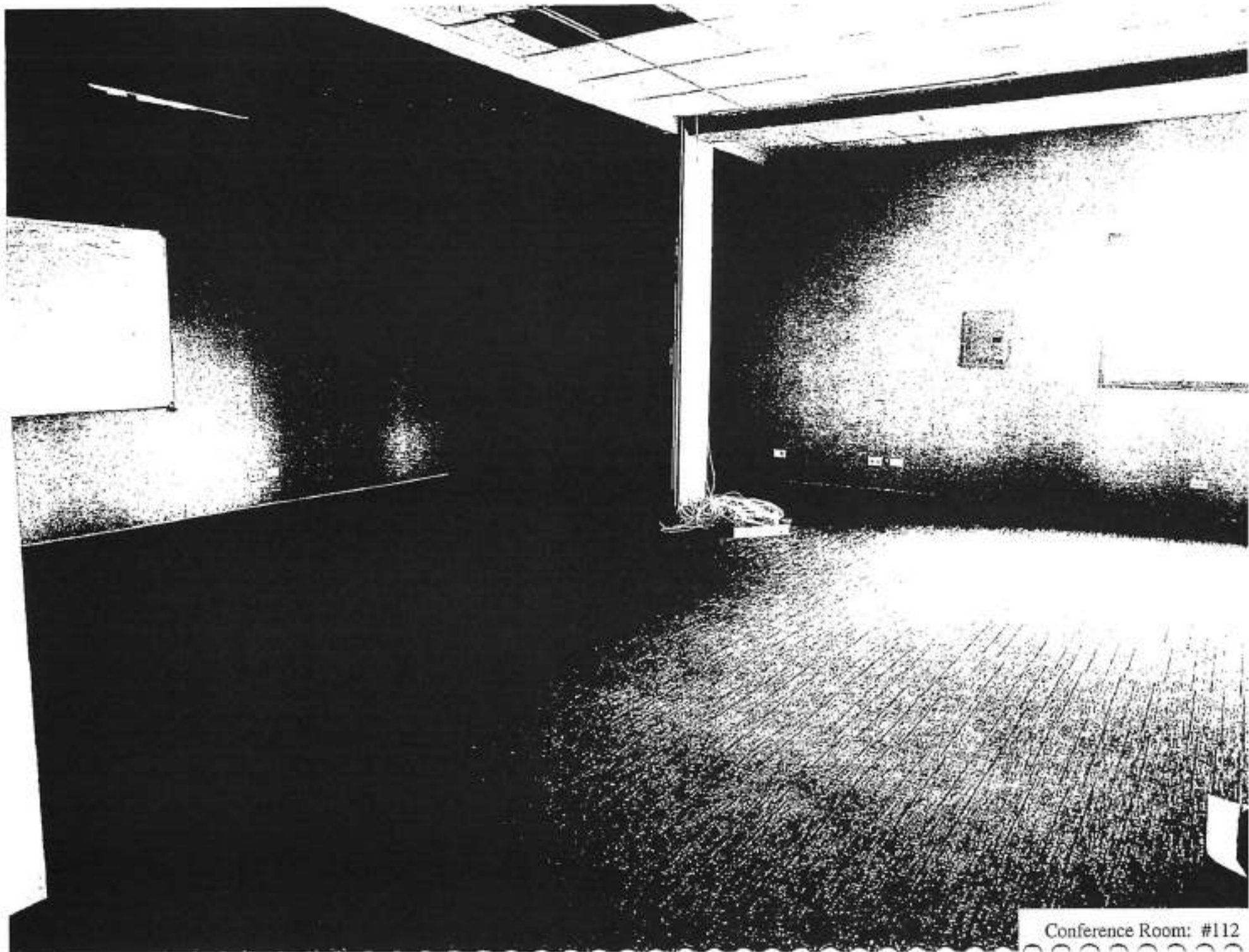




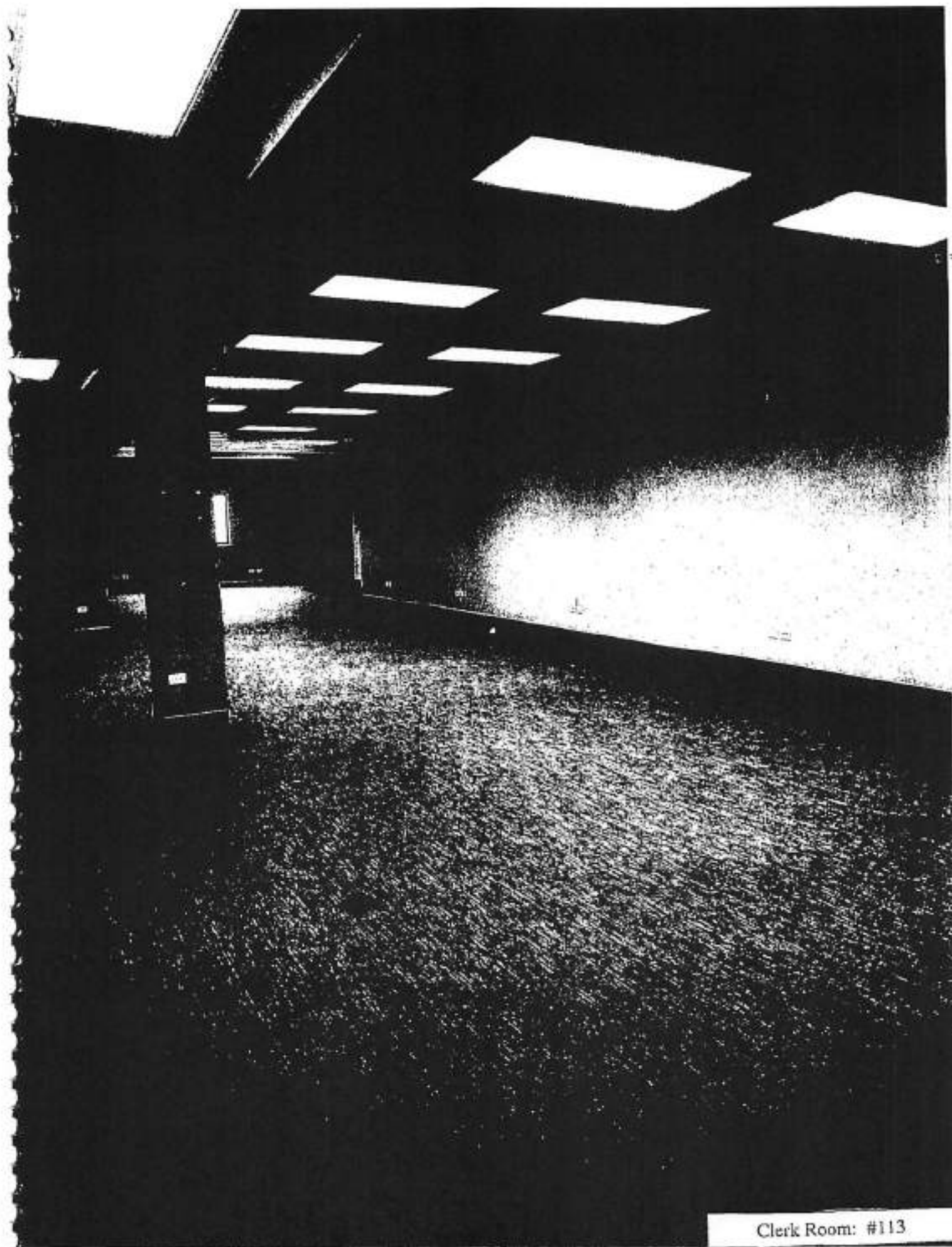
Office Space: #110



Office Space: #111

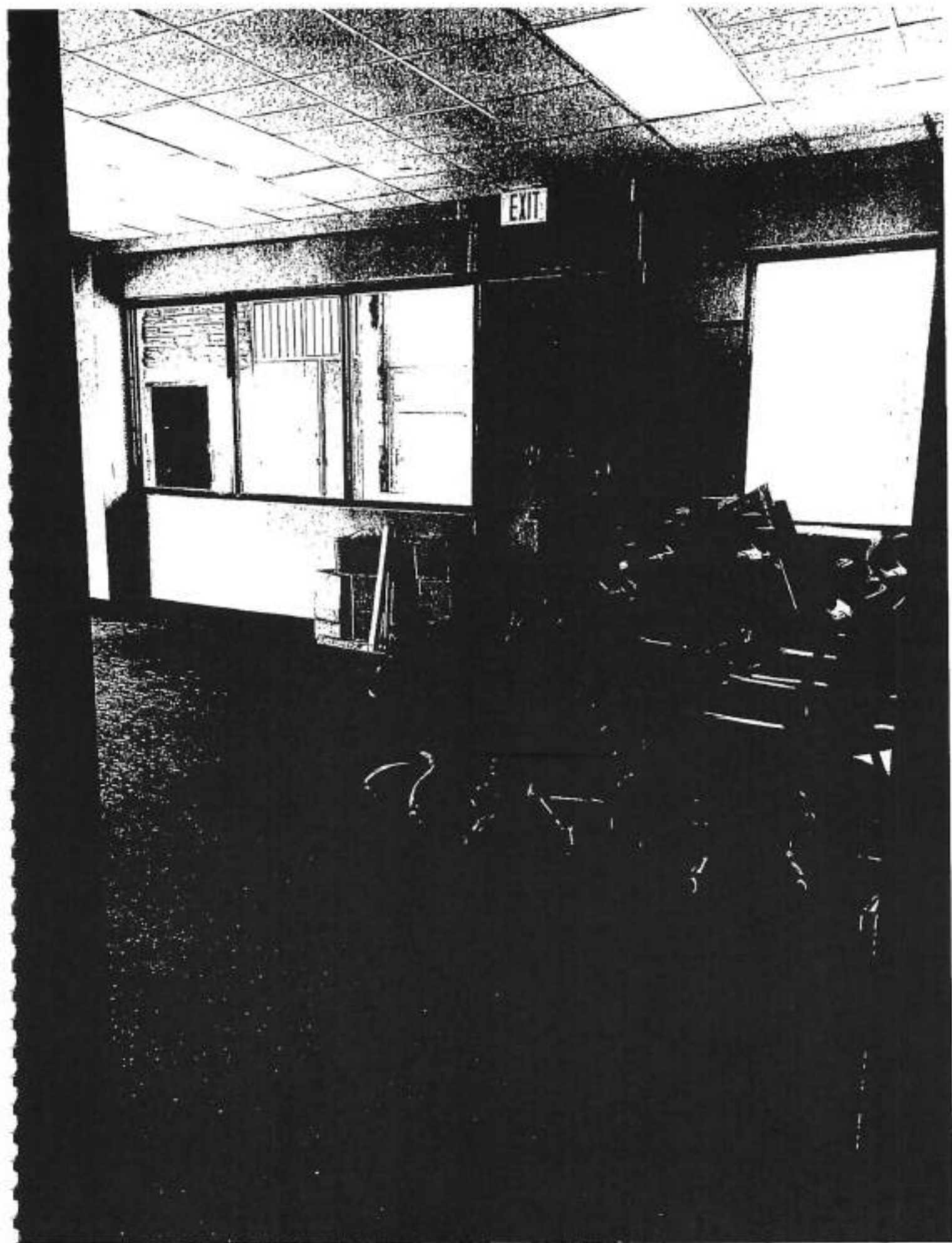


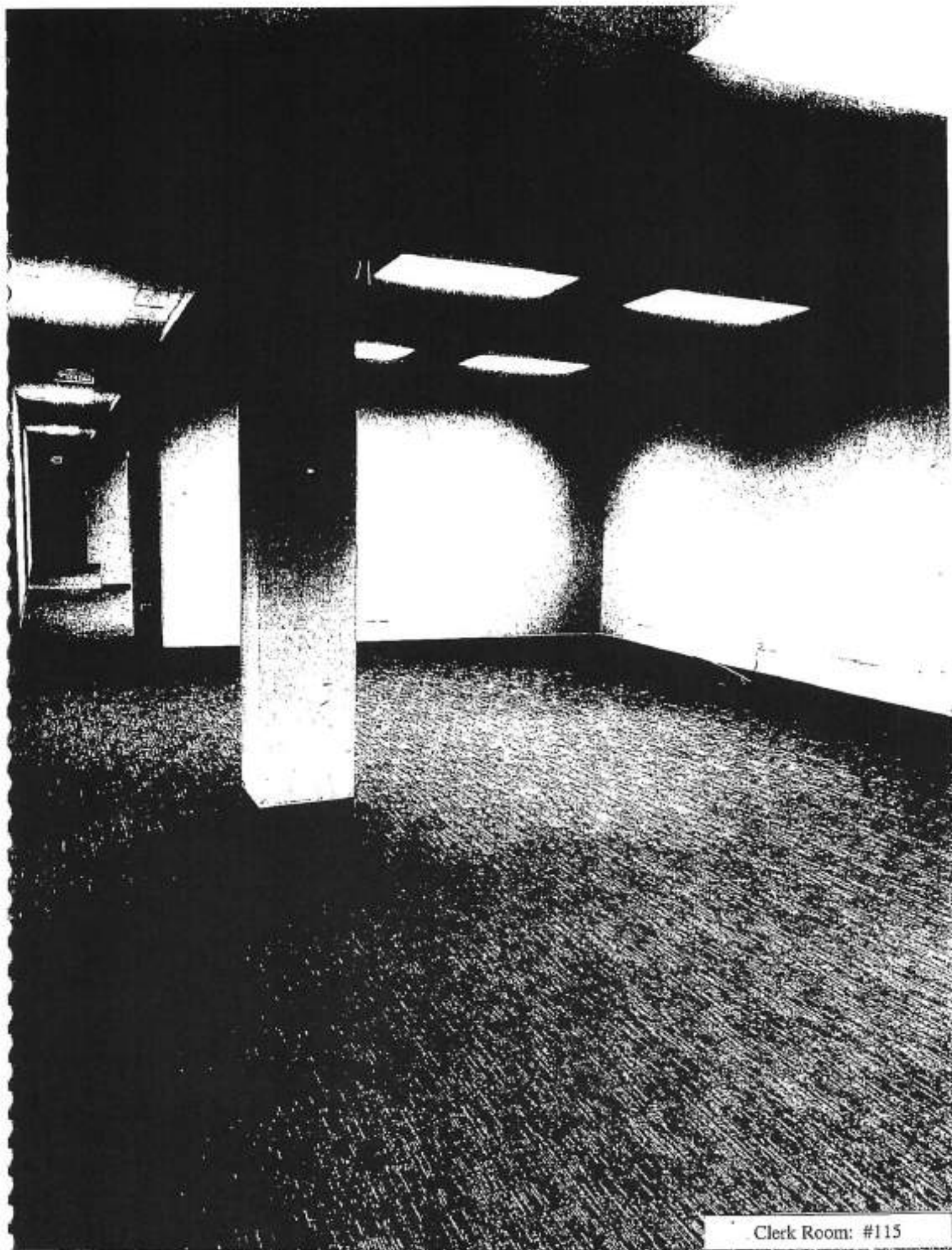
Conference Room: #112



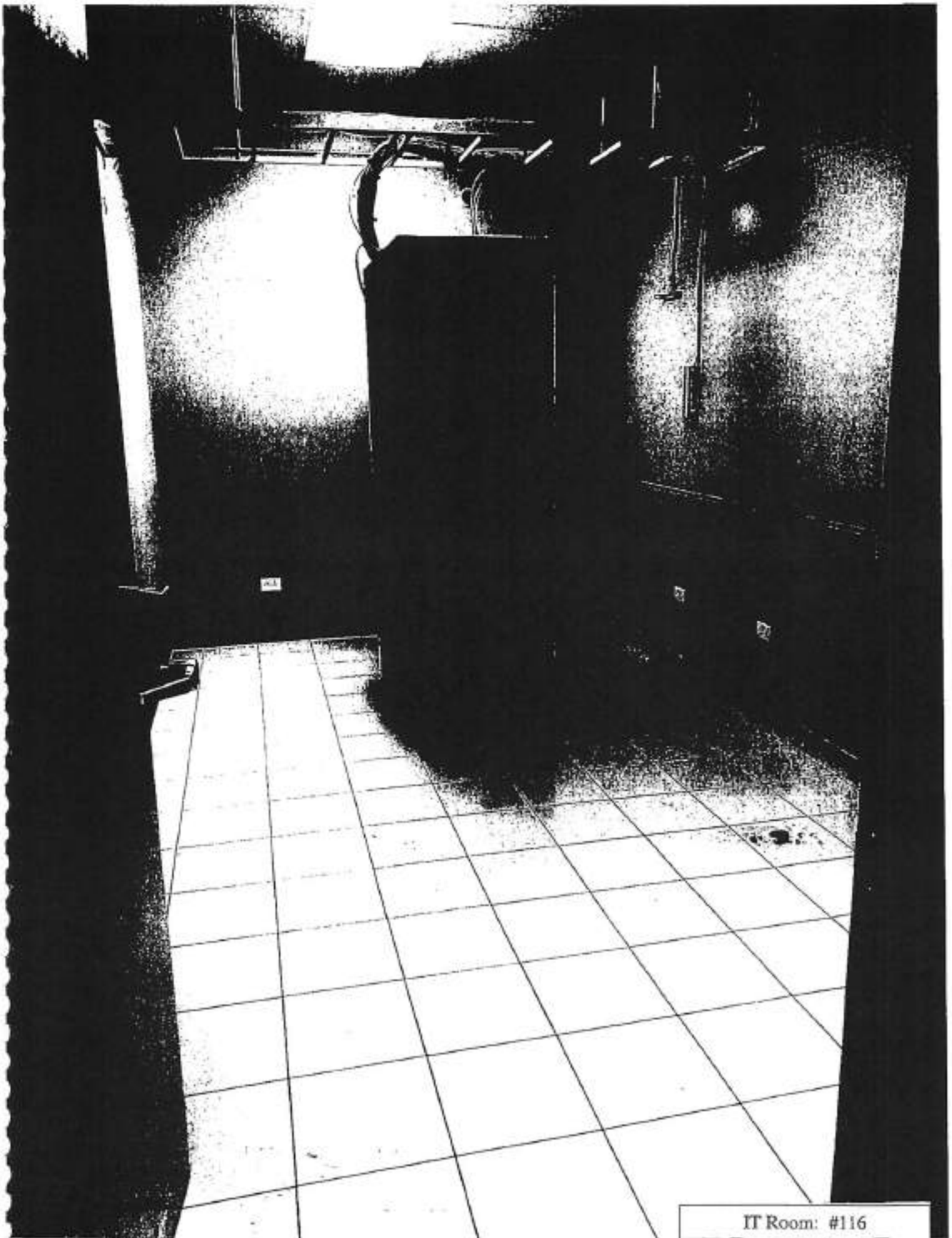
Clerk Room: #113



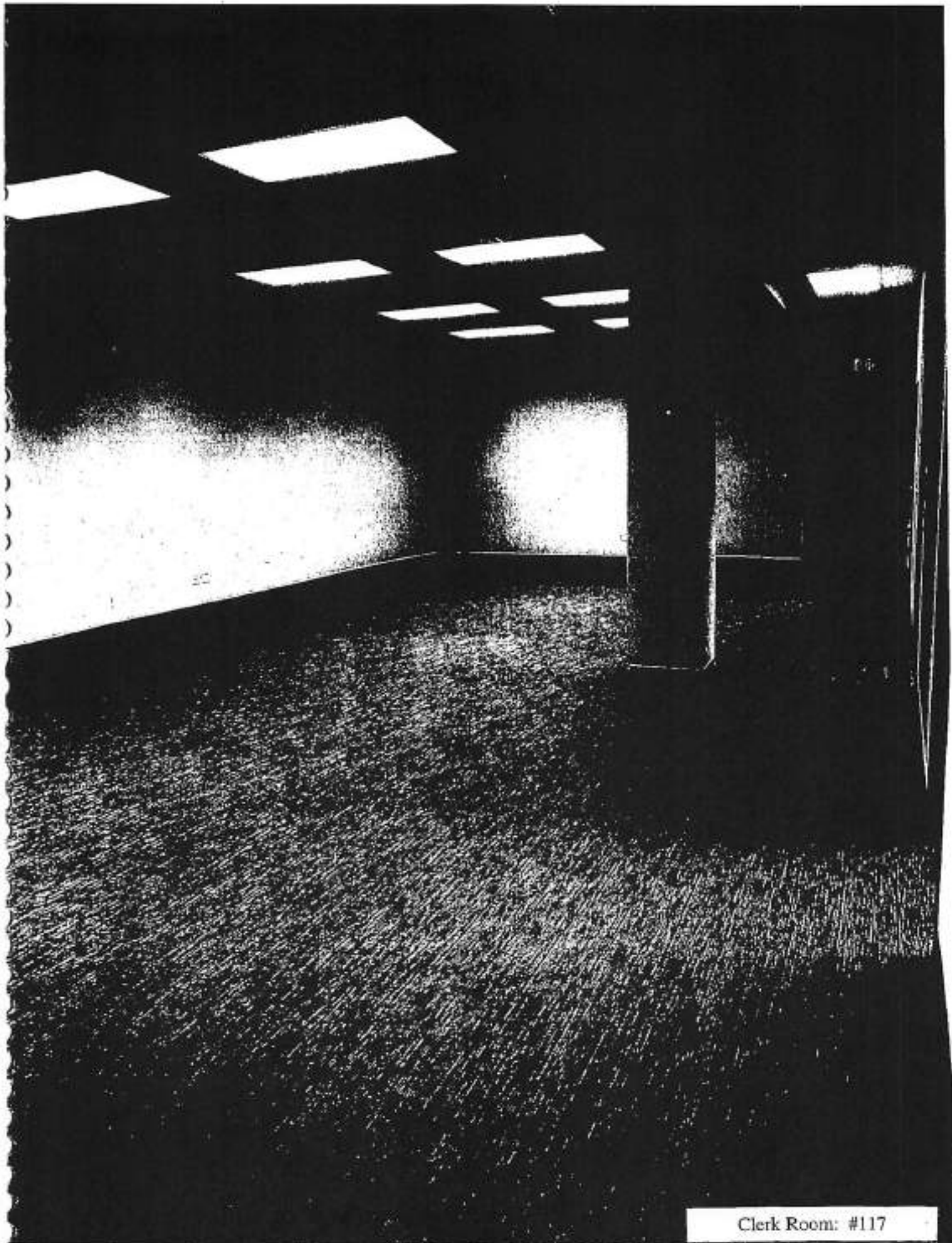




Clerk Room: #115

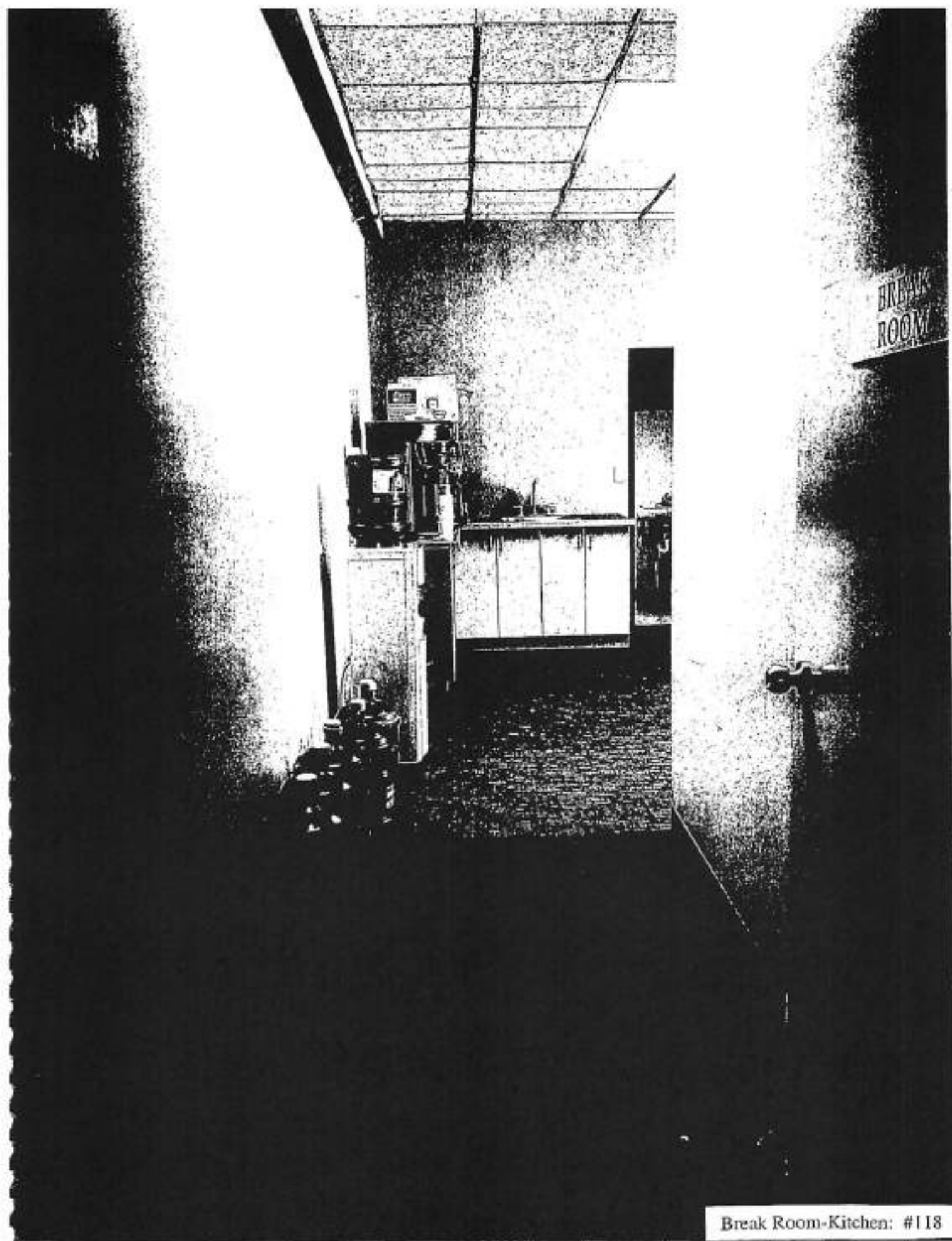


IT Room: #116



Clerk Room: #117





Break Room-Kitchen: #118

