

County of Panola

110 S. Sycamore • Room 216-A
 Carthage • Texas 75633
 Phone 903-693-0391 • Fax 903-693-2726

County Judge
 Lee Ann Jones

County Commissioners
 Ronnie LaGrone, Pct. #1
 John Gradberg, Pct. #2
 Frank R. Langley, Jr., Pct. #3
 Dale LaGrone, Pct. #4

February 22, 2016

Mr. Timothy J. Mattimore
 Vaisala, Inc.
 194 South Taylor Ave.,
 Louisville, CO 80027

NOTIFICATION OF BID AWARD

This is to notify you that your firm has been awarded a contract by the Panola County Commissioners' Court on February 22, 2016.

You have been awarded the bid for the following items and/or services:

DESCRIPTION OF ITEMS/SERVICES	BID PRICE
AWOS III, with a self-supporting tower, installed complete in place including site Selection, site approval by TxDOT and FAA, and acquisition of FCC licensing, according to specification	As Bid
One year of AWOS maintenance that meets the requirements of FAA AC No. 150/5220-16 (latest revision)	As Bid
NADIN/WMSCR Interface Equipment	As Bid
Present Weather Sensor	As Bid

Thunder Strike Alert

As Bid

Upgrade to Ultra Sonic Wind Sensor

As Bid



COUNTY JUDGE

February 22, 2016

DATE

2 - Attachments

PANOLA COUNTY, TEXAS

INVITATION TO BID

RETURN BID TO:

COUNTY JUDGE
PANOLA COUNTY COURTHOUSE, ROOM 216A
CARTHAGE, TEXAS 75633

The enclosed INVITATION TO BID (ITB) and accompanying SPECIFICATIONS AND BID SHEET are for your convenience in bidding the enclosed referenced service/products for Panola County.

Sealed bids shall be received no later than:

9:00 A.M., MONDAY, FEBRUARY 8, 2016

MARK ENVELOPES

"PANOLA COUNTY AIRPORT-SHARPE FIELD AWOS INSTALLATION PROJECT"

Bidder shall sign and date the bid. Bids which are not signed and dated can be rejected. Bids must be submitted on the enclosed bid sheets and must be in ink or typewritten.

Panola County appreciates your time and effort in preparing this bid. Please note that all bids must be received at the designated location by the deadline shown. Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. Opening is scheduled to be held in Commissioners' Courtroom, Panola County Courthouse, Carthage, Texas. You are invited to attend.

Any questions concerning this Invitation to Bid and specifications should be directed to Airport Manager John DePresca, Jr. at (903) 693-7856 or Panola County Commissioner Ronnie LaGrone at (903) 692-2487.

Timothy J. Mattinas, Jr.

Signature of Bidder

TIMOTHY J. MATTINAS, JR.
CORPORATE SECRETARY

INSTRUCTIONS/TERMS OF CONTRACT

By order of the Commissioners' Court of Panola County, Texas, sealed bids will be received for:

"PANOLA COUNTY AIRPORT-SHARPE FIELD AWOS INSTALLATION PROJECT"

IT IS UNDERSTOOD that the Commissioners' Court of Panola County, Texas reserves the right to reject any or all bids to any or all products and/or services covered in this bid request and to waive informalities or defects in bids or to accept such bids as it shall deem to be in the best interests of Panola County.

BIDS MUST BE submitted on the bid forms included for that purpose in this packet. Bids shall be placed in separate sealed envelopes, with each page manually signed by a person having the authority to bind the firm in a contract and marked clearly on the outside as shown below.

SUBMISSION OF BIDS: Sealed bids shall be submitted to:

**COUNTY JUDGE
PANOLA COUNTY COURTHOUSE, ROOM 216A
CARTHAGE, TEXAS 75633**

Not later than 9:00 a.m., Monday, February 8, 2016

Mark Envelopes:

"PANOLA COUNTY AIRPORT-SHARPE FIELD AWOS INSTALLATION PROJECT"

**BIDS RECEIVED AFTER OPENING DATE
AND TIME WILL NOT BE CONSIDERED**

Timothy J. Mattimore, Jr.

Signature of Bidder

TIMOTHY J. MATTIMORE, JR.
COMMISSIONER SECRETARY

INVITATION TO BID
INSTRUCTIONS/TERMS OF CONTRACT

FUNDING: Funds for payment have been provided through the Panola County Budget adopted by the Commissioners' Court for Fiscal Year 2016.

LATE BIDS: Bids received after submission deadline will be considered void and unacceptable. Panola County is not responsible for lateness or non-delivery of mail, carrier, etc.

ALTERING BIDS: Bids cannot be altered or amended after submission deadline. Any interlineation, alteration or erasure made before opening time must be initialed by the signer of the bid, guaranteeing authenticity.

WITHDRAWAL OF BID: A bid may not be withdrawn or canceled by the bidder without the permission of Panola County for a period of ninety (90) days following the date designated for the receipt of bids, and bidder so agrees upon submission of their bid.

SALES TAX: Panola County is exempt by law from payment of Texas Sales Tax and Federal Excise Tax, therefore, the bid shall not include sales tax.

BID AWARD: Panola County reserves the right to award bids on the lump sum or unit price basis, whichever is in the best interest of Panola County.

CONTRACT: This bid, when properly accepted by Panola County, shall constitute a contract equally binding between the successful bidder and Panola County. No different or additional terms will become a part of this contract with the exception of Change Orders.

CHANGE ORDERS: No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by the Panola County Judge.

DELIVERY: All delivery fees and freight or handling charges shall be as stated on the bid and contract forms section and if not so stated no such cost, fee or charge will be paid.

CONFLICT OF INTEREST: No public official shall have interest in this contract, in accordance with V.T.C.A., Local Government Code Title 5, Subtitle C, Chapter 171.

ETHICS: The bidder shall not offer or accept gifts or anything of value nor enter into any business arrangement with any employee, official or agent of Panola County.

EXCEPTIONS/SUBSTITUTIONS: All bids meeting the intent of this invitation to bid will be considered for award. Bidders taking exception to the specifications, or offering



Signature of Bidder

TIMOTHY J. MATTIMORE, JR.
CORPORATE SECRETARY

substitutions, shall state these exceptions in the section provided or by attachment as part of the bid. The absence of such a list shall indicate that the bidder has not taken exceptions and shall hold the bidder responsible to perform in strict accordance with the specifications of the invitation. Panola County Commissioners' Court reserves the right to accept any and all or none of the exception(s)/substitution(s) deemed to be in the best interest of the county.

DESCRIPTIONS: Any reference to model and/or make/manufacturer used in bid specifications is descriptive, not restrictive. It is used to indicate the type and quality desired. Bids on items of like quality will be considered.

ADDENDA: Any interpretations, corrections or changes in this ITB and Specifications will be made by addenda. Sole issuing authority of addenda shall be vested in Panola County. Addenda will be mailed to all who are known to have received a copy of this ITB. Bidders shall acknowledge receipt of all addenda.

BIDS MUST COMPLY with all federal, state, county and local laws concerning these types of service.

DESIGN, STRENGTH, QUALITY of materials must conform to the highest standards of manufacturing practice.

MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE BIDDERS: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder must meet the following requirements:

1. have adequate financial resources, or the ability to obtain such resources as required;
2. be able to comply with the required or proposed delivery schedule;
3. have a satisfactory record of performance;
4. have a satisfactory record of integrity and ethics;
5. be otherwise qualified and eligible to receive an award.

Panola County may request any other information sufficient to determine bidder's ability to meet these minimum standards listed above.

REFERENCES: Panola County may request bidder to supply a list of at least three (3) references where like services/products have been supplied by their firm.

BIDDER SHALL PROVIDE with this bid response, all documentation required by this ITB. Failure to provide this information may result in rejection of bid.

SUCCESSFUL BIDDER SHALL defend, indemnify, and save harmless Panola County and all its officers, agents and employees from all suits, actions, or other claims of any



Signature of Bidder

TIMOTHY J. MATTIMORE, JR.
CORPORATE SECRETARY

character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons or property on account of any negligent act or fault of the successful bidder, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from bid award. Successful bidder indemnifies and will indemnify and save harmless Panola County from liability, claim or demand on their part, agents, servants, customers, and/or employees whether such liability, claim or demand arise from event or casualty happening or within the occupied premises themselves or happening upon or in any of the halls, elevators, entrances, stairways or approaches of or to the facilities within which the occupied premises are located. Successful bidder shall pay any judgment costs which may be obtained against Panola County growing out of such injury or damages.

WAGES: Successful bidder shall pay or cause to be paid, without cost or expense to Panola County, all Social Security, Unemployment and Federal Income Withholding Taxes of all such employees and all such employees shall be paid wages and benefits as required by Federal and/or State law.

TERMINATION OF CONTRACT: This contract shall remain in effect until contract expires, delivery and acceptance of products and/or performance of services ordered or terminated by either party with a thirty (30) days written notice prior to any cancellation. The successful bidder must state therein the reasons for such cancellation. Panola County reserves the right to award canceled contract to the next lowest and best bidder as it deems to be in the best interest of the county.

TERMINATION FOR DEFAULT: Panola County reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the county in the event of breach or default of this contract. Panola County reserves the right to terminate the contract immediately in the event the successful bidder fails to:

1. meet schedules;
2. defaults in the payment of any fees; or
3. otherwise perform in accordance with these specifications.

Breach of contract or default authorizes the county to exercise any or all of the following rights:

1. Panola County may take possession of the assigned premises and any fees accrued or becoming due to date;
2. Panola County may take possession of all goods, fixtures and materials of successful bidder therein and may foreclose its lien against such personal property, applying the proceeds toward fees due or thereafter becoming due.



Signature of Bidder

TIMOTHY J. MATTMORE, JR.
CORPORATE SECRETARY

In the event the successful bidder shall fail to perform, keep or observe any of the terms and conditions to be performed, kept or observed, Panola County shall give the successful bidder written notice of such default; and in the event said default is not remedied to the satisfaction and approval of the county within two (2) working days of receipt of such notice by the successful bidder, default will be declared and all the successful bidder's rights shall terminate.

Bidder, in submitting this bid, agrees Panola County shall not be liable to prosecution for damages in the event that the county declared the bidder in default.

NOTICE: Any notices provided by this bid (or required by law) to be given to the successful bidder by Panola County shall be conclusively deemed to have been given and received on the next day after such written notice has been deposited in the mail in Carthage, Texas, by Registered or Certified Mail with sufficient postage affixed thereto, addressed to the successful bidder at the address so provided; provided this shall not prevent the giving of actual notice in any other manner.

PATENTS/COPYRIGHTS: The successful bidder agrees to protect Panola County from claims involving infringement of patents and/or copyrights.

CONTRACT ADMINISTRATION: Panola County may appoint a contract administrator with designated responsibility to ensure compliance with contract requirements. The contract administrator will serve as liaison between Panola County and the successful bidder.

PURCHASE ORDER: A purchase order(s) shall be generated by Panola County to the successful bidder. The purchase order number must appear on all itemized invoices and packing slips. Panola County will not be held responsible for any orders placed/delivered without a valid current purchase order number.

INVOICES shall show (a) name and address of successful bidder; (b) county purchase order number; and (c) descriptive information as to the item(s) delivered.

PAYMENT will be made upon receipt and acceptance by the county of item(s) ordered and receipt of a valid invoice, in accordance with State of Texas Prompt Payment Act, V.T.C.S. Article 601f. Successful bidder is required to pay subcontractors within ten (10) days.

ITEMS supplied under this contract shall be subject to Panola County's approval. Items found defective or not meeting specifications shall be picked up and replaced by the successful bidder at no expense to the county. If item is not picked up within one (1) week after notification, the item will become a donation to the county for disposition.

SAMPLES: When requested, samples shall be furnished free of expense to Panola County.

Timothy J. Mathis, Jr.

Signature of Bidder
TIMOTHY J. MATHIS, JR.
COUNTY SECRETARY

WARRANTY: Successful bidder shall warrant that all items/services shall conform to the proposed specifications and/or all warranties as stated in the Uniform Commercial Code and be free from all defects in material, workmanship and title.

REMEDIES: The successful bidder and Panola County agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.

VENUE: This agreement will be governed and construed according to the laws of the State of Texas. This agreement is performable in Panola County, Texas.

ASSIGNMENT: The successful bidder shall not sell, assign, transfer or convey this contract, in whole or in part, without the prior written consent of Panola County.

SILENCE OF SPECIFICATIONS: The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.

Each insurance policy to be furnished by successful bidder shall include, by endorsement to the policy, a statement that a notice shall be given to Panola County by certified mail thirty (30) days prior to cancellation or upon any material change in coverage.

ANY VENDOR THAT CONDUCTS BUSINESS WITH PANOLA COUNTY, WHETHER IT IS FOR GOODS AND/OR SERVICES, MUST MAINTAIN LAWFUL WORKER'S COMPENSATION COVERAGE REQUIREMENTS AND ADEQUATE LIABILITY LIMITATIONS.

ANY QUESTIONS concerning this INVITATION TO BID AND SPECIFICATIONS should be directed to Airport Manager John DePresca, Jr. at (903) 693-7856 or Panola County Commissioner Ronnie LaGrone at (903) 692-2487.

Timothy J. Mattimore, Jr.

Signature of Bidder

TIMOTHY J. MATTIMORE, JR.
COLLEGE SECRETARY

Contract Documents and Specifications for AWOS Installation Project

**For
Panola County-Sharpe Field Airport
Carthage, Texas**

TABLE OF CONTENTS
Panola County-Sharpe Field Airport

1. **NOTICE TO BIDDERS**
2. **BIDDER QUALIFICATIONS**
3. **INSTRUCTIONS TO BIDDERS**
4. **BID**
5. **TECHNICAL SPECIFICATIONS**
6. **WAGE RATES PANOLA COUNTY**
7. **AWOS EXHIBIT**

COUNTY OF PANOLA

CARTHAGE, TEXAS

NOTICE TO BIDDERS

In accordance with Texas Local Government Code, Chapter 262, Subchapter C, the Commissioners Court of Panola County, Texas will receive sealed bids for the siting, licensing and installation of Automated Weather Observation System III with Present Weather Sensor, Thunder Strike Alert (A WOS III PT) for Panola County Airport Sharpe Field. Bids will be received at the office of County Judge Lee Ann Jones, Room 216-A, Panola County Courthouse, Carthage, Texas 75633 until February 8, 2016, at 9:00 o'clock a.m. at which time bids will be opened in the Commissioners' Courtroom, Panola County Courthouse, Carthage, Texas during the Commissioners Court meeting. Any bid received after closing time will be returned unopened.

In general, the Aviation Construction work consists of: Siting, Licensing, and Installation of Automated Weather Observation Systems III PT. The system shall be installed in accordance with this specification and as approved in Federal Aviation Administration Advisory Circular 150/5220-16, latest version and FAA Order 6560-20B, or latest version.

Bidding documents may be examined at: Panola County Courthouse, Office of County Judge Lee Ann Jones, 110 S. Sycamore, Room 216-A, Carthage, Texas 75633 or Panola County's website at www.co.panola.tx.us. Panola County does not have a purchasing agent therefore contact the County Judge at (903) 693-0391.

Technical questions concerning the specifications should be directed to John Depresca Jr. at the Panola County Airport at (903) 693-7856 or Ronnie LaGrone, Commissioner Pct.1 (903) 692-2487.

Minimum wage rates have been predetermined as required by law and are set forth in the specifications.

Cashier's check, money order, or teller's check drawn by or on a state or national bank, a savings and loan association, or a state or federally chartered credit union (collectively referred to as "bank") in the amount of two percent (2%) of the total bid price stated in the bid, made payable without recourse to the Owner or a bid bond in the same amount from a reliable corporate surety authorized to do business in the State of Texas and acceptable to the Owner, must accompany each bid as a guarantee that the bidder, if successful, will enter into a contract, and make bond in accordance with the requirements of the specifications. The Owner reserves the right to retain any check, bank money order or bank draft as liquidated damages in the event the bidder withdraws its bid after the bid opening and before official rejection of the bid by the Owner, or, if successful in securing the award of the contract, the successful bidder fails to enter into the contract and fails to furnish satisfactory performance and payment bonds.

The successful bidder will be required to furnish Performance Bond and Payment Bond, each in the full amount of the contract price, executed by a surety company or surety companies

authorized to execute surety bonds under and in accordance with the laws of the State of Texas.

The proposed contract is subject to the Vernon Texas Civil Statutes, Article 601.b concerning the participation of Historically Underutilized Business. HUB goal is set at 0%.

The Owner reserves the right to reject any irregular bid and the right to waive technicalities if such waiver is in the best interest of the Owner and conforms to State and local laws and ordinances pertaining to the letting of construction contracts.

The Owner hereby notifies all bidders that it will affirmatively assure that minority enterprises are afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on grounds of race, color, or national origin in consideration for an award.

Bids are to be on the unit price basis. A contract will be awarded to the successful bidder in accordance with the above mentioned Local Government Code. Payment will be made by check after receiving the above mentioned products, equipment and/or services and upon approval of bill or invoice by the Commissioners Court.

The Court reserves the right to accept or reject any and/or all bids.

Sidney Burns, County Auditor
Panola County, Texas

BIDDER QUALIFICATIONS

I. QUALIFICATIONS

- A. Each Bidder shall furnish the Owner satisfactory evidence of the Bidder's competency to perform the proposed work. Such evidence of competency shall consist of statements covering the Bidder's past experience on similar work, a list of equipment that would be available for the work, and a list of key personnel that would be available.
- B. In addition, each Bidder shall furnish the Owner satisfactory evidence of the Bidder's financial responsibility. Such evidence shall consist of a confidential statement or report of the Bidder's financial resources and liabilities as of the last calendar year or the Bidder's last fiscal year. Such statements or reports shall be prepared by a public accountant. At the time of submitting such financial statements or reports, the Bidder shall further certify whether the Bidder's financial responsibility is approximately the same as stated or reported by the public accountant. If the Bidder's financial responsibility has changed, the Bidder shall qualify the public accountant's statement or report to reflect the Bidder's true financial condition at the time such qualified statement or report is submitted to the Owner.
- C. The Bidder shall provide a listing of both automobile and personal liability insurance coverage currently in force, along with a copy of a Certificate of Insurance as verification of that coverage.

II. SUBMISSION OF QUALIFICATIONS

- A. Each bidder shall submit the Bidder's "evidence of competency", "evidence of financial responsibility", and "evidence of insurance coverage" for "worker's compensation, commercial general liability and Texas business automobile" to the Owner at the date, time and location specified for opening bids. These items shall be submitted in the envelope with your bid marked with project number, location of airport, and name and business address of the bidder.
- B. Bids that do not include the qualification requirements listed above will be considered non-responsive and therefore disqualified.
- C. BIDS SUBMITTED WITHOUT SUBMISSION OF ALL QUALIFICATIONS WILL NOT BE READ.

INSTRUCTIONS TO BIDDERS

IB-1. The Owner requires that Bidder shall reference the Aviation Division General Construction Contract Provisions, volume dated February 2013, for all general contract provisions. General Construction Contract Provisions may be obtained at TxDOT, Aviation Division, 150 E. Riverside Drive, South Tower, Fifth Floor, Austin, Texas 78704; Use latest version of referenced Advisory Circulars.

IB-2. The Bidder shall refer to: **BIDDER QUALIFICATIONS** section of the bid document.

IB-3. The Bidder shall submit the completed bid either on the form furnished by The Owner or by submitting an electronically printed version. All blank spaces in the bid form must be correctly filled in where indicated for each and every item for which a quantity is given. The Bidder shall state the price (written in ink) **BOTH** in words and numerals for each pay item furnished in the bid. In case of conflict between words and numerals, the words, unless obviously incorrect, shall govern.

The Bidder may also submit an electronically printed bid. The bid must have pay items in the same order and with the exact information as found on the Owner's bid form. The Bidder is responsible for incorrect information and will be considered non-responsive if pay items are changed in wording or order on the electronically printed form. Electronically printed bids are not required to have the unit prices written in words. Electronically printed bid may not be submitted electronically.

The Bidder shall sign the bid in ink. If the bid is made by an individual, the individual's name and address must be shown. If made by a partnership, the name and address of each member of the partnership must be shown. If made by a corporation, the person signing the bid shall give the name of the state under the laws of which the corporation was chartered and the name, titles, and business address of the president, secretary, and the treasurer.

IB-4. The Bidder shall submit completed copies of all items identified under "Bidder Qualifications". Bids received without Bidder Qualifications will not be read.

IB-5. Receipt of all addenda issued shall be acknowledged by the Bidder in the space provided on the bid form.

IB-6. Bids may be rejected if they show any alteration of words or figures, additions not called for, conditional or uncalled for alternate bids, incomplete bids, any alteration of words or figures or erasures not initialed by the person or persons signing the bid, or irregularities of any kind.

IB-7. The bid shall be accompanied by a Bid Guarantee of the character and in the amount as indicated in the bid.

IB-8. Any questions arising during the advertising period as to meaning or intent of the specifications will be answered by an addendum prepared by the Owner. Contractor will be responsible for obtaining addenda at our website: www.co.panola.tx.us. All addenda issued shall become a part of the contract documents.

Bidders are responsible for checking this website regularly for any changes to the bid documents, such as Addendums.

IB-9. Each bid submitted shall be placed in a sealed envelope plainly marked with the project number, location of airport, and name and business address of the Bidder on the outside. When sent by mail, preferably registered, the sealed bid, marked as indicated above, should be enclosed in an additional envelope. Bids, which are transmitted by telephone, by telegraph or by electronic means, will not be accepted.

IB-10. No bid will be considered unless received at the place specified in the advertisement before the time specified for opening all bids. Bids received after the bid opening time shall be returned to the Bidder unopened.

IB-11. Bids will be opened and read publicly at the time and place indicated in the Notice to Bidders.

BID

Project Description: Siting, Licensing and Installation of the Automated Weather Observation Systems III.

Bid by: Name of Bidder Vaisala, Inc.

Address 194 South Taylor Ave., Louisville, CO 80027

Telephone 303-499-1701 **Fax** 303-499-1767

E-mail Address michael.trosclair@vaisala.com

Pursuant to the foregoing Instruction to Bidders, the undersigned bidder having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all the conditions surrounding the construction of the project hereby proposes to furnish all necessary superintendence, labor, machinery, equipment, tools, materials and supplies to complete all the work upon which is bid in accordance with the contract documents, within the time set forth and at the prices stated below:

Base Bid					
Item	Qty	Unit	Description Written & Numeric <u>Unit Price</u>	Unit Price	Total Price
1	1	LS	AWOS III, with a self-supporting tower, installed complete in place including site selection, site approval by TxDOT and FAA, and acquisition of FCC licensing, according to specification One Hundred -Twenty Four Thousand and Six Hundred - Eighteen dollars Zero cents	\$ 124,618.00	\$ 124,618.00
2	1	LS	One year of AWOS maintenance that meets the requirements of FAA AC No. 150/5220-16 (latest revision) Five Thousand and Five Hundred dollars Zero cents	\$ 5,500.00	\$ 5,500.00
3	1	LS	NADIN/WMSCR Interface Equipment Two Thousand and Forty Two dollars Zero cents	\$ 2,042.00	\$ 2,042.00

Total Base Bid \$ 132,160.00

Additive Alternate Bid 1-3					
Items below should be bid with the option to award depending on the availability of funds					
Item	Qty	Unit	Description	Unit Price	Total Price
			Written & Numeric Unit Price		
A1	1	EA	Present Weather Sensor Five Thousand and Five Hundred dollars Zero cents	\$ 5,500.00	\$ 5,500.00
A2	1	EA	Thunder Strike Alert Nine Thousand and Eight Hundred and Eighty Eight dollars Zero cents	\$ 9,880.00	\$ 9,880.00
A3	1	EA	Upgrade to Ultra Sonic Wind Sensor One Thousand and Nine Hundred and Twenty Two dollars Zero cents	\$ 1,921.00	\$ 1,921.00

Total Bid \$ 149,461.00

It is understood the quantities of work to be done at unit prices are approximate and are intended for bidding purposes only. Amounts are to be shown in both words and numbers. In case of discrepancy the unit price amount shown in words shall govern. Bidders shall bid on the Base Bid and Additive Alternates 1 and 2. Bidders may bid on Alternate Number 3.

The Owner reserves the right to award to the lowest responsible bidder for any combination of the base bid and alternates in order to obtain the best value for the owner per Government Code Section 2156.007 (d). Funding availability will be considered in selecting the bid award.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in a written "Notice to Proceed" for installation of the equipment. Following issuance of the written "Notice to Proceed" for installation, installation shall be completed within 90 calendar days thereafter. Bidder further agrees to pay as liquidated damages the sum of \$200.00 for each consecutive calendar day to complete the work beyond the allotted time or as extended by an approved change Order.

Bidder understands the Owner reserves the right to reject any irregular bid and the right to waive technicalities if such waiver is in the best interest of the Owner and conforms to State and local laws and ordinances pertaining to the letting of construction contracts. The bidder agrees this bid

shall be good and may not be withdrawn for a period of 60 calendar days after the scheduled closing time for receiving bids.

Upon receipt of the written "Notice of Award", the bidder will execute the formal contract agreement within 14 days and deliver a surety bond or bonds as required under the contract documents. The bid security attached in the sum of 2% of the total bid price \$2,989.22 is to become the property of the Owner in the event the contract is not executed as set forth in the contract documents as liquidated damages for the delay and additional expense caused thereby.

<i>Timothy J. Mattimore, Jr.</i>	Corporate Secretary
Signature	Title
Timothy J. Mattimore	1-303-499-1701
Printed Name	Phone
194 South Taylor Ave.	Louisville, CO 80027
Mailing Address	City, State, Zip Code

Addendum:

The undersigned Bidder certifies that he has acknowledged the addendum(s) to the contract as indicated below.

Addendum No. 1 dated 1/29/2016
 Addendum No. _____ dated _____
 Addendum No. _____ dated _____

AIA Document A310™ - 2010

Bid Bond

CONTRACTOR:

(Name, legal status and address)

VAISALA, INC.
194 South Taylor Ave
Louisville, CO 80027

SURETY:

(Name, legal status and principal place of business)

WESTERN SURETY COMPANY
333 South Wabash Avenue Floor 22
Chicago, IL 60604

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

OWNER:

(Name, legal status and address)

COUNTY JUDGE

Panola County Courthouse, Room 216A, Carthage, TX 75633

BOND AMOUNT: Two percent of amount bid.
(2% of Amount Bid)

PROJECT:

(Name, location or address, and Project number, if any)

Siting, licensing and installation of Automated Weather Observation System III with Present Weather Sensor, Thunder Strike Alert (A WOS III PT) for Panola County Airport Sharpe Field Project Number, if any:

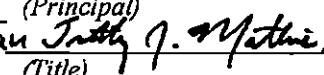
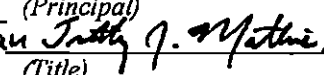
The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

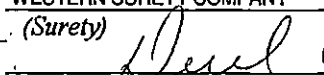
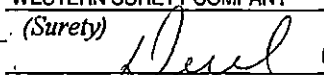
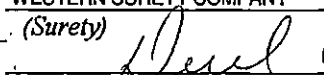
When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

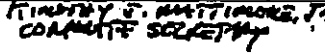
Signed and sealed this 27th day of January, 2016


(Witness)

VAISALA, INC.
(Principal)  (Seal)
Linda Veasman 
(Title)


(Witness)

WESTERN SURETY COMPANY
(Surety)  (Seal)
Bart Siepierski 
(Title) 
Derek J. Elston, Attorney in Fact


TIMOTHY S. ANTIKAROV, JR.
COMMITTEE SECRETARY



Western Surety Company

- **IMPORTANT NOTICE**

To obtain information or make a complaint:

- You may call Western Surety Company's toll-free telephone number for information or to make a complaint at

1-800-233-8800

- You may also write to Western Surety Company at

P. O. Box 655908
Dallas TX 75265-5908

or

P. O. Box 5077
Sioux Falls, SD 57117-5077

- You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

- You may write the Texas Department of Insurance

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

- **PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim, you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

- **ATTACH THIS NOTICE TO YOUR POLICY OR BOND:**

This notice is for information only and does not become a part or condition of the attached document.

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Marcia K Cesafsky, Linda M Napolillo, Sandra M Winsted, Jennifer L Jakaitis, Christopher P Troha, Debra J Doyle, Sandra M Nowak, Melissa L Fortier, Derek J Elston, Susan A Welsh, Christina L Sandoval, Individually

of Chicago, IL, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 12th day of June, 2015.



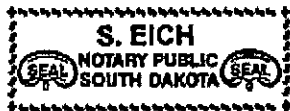
WESTERN SURETY COMPANY

Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 12th day of June, 2015, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
February 12, 2021



S. Eich, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 27th day of January, 2016.



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

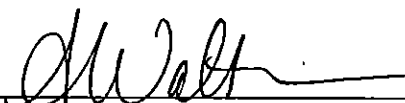
Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

ACKNOWLEDGEMENT BY SURETY

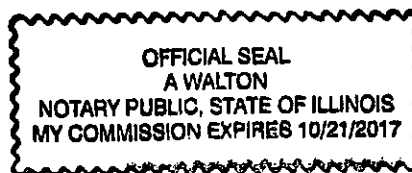
STATE OF ILLINOIS
COUNTY OF COOK

On this 27th day of January, 2016, before me, A Walton, a Notary Public, within and for said County and State, personally appeared Derek J. Elston to me personally known to be the Attorney-in-Fact of and for Western Surety Company and acknowledged that s/he executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.



Notary Public in the State of Illinois
County of Cook



VAISALA

Vaisala Inc.
Corporate Officers and Charter

Corporate Officers:

President: Scott Sternberg

Corporate Secretary: Timothy J Mattimore Jr.

Treasurer: Liisa Taipale

Incorporation: State of Delaware
June 28, 1981

Address: 194 South Taylor Ave.
Louisville, CO 80027



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
12/30/2015

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

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

PRODUCER Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): 800-363-0105	
	E-MAIL ADDRESS:	
INSURED Vaisala, Inc. 194 South Taylor Avenue Louisville CO 80027 USA	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Liberty Mutual Fire Ins Co NAIC # 23035	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER: 570060776483** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			TB2641004829016	01/01/2016	01/01/2017	EACH OCCURRENCE	\$5,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$5,000
							PERSONAL & ADV INJURY	\$5,000,000
							GENERAL AGGREGATE	\$5,000,000
							PRODUCTS - COMP/OP AGG	\$5,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION						EACH OCCURRENCE	
							AGGREGATE	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE	OTHER
							E.L. EACH ACCIDENT	
							E.L. DISEASE-EA EMPLOYEE	
							E.L. DISEASE-POLICY LIMIT	

Certificate No : 570060776483

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Includes Contractual Liability

CERTIFICATE HOLDER **CANCELLATION**

Vaisala, Inc. 194 South Taylor Avenue Louisville CO 80027 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast, Inc.</i>

Vaisala Inc.
December 31, 2014 and 2013

Vaisala Inc.
Financial Statements
December 31, 2014 and 2013

Table of Contents

Balance Sheets..... 4
Statements of Operations 5
Statements of Changes in Shareholder's Equity 6
Statements of Cash Flows 7
Notes to Financial Statements..... 8

Deloitte & Touche Oy
Porkkalankatu 24
P.O. Box 122
FI-00181 Helsinki
Finland

Tel: +358 20 755 500
Fax: +358 20 755 501
Business ID: 0989771-5
Domicile: Helsinki
VAT Registration no:
FI09897715
www.deloitte.fi

AUDITOR'S LETTER

To the Management of Vaisala Inc.

We certify that the accompanying special purpose financial information of Vaisala Inc. for the financial period January 1- December 31, 2014 is, subject to year-end adjustments, consistent with the financial information of Vaisala Inc. that was consolidated into Vaisala Oyj's publicly available audited consolidated financial statements as of December 31, 2014. Management is responsible for the preparation of special purpose financial information of Vaisala Inc.

The accompanying special purpose financial information of Vaisala Inc. for the financial period January 1- December 31, 2014 shows Total Assets of 93,942 thousand USD, Equity of 36,284 thousand USD, Net Sales of 137,778 thousand USD and Net Income of 5,019 thousand USD.

Helsinki, November 11, 2015

Deloitte & Touche Oy
Authorised Public Audit Firm



Merja Täniemi
Authorised Public Accountant

Vaisala Inc.
December 31, 2014 and 2013

Balance Sheets

	2014	2013	Note
Assets			
Current assets			
Cash and cash equivalents	-	\$ 7,536,880	8
Accounts receivable, net of allowance for doubtful accounts of \$348,281 and \$500,448	27,032,780	21,857,719	3
Due from parent and group companies	1,506,538	361,264	
Inventories, net	9,105,123	7,288,116	4
Deferred tax assets - short term	2,558,586	2,141,405	11
Prepaid and other current assets	1,944,900	1,595,550	
Total current assets	<u>42,147,927</u>	<u>40,780,934</u>	
Property and equipment, net	10,908,355	11,378,931	5
Deferred tax assets	4,705,993	1,309,089	11
Intangible assets, net	33,489,027	18,176,762	6
Investments in associates	1,031,076	996,356	
Investments in subsidiaries	-	17,546,445	2
Other long-term assets	1,659,542	2,663,232	
Total assets	<u>\$93,941,920</u>	<u>\$92,851,749</u>	
Liabilities and Shareholder's Equity			
Current liabilities			
Accounts payable	\$ 1,170,666	\$ 1,457,617	
Accrued payroll and payroll taxes	7,532,756	4,875,011	
Other accrued expenses	3,713,822	1,924,671	7
Customer deposits	150,103	232,701	
Deferred revenue	5,819,690	3,375,601	
Current portion of long-term debt - parent company	7,400,000	5,400,000	8
Due to parent and group companies including \$1,882,119 of cash pool liability	2,272,953	5,206,967	
Total current liabilities	<u>28,059,990</u>	<u>22,472,568</u>	
Long-term liabilities			
Long-term debt - parent company less current portion	29,200,000	34,600,000	8
Other long term liabilities	398,041	405,047	
Total liabilities	<u>57,658,031</u>	<u>57,477,615</u>	
Shareholder's equity			
Common stock, \$1 par value, 100 shares authorized, issued and outstanding	100	100	
Additional paid-in capital	12,349,900	12,349,900	
Retained earnings	28,043,492	36,962,865	
Dividend paid	(4,109,603)	(13,938,731)	
Total shareholder's equity	<u>36,283,889</u>	<u>35,374,134</u>	
Total liabilities and shareholder's equity	<u>\$93,941,920</u>	<u>\$92,851,749</u>	

Vaisala Inc.
December 31, 2014 and 2013

Statements of Operations

	2014	2013
Net sales	\$ 137,777,687	\$ 129,051,596
Cost of sales	<u>82,216,494</u>	<u>74,394,693</u>
Gross profit	55,561,193	54,656,903
Operating expenses (includes depreciation & amortization of \$5,731,167 and \$4,486,000)	53,542,319	47,632,355
(Gain) loss on disposal of assets	<u>(169,100)</u>	<u>(1,966,981)</u>
Income from operations	2,187,974	8,991,529
Share of profit from associates	160,325	97,506
Other income (expense)		
Other income	634,599	207,949
Interest income	33,564	56,720
Interest expense to parent company	(769,133)	(193,010)
Other expense, net	<u>(931,910)</u>	<u>(354,414)</u>
Total other income (expense)	<u>(1,032,880)</u>	<u>(282,755)</u>
Income before income taxes	1,315,419	8,806,280
Total Taxes including change in deferred tax assets/liabilities	<u>3,703,939</u>	<u>(2,967,344)</u>
Net income	<u>\$ 5,019,358</u>	<u>\$ 5,838,936</u>

Vaisala Inc.
December 31, 2014 and 2013

Statements of Changes in Shareholder's Equity

	# of Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Total
Balances at December 31, 2012	100	\$ 100	\$ 12,349,900	\$ 31,123,929	\$ 43,473,929
Net Income	-	-	-	5,838,936	5,838,936
Dividend paid				(13,938,731)	(13,938,731)
Balances at December 31, 2013	100	100	12,349,900	23,024,134	35,374,134
Net Income				5,019,358	5,019,358
Dividend paid				(4,109,603)	(4,109,603)
Balances at December 31, 2014	100	\$ 100	\$ 12,349,900	\$ 23,933,889	\$ 36,283,889

Vaisala Inc.

December 31, 2014 and 2013

Statements of Cash Flows

	2014	2013
Cash flows from operating activities		
Net income	\$ 5,019,358	\$ 5,838,936
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	5,731,167	4,486,000
(Gain) loss on disposal of property	(130,000)	(1,966,981)
Allowance for uncollectible accounts	(152,167)	500,448
Deferred income taxes	(3,703,939)	1,206,759
Effects of changes in operating assets and liabilities		
Accounts receivable	(2,414,345)	128,541
Due from parent and group companies	(543,500)	209,997
Inventories	(626,774)	1,903,358
Prepaid and other current assets	745,147	(1,254,151)
Other long-term assets	1,247,848	(1,247,635)
Accounts payable	(322,993)	(645,477)
Accrued payroll and payroll taxes	1,919,641	(2,061,995)
Other accrued expenses	848,857	(16,087)
Customer deposits	(82,598)	112,645
Deferred revenue	(664,588)	(1,000,413)
Due to parent and group companies	(7,321,666)	(1,954,220)
Income Tax paid	(712,856)	(260,197)
Net cash provided by operating activities	<u>(1,163,408)</u>	<u>3,979,528</u>
Cash flows from investment activities		
Property and equipment expenditures	(2,302,647)	(2,390,021)
Investments in subsidiaries	-	(17,546,445)
Proceeds from the sale of assets	1,465,483	3,268,000
Net cash used in investing activities	<u>(837,164)</u>	<u>(16,668,466)</u>
Cash flows from financing activities		
Proceeds from long-term debt - parent company	3,000,000	36,000,000
Payments on long-term debt - parent company	(6,400,000)	(12,000,000)
New Cashpool	1,882,119	
Dividends paid to the parent company	(4,109,603)	(13,938,731)
Net cash (used in) provided by financing activities	<u>(5,627,484)</u>	<u>10,061,269</u>
Net increase in cash and cash equivalents	<u>(7,628,056)</u>	<u>(2,627,669)</u>
Cash and cash equivalents		
Beginning of year	7,536,880	10,164,549
Effect of mergers of 3TIER Inc. and Secondwind Inc.	91,176	
End of year	<u>\$ -</u>	<u>\$ 7,536,880</u>

Vaisala Inc.
December 31, 2014 and 2013

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Vaisala Inc. ("Vaisala") was incorporated May 29, 1981 in the State of Delaware, United States of America and is wholly owned by Vaisala Oyj, a publicly traded company headquartered in Finland. Vaisala Inc. has its registered office in Louisville, Colorado and additional operations in Massachusetts, Missouri, Minnesota, Arizona and Washington. Vaisala's core business is environmental measurement, especially weather measurement and chosen industrial measurements. Business is conducted by two business areas: Weather and Controlled Environment. The business areas are supported by the group wide functions of Services and Operations.

Reporting Standards

The Company complies with International Financial Reporting Standards as issued by the International Accounting Standards Board. The accompanying financial statements covering Vaisala Inc. are presented in the currency (dollar) of the United States.

Use of Estimates in Preparation of Financial Statements

The preparation of the financial statements in conformity with international financial reporting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business Combinations

The purchase method of accounting is used to account for acquisitions. The cost of an acquisition is measured as the fair value of the assets given as consideration. Identifiable tangible and intangible assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

Non-controlling Investments

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost.

Research and Development Costs

Research and development costs, which are expensed as incurred, were approximately \$11,800,000 and \$8,200,000 for the years ended December 31, 2014 and 2013, respectively.

Cash and Cash Equivalents

Vaisala Inc. is participating in cash pools managed by the parent company Vaisala Oyj. The portion of Vaisala Inc. cash is shown as an intra group investment in the parent company or as an intra group loan by the parent company in case of cash deficit. December 31, 2014 Vaisala Inc. had USD 1,882,119 cash deficit within cash pool structure.

Accounts Receivable

Unpaid amounts from customers are reported as accounts receivable at the amount invoiced, net of the allowance for doubtful accounts. The allowance for doubtful accounts is determined based on

Vaisala Inc.

December 31, 2014 and 2013

management's best estimate of collectability. The Company generally provides an allowance when receivables become 180 days past due, unless the customer has provided a letter of credit. Collection of accounts subsequent to the Company's establishment of an allowance is credited to the allowance.

The Company records receivable at the amount invoiced to customers and does not obtain collateral. The Company also does not hold any receivables for sale and does not assess interest on past due receivables.

Inventories

Inventories are valued at the lower of acquisition cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The cost of finished goods and work in progress comprises raw materials, direct labor costs, other direct costs and an appropriate proportion of variable and fixed production overheads based on normal operating capacity. Acquisition cost is determined using the weighted average method, whereby the cost is determined as the weighted average of similar inventory items which were held at the beginning of the financial period and those bought or produced during the financial period. The Company provides a reserve for obsolete inventory when it has been completely replaced in production by other inventories or has been in stock for more than 360 days if it is determined to have no other alternative use. The Company's reserve for obsolete inventory was approximately \$378,373 and \$631,301 as of December 31, 2014 and 2013, respectively.

Property and Equipment

Property and equipment is comprised mainly of land, buildings, machinery and equipment and is carried at original acquisition costs less accumulated depreciation and amortization. The cost of self-constructed assets includes materials and direct labor as well as a proportion of overhead costs attributable to construction work. Expenditures that increase the asset's economic benefit to the Company are capitalized. All other expenditures, such as normal repair and maintenance, are charged to operations during the financial period in which they are incurred. The Company has not capitalized borrowing costs relating to the acquisition of property, plant and equipment assets as the amounts are insignificant.

Depreciation is calculated using the straight-line method and is based on the estimated useful life of the asset, or if leased, the shorter of the estimated useful life or lease term. Land is not depreciated. Estimated useful lives for various assets are:

Buildings and structures	5–25 years
Machinery and equipment	3–10 years
Other tangible assets	3–10 years

Goodwill and Definite Lived Intangible Assets

Goodwill is tested for impairment at least annually to determine if an impairment loss has occurred. No impairment loss has been recognized for the years ended December 31, 2014 and 2013.

The Company owns certain definite lived intangible assets including customer lists, brand valuation, software, non-compete agreements, costs of obtaining patents and licenses. These assets are capitalized and amortized using the straight-line method of amortization over five to fifteen years. The Company amortizes customer contracts and relationships over the estimated life of the relationship based on a method of specific identification to the estimated future contract revenue, ranging from three months to nine years. Purchased software and internally developed software are both amortized over three to five years.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Revenue Recognition

The Company recognizes revenue from the sale of products at the time the product is shipped to the customer. The Company recognizes revenue from installation services at the time the installation is complete. For long-term contracts, the Company recognizes revenues using the percentage of completion method depending on the nature and terms of the contract. For agreements with multiple deliverables the Company recognizes revenue based on the recognition criteria for each separately identifiable component of a single transaction in order to reflect the transaction's substance.

Income Taxes

The Company files a federal income tax return and state income tax returns in a number of states.

Deferred income taxes are provided on temporary differences between financial statement and income tax reporting. Temporary differences are differences between the amounts of assets and liabilities reported for financial statement purposes and their tax bases. Deferred tax assets are recognized for temporary differences that will be deductible for future years' tax returns. Deferred tax liabilities are recognized for temporary differences that will be taxable in future years' tax returns. Deferred tax assets are reduced, if deemed necessary, for the amount, if any, of tax benefits, which, based on current circumstances, are not expected to be realized.

Advertising Costs

Advertising costs are included in operating expenses within the consolidated statements of operations and are expensed as incurred. Advertising expense was approximately \$678,763 and \$659,931 for the years ended December 31, 2014 and 2013, respectively.

Deferred Revenue and Warranties

Extended product warranties and product maintenance agreements are recorded as deferred revenue and recognized as income over the life of the agreement. Costs incurred under these extended product warranties and maintenance agreements are charged to expense in the period incurred. To the extent that expected costs of providing services under the extended product warranties and maintenance agreements exceed the deferred revenue, a loss is recognized in the period the loss becomes known.

Provisions for extended product warranties and the changes in the provisions are insignificant.

Warranty costs for non-extended warranties (normally covering a period of one year after purchase) are recorded as incurred. The Company has established a provision for expected warranty costs based on the historical results.

Foreign Currency Translation

Transactions in foreign currencies are recognized at the rates of exchange on the date of transaction. Receivables and payables in foreign currency have been valued at the exchange rates quoted by the European Central Bank on the closing date. Exchange rate differences resulting from the settlement of monetary items or from the presentation of items in the financial statements at different exchange rates from which they were originally recognized during the financial period, or presented in the previous financial statements, are recognized as income or expenses in the financial period in which they arise.

Comprehensive Income

There was no difference between the Company's net income and its total comprehensive income in any periods presented. As there are no components of comprehensive income, the Company has not prepared a separate statement of comprehensive income within the consolidated financial statements.

Financial Risk Management

The Group's activities expose it to a variety of financial risks.

Foreign Exchange Risk

The Company operates internationally and is exposed to foreign exchange risk arising mainly from the Canadian Dollar. Given the relatively low level of transactions conducted in foreign currency management does not perform any hedging to manage this risk given the insignificant impact this would have on the Company's results. The Company's net foreign currency exchange loss for 2014 was \$258,927 and net foreign currency loss for 2013 was \$28,338.

Credit Risk

Credit risk arises from exposure to customers including outstanding receivables and committed transactions. Customers are assessed for credit worthiness and assigned credit limits based on this assessment. Credit limits are monitored regularly.

Liquidity Risk

Management ensures it maintains sufficient cash or available facilities to enable the Company to meet its liabilities as they fall due. Management monitors the Company's liquidity on the basis of projected cash flows.

2. Business combinations

Business combinations in 2014

There were no acquisitions or divestments during 2014.

Second Wind Systems Inc. was merged with and into Vaisala Inc. on January 1, 2014. Merger loss of \$3,319,041 was capitalized to balance sheet and it will be amortized over seven years. 3TIER Inc. was merged with and into Vaisala Inc. on June 1, 2014. Merger loss of \$13,340,351 was capitalized to balance sheet and it will be amortized over seven years

Business combinations In 2013

3TIER Acquisition

On December 17, 2013 Vaisala acquired 3TIER Inc. located in Seattle Washington, USA. 3TIER provides project feasibility, asset management and forecasting services to companies operating in the renewable energy market globally. The company employed 55 persons on December 17, 2013. Vaisala's ownership of 3TIER after the acquisition is 100%.

The acquisition of 3TIER fits well with Vaisala's strategic intent to build a stronger position in the renewable energy market.

The total financial consideration of the transaction is \$15.6 million. No goodwill was recognized.

\$ million	Fair value recognized on acquisition
Technology (incl. intangible assets)	5.3
Customer relationships	8.4
Other fixed assets	0.8
Trade and other receivables	4.1
Deferred tax assets	4.1
Cash and cash equivalents	0.5
Total assets	23.2
Deferred tax liabilities	5.3
Other liabilities	2.3
Total liabilities	7.6
Net assets	15.6
Cash flow on acquisition	
Purchase price paid in cash	(15.7)
Cash and cash equivalents in acquired company	0.5
Total net cash outflow on acquisition	(15.1)

Second Wind Acquisition

On August 14, 2013 Vaisala acquired Second Wind Systems Inc., a company located in Newton Massachusetts, USA. Second Wind is global leader in remote sensing technology and data services for the wind energy industry. The company employs 34 persons. Vaisala's ownership of Second Wind after the acquisition is 100%.

The acquisition of Second Wind fits well Vaisala's strategic goal to expand Vaisala's presence in the renewable energy markets. The acquisition makes Vaisala a trusted wind energy application provider.

The total financial consideration of the transaction is \$1.9 million. No goodwill was recognized.

\$ million	Fair value recognized on acquisition
Technology (incl. intangible assets)	4.5
Other intangible assets	0.5
Property, plant and equipment	0.5
Inventories	0.8
Trade and other receivables	1.5
Cash and cash equivalents	0.3
Total assets	8.2
Deferred tax liabilities	1.2
Interest-bearing liabilities	0.1
Advance received	3.0
Trade payables	0.7
Other liabilities	1.2
Total liabilities	6.3
Net assets	1.9
Cash flow on acquisition	
Purchase price paid in cash	-1.9
Cash and cash equivalents in acquired company	0.3
Total net cash outflow on acquisition	-1.6

Vaisala Inc.

December 31, 2014 and 2013

Divestments

On March 6, 2013 Vaisala signed a contract to sell its non-weather road transportation product lines to M.H. Corbin Inc., USA. This decision aligns Vaisala's Weather business further with the customer-driven strategy, and allows the company to focus on road weather product offering, development of decision support systems, and related services. The value of the contract is \$4.5 million. Further details provided in note 6.

3. Accounts Receivable

The Company sells its products and services domestically and internationally to governments, meteorological institutions, land and water management agencies, and commercial accounts. Sales to and receivables from US local State and Federal Governmental entities and their affiliates are a significant portion of the Company's total revenues and receivables. Further details provided in note 13.

Accounts receivable consist of the following:

	2014	2013
Amounts due from customers	\$ 27,381,061	\$ 22,358,167
Less: Allowance for uncollectible accounts	(348,281)	(500,448)
	<u>\$ 27,032,780</u>	<u>\$ 21,857,719</u>

4. Inventories

Inventories consist of the following:

	2014	2013
Raw materials	\$ 7,724,759	\$ 6,884,976
Finished goods	145,309	191,366
Accumulated contract costs of products and installation	1,613,428	843,076
	<u>9,483,496</u>	<u>7,919,418</u>
Reserve for obsolete inventory	(378,373)	(631,302)
	<u>\$ 9,105,123</u>	<u>\$ 7,288,116</u>

5. Property and Equipment

Property and Equipment activity for the year ended December 31 was as follows:

	December 31, 2014	December 31, 2013
Property and equipment		
Not being depreciated		
Land	\$ 2,085,018	\$ 2,085,018
Being depreciated, net		
Buildings	2,197,691	2,379,042
Equipments and Fixtures	5,853,302	6,525,739
Construction in Progress	772,344	389,132
	<u>\$ 10,908,355</u>	<u>\$ 11,378,931</u>

6. Goodwill and Definite Lived Intangible Assets

Intangible asset activity for the year ended December 31 was as follows:

	December 31, 2014	December 31, 2013
Goodwill	\$ 16,965,484	\$ 16,965,484
Definite Lived Intangible Assets	16,523,543	1,211,278
	<u>\$ 33,489,027</u>	<u>\$ 18,176,762</u>

7. Total Other Accrued Expenses

Accrued expenses consist of the following at December 31 was as follows:

	2014	2013
Accrued invoices	\$ 3,029,754	\$ 1,187,828
Accrued professional fees	126,536	148,629
Warranty reserve	347,793	359,571
Leasehold improvement incentive	209,739	228,643
	<u>\$ 3,713,822</u>	<u>\$ 1,924,671</u>

8. Total Debt-Parent Company

During 2014 the company has paid back to the parent company \$5,400,000 2014 current portions and an additional installment of \$1,000,000 of the loan drawn down December 16, 2009.

Vaisala Inc.
December 31, 2014 and 2013

Total debt – parent company consisted of the following unsecured balances:

\$3,000,000 Drawn Down December 16, 2009

This note payable is due December 16, 2019, payable annually in the amount of \$ 1,000,000, plus interest at 1% above the USD London Interbank Offered Rate (1.61% and 1.58% at December 31, 2014 and 2013, respectively).

\$ 30,600,000 Drawn Down December 13, 2013

This note payable is due December 12, 2023, payable annually in the amount of \$3,400,000, plus interest at 1.45% above the USD London Interbank Offered Rate (2.05% and 2.03% at December 31, 2014 and 2013, respectively)

\$ 3,000,000 Drawn Down December 29, 2014

This note payable is due June 29, 2015, plus interest at 1% above the USD London Interbank Offered Rate (1.63% at December 31, 2014)

	2014	2013
Total debt - parent company	\$ 36,600,000	\$ 40,000,000
Less: Current portion	<u>(7,400,000)</u>	<u>(5,400,000)</u>
Long-term portion	<u>\$ 29,200,000</u>	<u>\$ 34,600,000</u>

Principal maturities for the notes payable are as follows:

Years Ending December 31,	
2015	\$ 7,400,000
2016	\$ 4,400,000
2017	\$ 4,400,000
2018	\$ 3,400,000
2019	\$ 3,400,000
Thereafter	\$ 13,600,000
	<u>\$ 36,600,000</u>

Vaisala Inc. is participating in cash pools managed by the parent company Vaisala Oyj. Current liability for cash pool as of December 31, 2014 was \$1,882,119.

9. Letter of Credit

The Company has a \$2,000,000 letter of credit with Nordea Bank, which is due on demand when drawn. The letter of credit bears a variable interest rate based upon the London Interbank Eurodollar rate ("LIBOR") plus 0.65%. Nordea is able, at its sole discretion, to terminate the facility at any time on giving Vaisala Inc. written notice. The letter of credit is guaranteed by the Company's parent, Vaisala, Oyj. The letter of credit has been established to facilitate the issuance of the Company's letters of credit, which aggregated approximately \$0 and \$37,200 at December 31, 2014 and 2013, respectively. During 2014 and 2013 the Company did not borrow against this letter of credit and as of December 31, 2014 and 2013, there were no outstanding balances on the letter.

10. Retirement Plan

The Company has a 401(k) retirement plan (the "Plan"). The Plan is a defined contribution plan covering all qualified employees of the Company over the age of 18 years old. Employees may contribute their qualifying wages to the Plan subject to IRS limitations. The Company also has matching provisions where the Company will match 50% of the employee contributions, up to a maximum of 3% of employee contributions of 6%.

In addition, the Company may make a discretionary contribution to the Plan up to a maximum of 7% of base salary for eligible employees based upon Company performance. Participants are immediately vested in the amount of their direct contributions and become fully vested in employer contributions after six years of service. The total discretionary contributions for 2014 were \$318,700 and for 2013 \$0. Total employer match contributions for the years ended December 31, 2014 and 2013, were approximately \$798,482 and \$610,100 respectively.

11. Income Taxes

The provision (benefit) for income taxes is as follows:

	2014	2013
Current		
Federal	\$ 102,287	\$ 1,487,412
State	7,859	273,174
	<u>110,146</u>	<u>1,760,586</u>
Deferred		
Federal	(3,282,179)	1,010,340
State	(531,906)	196,418
	<u>(3,814,085)</u>	<u>1,206,758</u>
Total income taxes	<u>\$ (3,703,939)</u>	<u>\$ 2,967,344</u>
Tax reconciliation		
Income (loss) before income taxes per Statements of Operations	\$ 1,315,419	\$ 8,806,280
Tax charged at standard 39.5%	<u>519,722</u>	<u>3,479,361</u>
Adjustments in respect of		
Nondeductible amortization	626,409	31,060
Other	(4,850,069)	(543,077)
Total income taxes	<u>\$ (3,703,939)</u>	<u>\$ 2,967,344</u>

The principal components of the Company's deferred tax assets and liabilities are as follows:

	2014	2013
Accruals not yet deductible	2,250,974	\$ 1,847,510
Net operating loss carry forward	4,330,904	473,095
Federal tax credit	-	-
Amortization of intangibles, book in excess of tax	28,375	1,338,191
Depreciation, tax basis in excess of book	654,326	(208,302)
Net deferred tax assets	<u>\$ 7,264,579</u>	<u>\$ 3,450,494</u>

Vaisala Inc.

December 31, 2014 and 2013

As of December 31, 2014, and 2013 the Company had approximately \$0 and \$0 of federal net operating loss carry forwards. Considering 382 limitation related Net Operating Loss carry forward from Second Wind is \$426,689 and from 3TIER Inc. \$3,904,215. Both Second Wind and 3TIER were merged with Vaisala Inc. January 1st and June 1st, 2014 respectively.

The deferred tax assets are recoverable as follows:

	2014	2013
Current - within 12 months	\$ 2,558,586	\$ 2,141,405
Noncurrent - greater than 12 months	<u>4,705,993</u>	<u>1,309,089</u>
Net deferred tax assets	<u>\$ 7,264,579</u>	<u>\$ 3,450,494</u>

12. Leases

The Company leases its facilities at various locations throughout the United States under operating lease arrangements expiring from 2015 to 2019. The Company also leases storage space and equipment. Total rent expense was approximately \$2,316,870 and \$2,010,550 for the years ended December 31, 2014 and 2013, respectively. The following is a schedule of future minimum rental payments required under these operating leases:

Less than one year	\$ 1,423,547
Between 2 and 5 years	4,292,241
After more than 5 years	-
	<u>\$ 5,715,788</u>

13. Concentration of Risk

A majority of the Company's cash at December 31, 2013 and 2012 was maintained at Nordea Bank, a United States branch of a Finland bank. The bank provides no insurance for deposits in the event of default. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents. The Company has not experienced any losses in these accounts.

At December 31, 2014, approximately 49% of the Company's accounts receivable and approximately 41% of the Company's revenue were from the US local State and Federal Governmental entities and their affiliates. At December 31, 2013, approximately 49% of the Company's accounts receivable and approximately 43% of the Company's revenue were from the US local State and Federal Governmental entities and their affiliates.

14. Contingencies

At December 31, 2014, there are no known material contingencies requiring disclosure in these financial statements.

15. Related Parties

The Company is a member of a consolidated Vaisala Group. The Group's parent company, Vaisala Oyj, is a Finnish public limited company established under Finnish law; its domicile is Vantaa and its registered address in Vanha Nurmijärventie 21, FI-01670 Vantaa (P.O. Box 26, FI-00421 Helsinki). Vaisala has offices and business operations in Finland, Brazil, United States of America, Canada, France, the UK, Germany, China, South-Korea, Sweden, Malaysia, India, United Arab Emirates,

Japan and Australia. The Company has transactions with various members of the group, including the parent company. The related party balance sheet balances have been identified in the accompanying financial statements. The income and expenses attributable to these group companies are as follows for the years ended December 31:

	2014	2013
Sales to group companies	\$ 11,638,328	\$ 5,521,094
Other costs paid to group companies	48,177,723	51,750,634
Interest expense to parent	769,133	193,010

The Company's primary supplier of product is its parent company. The majority of its cost of sales and inventory are attributable to transactions with its parent company.

The Company had amounts due from the parent company of \$ 1,238,741 and \$258,000 in 2014 and 2013, respectively and amounts due to the parent company of \$0 and \$4,326,100 in 2014 and 2013, respectively related to transactions incurred between the Company and its parent in the normal course of business.

In addition, the parent company provides all of the Company's short-term and long-term financing, as well as guaranteeing its letter of credit.

Vaisala Inc. has a related party non-current receivable of \$1,523,606 from 3TIER R&D India Pvt LTD.

The Company paid short-term benefits and key management personnel compensation as follows:

	2014	2013
Key management personnel compensation	\$ 656,600	\$ 690,924
Short-term employee benefits	59,400	43,939

16. Investments in Associates

Investments in associates relate to the 35% investment in the common equity of Meteorage S.A, a company incorporated in France. Meteorage SA maintains lightning detection networks and sales information related to lightning detection. The information presented in the table is based on the latest available financial statements as per December 31, 2014.

	2014	2013
At January 1,	\$ 996,356	\$ 880,557
Share of profit for the year	160,325	97,506
Unrealized gain (loss) in foreign currency	(125,606)	18,293
At December 31,	<u>\$ 1,031,075</u>	<u>\$ 996,356</u>

17. Events after Reporting Period

Vaisala Group announced on January 27, 2015 its plans to restructure its business in order to strengthen the capability to implement its strategy and to increase agility. As of April 1, 2015, Weather Business Area was organized into three business units, Meteorology, Transportation and

Vaisala Inc.**December 31, 2014 and 2013**

Energy, and Controlled Environment Business Area was organized into three regions with full business responsibility, Americas, EMEA and APAC.

In order to foster the business areas to operate with different business models the current Service function was integrated into Weather and Controlled Environment Business Areas. In the new structure Information Services and Field Services are part of the Weather Business Area whereas Calibration and Repair Services are part of the Controlled Environment Business Area. Vaisala's Operations and Support units continue to serve as group functions.

Vaisala continues to invest in its growth businesses and to develop products and services which combine its customers' business expertise and Vaisala's technological leadership. The new organizational structure strengthens customer focus across all functions and ensures operational efficiency through simplification.

The note payable of USD 3,000,000, which was due June 29, 2015, was extended to mature 29, December 2015.

18. Final Financial Statements

The financial statements were authorized for issue on 5th of November, 2015, by Liisa Taipale, Finance Director of the Company.

Vaisala Qualifications

Vaisala is a global leader in environmental and industrial measurement. Building on 75 years of experience, Vaisala contributes to a better quality of life by providing a comprehensive range of innovative observation and measurement products and services for meteorology, weather critical operations and controlled environments. The company employs over 1,600 professionals worldwide and achieved net sales of \$317.6 million in 2014. Vaisala Inc. and Vaisala's Airports business are headquartered in Louisville, Colorado.

The primary focus of Vaisala's Airports business is the sales, installation, and service of Automated Weather Observation Systems for aviation use. Vaisala is the leading manufacturer of AWOS in the country, with an installed base of nearly 1,000 AWOS nationwide, including:

Texas	90 Systems
Missouri	13 Systems
Minnesota	78 Systems
Wisconsin	36 Systems
Virginia	31 Systems
Iowa	38 Systems
Georgia	36 Systems
Illinois	37 Systems
Kentucky	15 Systems
North Carolina	36 Systems
Michigan	40 Systems

In addition to AWOS, Vaisala manufactures a wide variety of solutions-oriented equipment for aviation weather applications. Vaisala currently holds the FAA contract to develop and deliver PC-based Runway Visual Range (RVR) systems, and was recently awarded contracts for 200+ visibility sensors with present weather and ceilometers for use on Federal AWOS to replace sensors currently in the field.

Vaisala's North American offices house a team with over 20 years experience in AWOS installation, maintenance, and communications. Vaisala project managers and technicians have been involved in over 300 AWOS installations nationwide.

Vaisala is the premier provider of NADIN communication services for AWOS, a service that we currently provide to nearly 50% of all the non-Federal AWOS in the United States.

Vaisala is a leading provider of AWOS maintenance services with over 350 maintenance sites nationwide. We offer customized AWOS maintenance programs and specialize in statewide programs aimed toward maximizing the value of each State's weather network. To this end, Vaisala has developed a unique network management tool – RM3 – which allows for internet-based monitoring of entire AWOS networks and is used each day by our Customer Service Department. Vaisala currently manages AWOS maintenance programs for 8 state aviation departments.

VAISALA

Vaisala Airport Services

Vaisala's philosophy is that a well-managed, proactive maintenance program provides the best service at a manageable cost. As the leading provider of AviMet Data Link services for AWOS, Vaisala has a unique ability to monitor the status of each AWOS on a daily basis and respond quickly to any maintenance problems. This, coupled with our proprietary RM³ (Remote Maintenance, Monitoring, and Management) software, gives us unmatched proactive maintenance capabilities, ensuring the smallest amount of downtime and the greatest degree of availability for each AWOS.

Vaisala maintains a fully-staffed Customer Service Department in our Minneapolis office. This department includes a full-time Field Service Coordinator, ensuring that someone is always available to answer calls and troubleshoot problems, even when our technicians are in the field.

Proactive maintenance begins in the Customer Service Department. All of our sites are automatically monitored through our Network Operations Center, and missing parameters are flagged for follow-up. Every site is checked on a daily basis, and remote diagnostics performed for all flagged sites. Frequently, we are able to diagnose and repair maintenance issues before the airport is even aware of a problem.

Vaisala's Customer Service Department is also available for on-demand phone support. This department serves as a single point of contact for all AWOS-related questions, streamlining the airports' role in the maintenance process. We understand that our customers' time is valuable, and we try to minimize their time commitment; there is always someone available to answer the phone, and remote diagnostics are always completed before we call the airport to report a problem.

Customer Service is also the hub of our field operations. Vaisala can have anywhere from 2-10 technicians in the field at any time, visiting sites across the country. Scheduling for our maintenance and installation activities is all coordinated through the Customer Service Department, and technician whereabouts and availability are carefully tracked. Whether an airport is scheduled for an inspection or a repair trip, they can always reach someone to answer questions or update them on scheduling through a single point of contact. By maintaining a fixed base of operations, we are able to keep an adaptable schedule, carefully coordinate parts shipment and travel schedules, and respond to customer needs without any undue inconvenience to the customer.

Vaisala technicians are FCC licensed, FAA approved, and manufacturer certified. In addition to our full-time technicians, Vaisala employs a network of contract technicians for a unique range of expertise and availability. Vaisala's technicians include:

VAISALA

First Name	Last Name	Employee Type	FCC Cert.	Factory AWOS Cert.	FAA AWOS Cert.
Josh	Bohm	Full Time	Y	Y	Y
David	Brumwell	Full Time	Y	Y	Y
Travas	Burrows	Full Time	Y	Y	Y
Steve	Connolley	Full Time	Y	Y	Y
Jerrad	Fennern	Full Time	Y	Y	Y
Roger	Hammill	Full Time	Y	Y	Y
Brad	Hannah	Full Time	Y	Y	Y
Joe	Jackson	Full Time	Y	Y	Y
Jim	Lager	Full Time	Y	Y	Y
John	McPherson	Full Time	Y	Y	Y
Jim	Nulle	Full Time	Y	Y	Y
Scott	Pless	Full Time	Y	Y	Y
Trent	Sanders	Full Time	Y	Y	Y
Lucas	Schultz	Full Time	Y	Y	Y
Tim	Sobolewski	Full Time	Y	Y	
Rosendo (JR)	Rosalez	Full Time	Y	Y	Y
Jim	Larson	Sub-Contractor	Y	Y	Y
Mike	McGee	Sub-Contractor	Y	Y	Y

Vaisala currently maintains over 350 non-Federal AWOS in 27 states. We have unmatched experience in managing and maintaining state AWOS networks, with statewide maintenance programs in 9 states.

VALSALA**References**

Company Name **Texas Department of Transportation – Aviation Division**
Address 125 E. 11th Street; Austin, TX 78701
Contact Person Megan Caffal, RAMP Program Manager, Grant Administration
Phone No. (512) 416-4522
Product(s) and/or Service(s) Used: Statewide AWOS Installation Program, Statewide AWOS Maintenance Program, Statewide AviMet Data Link Program

Company Name **Minnesota DOT, Office of Aeronautics**
Address 222 East Plato Boulevard; St. Paul, MN 55107
Contact Person Robert Milton, Electrical Engineer
Phone No. (651) 296-9250
Product(s) and/or Service(s) Used: Statewide AWOS Installation Program, Statewide AWOS Maintenance Program

Company Name **North Carolina DOT, Division of Aviation**
Address 116 West Jones Street; Raleigh, NC 27603
Contact Person Bobby Walston, Director of Aviation
Phone No. (919) 814-0550
Product(s) and/or Service(s) Used: Statewide AWOS Installation Program, Statewide AWOS Maintenance Program, Statewide AviMet Data Link Program

Company Name **Illinois Division of Aeronautics**
Address Capital Airport – One Langhorne Bond Drive
 Springfield, IL 62707
Contact Person Steve Long
Phone No. (217) 785-5564
Product(s) and/or Service(s) Used: Statewide AWOS Upgrade Program, Statewide AWOS Maintenance Program, Statewide AviMet Data Link Program

Lucas Schultz
Field Service Engineer

Professional Experience Summary

9 years experience in field service, installation and repair of electronics and electrical systems.

2006-Present	Field Service Engineer, Vaisala, Inc.
1999-2003	Aviation Ordnanceman Armament Repair Technician, United States Navy
1996-1999	Assistant Manager, Subway Sandwiches

Additional Skills

- Direct customer interaction and support of electronics and electrical equipment
- Building and troubleshooting down to component level of AC/DC circuits
- Building and tearing down computers
- Reading schematics of electronics and electrical systems
- Knowledge of the principles of electricity and formulas
- Programming of computer equipment
- Familiar with DOS and advanced Windows operating systems
- General radio operators license
- FAA & FCC Certified

Academic Background

Bachelor's Degree in Information Technology – American Intercontinental University, Hoffman, Illinois

- Major: Computer Systems – Summa Cum Laude

Responsibilities with Vaisala, Inc.

- Install, maintain, and troubleshoot Automated Weather Observation Systems (AWOS)
- Install, maintain, and troubleshoot National Lightning Detection Network (NLDN)
- Customer support for AWOS stations
- Provide quotes of future jobs for sales
- Provide 24/7 Tech Support
- Provide technical assistance to internal employees

Certificate of Completion

Lucas Schultz

Vaisala, Inc.

*has successfully completed the
training program*

for the


AWOS V-B, V-C, V-D

VAISALA INC.
194 S. Taylor Ave.
Louisville, CO 80027



Timothy Faulkenberry
Training Manager
October 27, 2006



Serial Number PG00020117	Grant Date 11-21-2006	Expiration Date	File Number 0002826214	Print Date 11-22-2006	Effective Date 11-21-2006
Date of Birth 12-20-1980	FCC Registration Number (FRN) 0015757965	<p>THIS LICENSE IS NOT TRANSFERABLE. SPECIAL CONDITIONS/ENDORSEMENTS: This license does not confer any authority to operate Broadcast stations. Refer to CFR Title 47 Section 13.7 c)5.</p>			
<p>SCHULTZ, LUCAS J 2743 S HEIGHTS DR NW COON RAPIDS MN 55433</p>			<p><i>(Signature)</i> (Licensee's Signature) FEDERAL COMMUNICATIONS COMMISSION</p> 		
<p>General Radiotelephone Operator License</p>			<p>FOLD</p>		
<p>FCC 605-FRC</p>		<p>April 2002</p>			

Rosendo "J.R." Rosalez
Field Service Engineer

Professional Experience Summary

5 years' experience in field service, installation and repair of electronics and electrical systems.

2010-Present	Field Support Engineer, Vaisala, Inc.
2009-Present	Field Support Specialist, Quixote Transportation Technologies, Inc.
1981-2007	United States Air Force / Avionics Technician / Aircraft Maintenance Production Supervisor

Additional Skills

- Direct customer interaction and support of electronics and electrical equipment
- Building and troubleshooting down to component level of AC/DC circuits
- Building and tearing down computers
- Reading schematics of electronics and electrical systems
- Knowledge of the principles of electricity and formulas
- Three Phase and Single Phase circuits
- Operation of Hydraulic and aerial lift equipment
- Programming of computer equipment
- Familiar with DOS and Windows operating systems

Academic Background

Associates Degree in Applied Science Avionics Systems Technology, United States Air Force
Community College- University Of Maryland

Responsibilities with Vaisala, Inc.

- Install, maintain and repair of Vaisala, Nu-Metrics brand products, RWIS and AWOS stations
- Customer support for RWIS and AWOS stations
- Maintain a status report and provide to customer for DFW Intl Airport RWIS stations.
- Provide technical assistance to internal employees and sub-contractors.

VAISALA

CERTIFICATE

This is to certify that

Rosendo Rosalez III

has successfully completed the
factory training program for the

AWOS V-C and V-D

from 25 October 2010 to 29 October 2010

Louisville, Colorado, USA, 29 October 2010



Ned Dworak
Lead AWOS Support Technician

Cut Along This Line

UNITED STATES OF AMERICA
FEDERAL COMMUNICATIONS COMMISSION


General Radiotelephone Operator License

ROSALEZ, ROSENDO
3603 FIELDTHORNE CT
KATY, TX 77450

Licensee: This is your radio authorization in sizes suitable for your wallet and for framing. Carefully cut the documents along the lines as indicated and sign immediately upon receipt. They are not valid until signed.



The Commission suggests that the wallet size version be laminated (or another similar document protection process) after signing. The Commission has found, under certain circumstances, laser print is subject to displacement.

Cut Along This Line

FCC Registration Number (FRN): 0020662953			
Special Conditions / Endorsements			
This license confers authority to operate licensed radio stations in the Aviation, Marine and International Fixed Public Radio Services only. This license does not confer any authority to operate broadcast stations. It is not assignable or transferable. Refer to CFR Title 47 Section 13.7(c)(5).			
Grant Date	Effective Date	Print Date	Expiration Date
03-07-2011	03-07-2011	03-08-2011	
File Number	Serial Number	Date of Birth	
0004642844	PG00033232	12-17-1961	
THIS LICENSE IS NOT TRANSFERABLE			
 (Licensee's Signature)			FCC 605-FRC - May 2007

Cut Along This Line

Cut Along This Line

Serial Number	Grant Date	Expiration Date	File Number	Print Date	Effective Date
PG00033232	03-07-2011		0004642844	03-08-2011	03-07-2011
Date of Birth	FCC Registration Number (FRN)	THIS LICENSE IS NOT TRANSFERABLE			
12-17-1961	0020662953	Special Conditions / Endorsements:			
ROSALEZ, ROSENDO 3603 FIELDTHORNE CT KATY, TX 77450		This license confers authority to operate licensed radio stations in the Aviation, Marine and International Fixed Public Radio Services only. This license does not confer any authority to operate broadcast stations. It is not assignable or transferable. Refer to CFR Title 47 Section 13.7(c)(5).			
General Radiotelephone Operator License		 (Licensee's Signature)			
FCC 605-FRC - May 2007		FEDERAL COMMUNICATIONS COMMISSION			

Cut Along This Line

Cut Along This Line

VAISALAField Service Spare Parts List

Part Number	Quantity	Description
1433WA	1	Wind Speed Board
1434WA	1	Wind Direction Board
16644WA	4	Wind Bearing Kit
212114	1	HMP155 Sensor Upgrade W/ISI
224097	1	HMP155 Sensor without ISI
217292	2	AWOS CPU Board
28-22272	2	Aspirator Fan
70-22259	1	Suppressor Board
70-22279	2	Signal Interface Board
70-22341	2	Digital ISI
70-22344	2	Serial ISI
71-22487	2	IBI
71-23003	2	Modem
73-21954	2	Photocontrol
DTS14	1	TS Probe
FDE12	1	TE Sensor
70-22441	1	PCA, VOICE
70-22361	1	VC Power Supply
70-23006	1	Val Power Supply INDOOR
73-23006	1	POLYPHAZER

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business. Valsala Inc. Louisville, CO United States

Certificate Number: 2016-15853 Date Filed: 02/19/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed. Panola County Airport

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract. 15AWCARTH AWOSIIPT

Table with 4 columns: Name of Interested Party, City, State, Country (place of business), and Nature of interest (Controlling/Intermediary). Row 1: Valsala Oyj, Helsinki Uusimaa Finland, Controlling (X).

5 Check only if there is NO Interested Party. []

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

GLORIA KIRKPATRICK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19874199988 MY COMMISSION EXPIRES 01/18/2017

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Sarah Davis, this the 19th day of February, 2016, to certify which, witness my hand and seal of office.

Signature of officer administering oath: Gloria Kirkpatrick; Printed name of officer administering oath: Gloria Kirkpatrick; Title of officer administering oath: Notary Public

AIA Document A312™ - 2010

Performance Bond

Bond No. 929626595

CONTRACTOR:

(Name, legal status and address)
VAISALA, INC.
194 South Taylor Ave
Louisville, CO 80027

SURETY:

(Name, legal status and principal place of business)
WESTERN SURETY COMPANY
333 South Wabash Avenue Floor 22
Chicago, IL 60604

OWNER:

(Name, legal status and address)
PANOLA COUNTY COMMISSIONERS
110 S. Sycamore Room 216A
Carthage, TX 75633

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

CONSTRUCTION CONTRACT

Date: 2/26/16

Amount: One Hundred Forty Nine Thousand Four Hundred Sixty One and 00/100 Dollars (\$ 149,461.00)

Description:

(Name and location)

Siting, licensing and installation of AWOS III for Panola County Airport - Sharpe Field, Carthage, TX 75633

BOND

Date: 2/29/16

(Not earlier than Construction Contract Date)

Amount: One Hundred Forty Nine Thousand Four Hundred Sixty One and 00/100 Dollars (\$ 149,461.00)

Modifications to this Bond: None See Section 16

CONTRACTOR AS PRINCIPAL

Company: VAISALA, INC. *(Corporate Seal)*

SURETY

Company: WESTERN SURETY COMPANY *(Corporate Seal)*

Signature: 

Name: Peter F. Blisard
and Title: Contracts Manager

Signature: 

Name: Derek J. Elston, Attorney-in-Fact
and Title:

(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

CSS Specialty - Aon Risk Services
Central, Inc.
200 E. Randolph, 12th Floor
Chicago, IL 60601
312-381-1000

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- 1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- 2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- 3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- 1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner, or
- 2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions:

§ 14.1 Balance of the Contract Price. The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled; reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 Contractor Default. Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Name and Title: _____

Address: _____

Signature: _____

Name and Title: _____, Attorney-in-Fact

Address: _____



AIA Document A312™ – 2010

Payment Bond

Bond No. 929626595

CONTRACTOR:*(Name, legal status and address)*

VAISALA, INC.
194 South Taylor Ave
Louisville, CO 80027

SURETY:*(Name, legal status and principal place of business)*

WESTERN SURETY COMPANY
333 South Wabash Avenue Floor 22
Chicago, IL 60604

OWNER:*(Name, legal status and address)*

PANOLA COUNTY COMMISSIONERS'
110 S. Sycamore, Room 216A
Carthage, TX 75633

CONSTRUCTION CONTRACT

Date: 2/26/16

Amount: One Hundred Forty Nine Thousand Four Hundred Sixty One and 00/100 Dollars
(\$ 149,461.00)

Description:*(Name and location)*

Siting, licensing and installation of AWOS III for Panola County Airport - Sharpe Field, Carthage, TX
75633

BOND

Date: 2/29/16

(Not earlier than Construction Contract Date)

Amount: One Hundred Forty Nine Thousand Four Hundred Sixty One and 00/100 Dollars
(\$ 149,461.00)

Modifications to this Bond: None See Section 18

CONTRACTOR AS PRINCIPAL

Company: *(Corporate Seal)*
VAISALA, INC.

Signature: 

Name: Robert F. Blisard

and Title: Contracts Manager

*(Any additional signatures appear on the last page of this Payment Bond.)***SURETY**

Company: *(Corporate Seal)*
WESTERN SURETY COMPANY

Signature: 

Name: Derek J. Elston, Attorney-in-Fact

and Title:

*(FOR INFORMATION ONLY — Name, address and telephone)***AGENT or BROKER:**

CSS Specialty - Aon Risk Services
Central, Inc.
200 E. Randolph, 12th Floor
Chicago, IL 60601
312-381-1000

OWNER'S REPRESENTATIVE:*(Architect, Engineer or other party:)*

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

1. have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
2. have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

1. the name of the Claimant;
2. the name of the person for whom the labor was done, or materials or equipment furnished;
3. a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
4. a brief description of the labor, materials or equipment furnished;
5. the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
6. the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
7. the total amount of previous payments received by the Claimant; and
8. the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:



(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____, Attorney-in-Fact

Address: _____

Address: _____



Western Surety Company

- **IMPORTANT NOTICE**

To obtain information or make a complaint:

- You may call Western Surety Company's toll-free telephone number for information or to make a complaint at

1-800-233-8800

- You may also write to Western Surety Company at

P. O. Box 655908
Dallas TX 75265-5908

OR

P. O. Box 5077
Sioux Falls, SD 57117-5077

- You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

- You may write the Texas Department of Insurance

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771

- **PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim, you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

- **ATTACH THIS NOTICE TO YOUR POLICY OR BOND:**

This notice is for information only and does not become a part or condition of the attached document.

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Marcia K Cesafsky, Linda M Napolillo, Sandra M Winsted, Jennifer L Jakaitis, Christopher P Troha, Debra J Doyle, Sandra M Nowak, Melissa L Fortier, Derek J Elston, Susan A Welsh, Christina L Sandoval, Individually

of Chicago, IL, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 12th day of June, 2015.



WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 12th day of June, 2015, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
February 12, 2021



S. Eich
S. Eich, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 29th day of February, 2016.



WESTERN SURETY COMPANY


L. Nelson
L. Nelson, Assistant Secretary

ACKNOWLEDGEMENT BY SURETY

STATE OF ILLINOIS
COUNTY OF COOK

On this 29th day of February, 2016, before me, A. Walton, a Notary Public, within and for said County and State, personally appeared Derek J. Elston to me personally known to be the Attorney-in-Fact of and for Western Surety Company and acknowledged that s/he executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.



Notary Public in the State of Illinois
County of Cook

