

**AMENDMENT #1 TO AGREEMENT # A-13197  
BY AND BETWEEN  
COUNTY OF MONTEREY &  
TURNING POINT OF CENTRAL CALIFORNIA, INCORPORATED**

**THIS AMENDMENT** is made to the Standard Agreement for the provision of transitional and emergency housing services for adult offenders eligible for the AB109 Public Safety Realignment Plan by and between **TURNING POINT OF CENTRAL CALIFORNIA, INCORPORATED**, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County" (collectively, "the Parties").

**WHEREAS**, the County and CONTRACTOR first entered into the Agreement on June 28, 2016 by board action for the term July 1, 2016 through June 30, 2017, for an amount not to exceed \$364,094; and

**WHEREAS**, CONTRACTOR has satisfactorily performed the services required by the Agreement; and

**WHEREAS**, the County and CONTRACTOR wish to amend the Agreement to extend the term for one (1) additional year to June 30, 2018 to allow CONTRACTOR to continue to provide services identified in the Agreement, in the amount of \$364,094, for a total not to exceed amount of \$728,188.

**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the Agreement as follows effective July 1, 2017:

1. The first sentence of Section 1.01 of Paragraph 1.0, "General Description", shall be amended to read as follows:

The County hereby engages CONTRACTOR to perform and CONTRACTOR hereby agrees to perform, the services described in Exhibit A-1 in conformity with the terms of this Agreement.

2. Section 2.01 of Paragraph 2, "Payment Provisions", shall be amended to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A-1, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$728,188.

3. The first sentence of Section 3.01 of Paragraph 3, "Term of Agreement", shall be amended to read as follows:

The term of this Agreement is from July 1, 2016 to June 30, 2018, unless sooner terminated pursuant to the terms of this Agreement.



## Monterey County Board of Supervisors

COB

### Board Order

1st Floor  
Salinas, CA 93901  
831.755.5066

#### Agreement No. A-13275 & A-13197

Upon motion of Supervisor Alejo, seconded by Supervisor Salinas and carried by those members present, the Board of Supervisors hereby:

- a. Approved and authorized the Chief Probation Officer to sign Amendment No. 1 to Agreement No. A-13275 with Turning Point of Central California, Incorporated in the amount of \$321,683, for a total contract amount of \$643,366, to continue to provide employment training and job placement services for adult offenders under AB 109 Public Safety Realignment plan for the term from July 1, 2017 to June 30, 2018;
- b. Approved and authorized the Chief Probation Officer to sign Amendment No. 1 to Agreement No. A-13197 with Turning Point of Central California, Incorporated in the amount of \$364,094, for a total contract amount of \$728,188, to provide Transitional and Emergency Housing services for adult offenders eligible for the AB 109 Public Safety Realignment plan for the term from July 1, 2017 to June 30, 2018; and
- c. Authorized the Chief Probation Officer to sign up to three (3) future amendments to each Agreement where the amendments do not exceed ten percent (10%) of the original contract amount, \$32,168 and \$36,409 respectively, and do not significantly change the scope of work.

PASSED AND ADOPTED this 16th day of May 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting May 16, 2017.

Dated: May 17, 2017  
File ID: A 17-103  
Corrected: May 24, 2017

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By Denise Hancock  
Deputy

4. In Section 4.01 of Paragraph 4, "Scope of Services and Additional Provisions" delete "Exhibit A, Scope of Services/Payment Provisions" and add "Exhibit A-1, Scope of Services/Payment Provisions".
5. In all places within the Agreement, any reference to Exhibit A, Scope of Services/Payment Provisions is hereby replaced with Exhibit A -1, Scope of Services/Payment Provisions.
6. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.
7. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement
8. The recitals to this Amendment No. 1 are incorporated into the Agreement and this Amendment No.1.

*This space left blank intentionally*

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

MONTEREY COUNTY

Marcia Parsons  
Department Head

Dated: 5-24-17

Approved as to Fiscal Provisions:  
PSM  
Deputy Auditor/Controller

Dated: 4/21/17

Approved as to Liability Provisions:  
  
Risk Management  
Dated: \_\_\_\_\_

Approved as to Form:  
CB  
Deputy County Counsel  
Dated: April 19, 2017

CONTRACTOR

By: Raymond Banks  
Signature of Chair, President, or  
Vice-President

Raymond Banks, Chief Executive Officer  
Printed Name and Title

Dated: 4/7/17

By: Bruce Tyler  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*

Bruce Tyler, Chief Financial Officer  
Printed Name and Title

Dated: 4/7/17

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

**EXHIBIT- A-1**  
**To**  
**Professional Service Agreement**  
**Between**  
**The County of Monterey, through the Probation Department, hereinafter referred**  
**to as "COUNTY"**  
**AND**  
**Turning Point of Central California, Inc., hereinafter referred to as**  
**"CONTRACTOR"**

**Scope of Services / Payment Provisions**

**A. SCOPE OF SERVICES**

A.1 The CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Turning Point (TP) will offer AB109 **Transitional Housing** (Probation Transitional Housing) and Emergency Housing Incentive Services to all clients referred from the probation department and identified as AB109 funded participants. AB109 funded participants include Post Release Community Supervision (PRCS) Mandatory Supervision, and Intensive Supervision probationers.

**TRANSITIONAL HOUSING:** Turning Point of Central California, Inc. Probation Transitional Housing Program will provide residential stability to clients who are chronically homeless or who lack local support following release from custody or completion of treatment in a residential treatment facility. An amount of \$257,428 shall be allocated for transitional housing services to this target population in Monterey County.

The Probation Transitional Housing model offers direct placement from the street or the institution to housing with supervision, programming and support services. Clients will be assessed for program suitability and referred to TP by Probation. The objective of the program will be to assist clients with life skills training and self-sufficiency preparation to increase their chance of a successful reentry into the community and help them become aware of their responsibility to society. Outcomes of the program will include: not reoffending, increased potential for family reunification, increased access to employment or educational opportunities, abstinence from substance use, program completion, and housing at time of exit.

The male Probation Transitional Housing Program is located at 111 and 115 E. San Luis St. and the female Probation Transitional Housing Program is at 116 San Luis St., within the Turning Point Residential Reentry Center. Both programs are located in downtown Salinas with easy access to public transportation, places of business for employment opportunities, adult education and vocational training sites, substance abuse/mental health clinics, medical/dental offices, and the Probation Department.

The male program has the capacity to provide housing and a placement plan for twelve (12) residents for up to four (4) months. The female housing program has the capacity to provide housing and a placement plan for four (4) residents for up to four (4) months. The female Probation Transitional Housing Program will have the additional flexibility to house females on an emergency basis if any of the four beds are not occupied with transitional housing clients. Program participation extensions will be available for up to six months, based on client needs, and approval from the Probation Department.

TP will provide housing, sustenance, support services, programming, supervision, and access to a full array of reentry services. Security and supervision will be provided 24/7 by experienced monitor staff of the Turning Point Residential Reentry Center located directly across the street. The female housing program is located within the Turning Point Residential Reentry Center with 24/7 on site monitoring.

### **Transitional Housing Program Components**

The service delivery system will be structured into three phases:

Phase 1: Transitions – Week 1 through Week 4

Phase 2: Change Plan – Week 5 through Week 8

Phase 3: Community Reentry – Week 9 through Week 16

Phase 1 will be the most restrictive. All client time will be limited to on-site and off-site programming, religious activities, approved recreation, and Probation approved activities. Phase 2 will allow clients increased opportunities for community activities (such as field trips, group movie night out etc.), job search, education, and possible approved over-night visits with family. Phase 3 will be the least restrictive, preparing clients for release from the program and strengthening their support system through collaboration with outside organizations to provide relapse prevention, personal, health, educational, and vocational services that are necessary for a successful reentry.

The Phase system will allow clients time to make a gradual change from incarceration to life in the community. While the program will be designed to move clients through the phases at one month intervals, individual needs will drive the amount of time required for each phase. Programming will include “The Change Companies Transition Skills Interactive Journaling” to help clients gain the knowledge and skills to make the choices that will keep them away from crime and incarceration.

### **Case Management Services**

The program will have one (1) full-time Case Manager for the male program and one (1) full-time Case Manager for the female program who will also oversee the male and female emergency housing incentive program.

The Case Manager will be responsible for the following:

- 1) The Case Manager will steer clients through their Individual Treatment Plan, which will include a monthly collaborative multidisciplinary team meeting involving the client,

- Probation, Behavioral Health, the employment case manager, the Probation Transitional Housing Case Manager and the Emergency Housing Case Manager;
- 2) The Probation Transitional Housing Case Manager will also provide all on-site program facilitation, supervision, client referral to local services, community advocacy and facility management;
  - 3) In addition to the monthly collaborative multidisciplinary team meeting, the Case Manager will meet, as needed, with the client's Probation Officer for case conferencing to further the client's success;
  - 4) The Case Manager will provide an Introduction and Orientation for clients within twenty-four (24) hours of arrival at the Center; as part of the Introduction and Orientation, clients will receive a written summary of procedures governing their conduct and activities related to the program components, services and activities;
  - 5) The Case Manager will conduct an Individual Needs Intake Assessment within three (3) calendar days of arrival to determine the extent of the client's specific programming needs;
  - 6) The Case Manager will complete an Individual Treatment Plan within seven (7) days of the client's arrival which will be used to guide the client to successful completion of the program;
  - 7) The Case Manager will conduct Case Management reviews with the client bi-weekly for a systematic study of each client's needs and goal achievement.
  - 8) The Case Manager will facilitate group client activities because group social experiences will promote fellowship, provide experiences for clients to enjoy social events without alcohol and drugs, and support pro-social skill development; and,

### **Additional Supportive Services**

Clients will be provided with linen and towel supplies and there will be on-site washers and dryers for laundry. Indigent clients will be provided with personal care items, clothes, bus passes, assistance with medication and other support service needs.

Dietician approved, home cooked meals will be provided by the Residential Reentry Center kitchen which includes two (2) hot meals and one (1) cold meal, Monday – Friday and two (2) hot meals on Saturday and Sunday. Sack lunches will be prepared for clients who are out during the mid-day meal. Special need diets will be accommodated per documented physical, dental, and religious needs. The Centers will have refrigerators, microwaves, etc. for clients who chose to prepare their own meals.

Over-the-counter medication will be provided by the case manager for non-serious illnesses and prescription medications will be monitored and secured in a locked cabinet and dispensed by Turning Point staff.

### **Collaborative Services**

Essential to the client's success in the program will be the effective collaborative relationships that TP has developed. TP has partnerships with the following organizations: Office for Employment Training, Department of Social Services, Sun Street Center, Food Bank for

Monterey County, Natividad Medical Center, Steinbeck Library, Center for Employment Training, the Faith Based Community, and other community-based organizations that will be relied upon to provide relapse prevention, personal, health, educational, and vocational services necessary for our client's successful reentry.

All non-emergency medical and dental needs will be met through Clinica de Salud which provides free on-site services at TP weekly that include medication prescription services.

A cross referral and shared case management system with TP AB109 Employment and Housing Incentive Programs will be a key component in wrap-around services, ensuring clients have opportunities to work and secure housing upon program completion.

Turning Point, Behavioral Health and the Probation Department will be the core multidisciplinary team that will drive the client's Individual Treatment Plan.

**EMERGENCY HOUSING INCENTIVE SERVICES:** Turning Point will offer AB109 Housing Incentive Services to all referred Monterey County PRCS, Mandatory Supervision, and Intensive Supervision probationers. CONTRACTOR will provide coordination of the AB 109 housing incentive. CONTRACTOR will work in partnership with Monterey County Probation in processing all referrals for a potential housing incentive from Probation.

An amount of \$106,666 shall be allocated for emergency housing incentives and staffing to the target population in Monterey County. With Probation's approval, CONTRACTOR may provide men room and board at Turning Point facilities at a cost of \$35.00 per night or at local motels for both men and women at a price negotiated by Turning Point and approved by the County. The rate for emergency or transitional housing for women provided at the Turning Point facility will be at a cost of \$58.22 per night. In addition, with the Probation Department's approval, TP may provide support to qualified AB109-funded clients for their first month's rent/security deposit, provided they have the reasonable ability to maintain the rent payments.

The purpose of the housing incentive is to provide funding resources to secure housing for participants. Probation Officers will work closely with the Turning Point Coordinator in determining eligibility and amount for the housing incentive.

**Management Plan and Staffing**

<u>Classification/Title</u>	<u>Full-time Equivalent (FTE)</u>
Case Manager-Probation Transitional Housing	1.0
Case Manager-Emergency Housing Incentive Services	1.0

In delivering these services the following responsibilities have been identified for each of the partner agencies:



**CONTRACTOR agrees to:**

1. Protect the confidentiality and maintain the security of confidential information,
2. Comply with the federal Health Insurance Portability and Accountability Act in regards to individual's medical and health information,
3. Incentive-based programs require the participant to be in full compliance with their terms and conditions. If a participants' behavior indicates otherwise, the Probation Officer shall be notified and expenditure of incentive based funds shall be placed on hold until further authorization is provided by the Probation Department,
4. Provide or subcontract for case management services and assistance to help referred participants secure appropriate housing. These activities may include: housing needs assessments of individuals referred; development of housing plans, in coordination with Probation Officers; provide support with the completion of rental agreements, applications for low-income housing, advocacy for housing-related services, move-in expenses, or support in maintaining existing housing as appropriate,
5. Act as the fiscal agent in charge of issuing checks to participants and/or landlords for the housing stipend for eligible individuals,
6. Collaborate as necessary with other agencies involved in working with this population of individuals,
7. Maintain records and documentation of the services provided to individuals referred and the outcomes associated with the services they received. Submit monthly information and data to the Probation Department for program analysis, outcome and evaluation,
8. Submit referrals and record all case management activities through Efforts to Outcomes (ETO) Software,
9. Provide full access to the manner and specifics of the expenditures of all allocated funds from the grant,
10. Attend collaborative meetings, when necessary, to coordinate the overall implementation of the AB 109 funding,
11. Attend team meetings when necessary,
12. Communicate regularly with Probation regarding case management and financial assistance provided,
13. Upon mutual agreement, provide other services as needs are identified.
14. Accept referrals for services from Probation;
15. Conduct housing needs assessments and coordinate with Probation Officers;
16. Develop individual housing plans in coordination with Probation Officers;
17. Explore all other housing resources available to the general public, including General Assistance, before using AB 109 funding;
18. Maintain a county-wide housing referral data base;

19. Submit the Incentive Payment Request and Approval Form, and the Vendor Data Record;
20. Submit reports to Probation as required; and,
21. Provide follow-up services to participants.

**COUNTY agrees to:**

1. In FY 2017-18 provide a total of **\$364,094** in allocated funds from AB 109, to be disbursed on a monthly basis upon presentation, and verification of receipts, time cards, or other proofs of expenditure;
2. Identify a Probation staff member(s) to be the primary contact to CONTRACTOR;
3. Provide CONTRACTOR with a list of the specific information needed for adequate record keeping and data gathering, including a release of information from all individuals who are referred;
4. Maintain a referral criterion that incorporates program eligibility and suitability requirements;
5. Implement terms and conditions of supervision that support participation and provide accountability;
6. Continue to integrate services including, but not limited to, employment, into the court-involved service strategy;
7. Participate in and work to increase opportunities to collaborate with other providers to improve or expand services; and,
8. Communicate regularly with CONTRACTOR regarding program implementation.

**EVIDENCE-BASED PRACTICES AND PROGRAMS**

One of the legislative intents of AB109 is to maximize the role of evidence-based intervention strategies to effectively reduce criminal recidivism. The Probation Department has agreed to provide AB109 service providers additional support through the Smart Supervision Grant in collaboration with the city of Salinas. Specifically, an assessment of evidence-based practice utilization, training, and technical support will be provided for the contractor's staff. It is expected that these staff members will fully participate and utilize these trainings and techniques to enhance delivery of services. These efforts will also provide support for identifying measurable service objectives used in Probation's program evaluation of your service delivery.

**DATA COLLECTION**

Individual participant data must be collected for each person referred and served. Collected data shall reflect the dates and specific services received and the outcome of service delivery and related participant expenditures. Aggregate data shall be collected to reflect total numbers of those persons referred each month, that were assessed, that were case managed, and for which their referrals were closed. Data shall be provided at least monthly, but also as requested by the COUNTY.

Through ETO (Efforts to Outcomes) software, all required data will be entered into the web-based software application. All users shall be responsible for maintaining confidentiality of their user license, accurately entering data on a daily-to-weekly basis, and immediately notifying Probation Site Administrators of identified issues relating to access, data entry, or training needs.

**B. PAYMENT PROVISIONS**

**B.1 COMPENSATION/ PAYMENT**

**BUDGET**

<u>Budget Line Item</u>	<u>Budget Amount*</u>
Emergency Housing Incentive Services (payments for staffing and shelter)	\$106,666
Transitional Housing Program (payments for staffing, room, board, supplies, skills training)	\$257,428
<b>TOTAL</b>	<b>\$364,094</b>

**NOTE\*:** Contractors will charge eligible expenses as allocated by line item. However, funding could be reallocated between line items upon request and justification by the Contractor and written approval by the Office of the Chief (or designee), providing that the total contract amount remain unchanged.

All fees and costs stated herein shall include all applicable tax.

**B.3 Contractors Billing Procedures**

Contractor shall invoice County monthly in arrears. Contractor shall submit a monthly claim for payment, with back-up documentation that provides validation of eligible expenses, such as system generated payroll reports no later than the 20th day following the month of service. Failure to submit reports will be deemed non-compliance with the Agreement terms and conditions and may cause reimbursement to be delayed or denied. Salary costs reimbursable under this Agreement include vacation, sick leave, and compensating time off (CTO) earned and paid to vendor employees during the Agreement performance period. Balances accrued during the Agreement funding cycle, but not used and paid to the employee, cannot be claimed. The leave costs claimed must be proportional to the amount of time spent by the employee working on the Agreement scope of services. Expenses may only be incurred prior to June 30, 2018.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)
<p>Any person or organization that you are required to add as an additional insured on this policy, under a written contract or agreement currently in effect, or becoming effective during the term of this policy, and for which a certificate of insurance naming such person or organization as additional insured has been issued, but only with respect to their liability arising out of their requirements for certain performance placed upon you, as a nonprofit organization, in consideration for funding or financial contributions you receive from them. The additional insured status will not be afforded with respect to liability arising out of or related to your activities as a real estate manager for that person or organization.</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.



*A Hand for Insurance. A Heart for Nonprofits.*

Policy Number: 201702205NPO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED  
PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT  
FOR PUBLIC ENTITIES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

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**A. SECTION II – WHO IS AN INSURED** is amended to include any public entity as an additional insured for whom you are performing operations when you and such person or organization have agreed in a written contract or written agreement that such public entity be added as an additional insured(s) on your policy, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of, in whole or in part, by:

1. Your negligent acts or omissions; or
2. The negligent acts or omissions of those acting on your behalf; in the performance of your ongoing operations.

No such public entity is an additional insured for liability arising out of the "products-completed operations hazard" or for liability arising out of the sole negligence of that public entity.

**B. With respect to the insurance afforded to these additional insured(s), the following additional exclusions apply.**

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**C. The following is added to SECTION III – LIMITS OF INSURANCE:**

The limits of insurance applicable to the additional insured(s) are those specified in the written contract between you and the additional insured(s), or the limits available under this policy, whichever are less. These limits are part of and not in addition to the limits of insurance under this policy.

**D. With respect to the insurance provided to the additional insured(s), Condition 4. Other Insurance of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is replaced by the following:**

4. **Other Insurance**
  - a. **Primary Insurance**

This insurance is primary if you have agreed in a written contract or written agreement:

- (1) That this insurance be primary. If other insurance is also primary, we will share with all that other insurance as described in **c.** below; or
- (2) The coverage afforded by this insurance is primary and non-contributory with the additional insured(s)' own insurance.

Paragraphs (1) and (2) do not apply to other insurance to which the additional insured(s) has been added as an additional insured or to other insurance described in paragraph **b.** below.

**b. Excess Insurance**

This insurance is excess over:

1. Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (b) That is fire, lightning, or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises temporarily occupied by you with permission of the owner; or
  - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE.**
  - (e) That is any other insurance available to an additional insured(s) under this Endorsement covering liability for damages arising out of the premises or operations, or products-completed operations, for which the additional insured(s) has been added as an additional insured by that other insurance.
- (1) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the additional insured(s) against any "suit" if any other insurer has a duty to defend the additional insured(s) against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the additional insured(s)' rights against all those other insurers.
- (2) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
  - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - (b) The total of all deductible and self-insured amounts under all that other insurance.
- (3) We will share the remaining loss, if any, with any other insurance that is not described in this **Excess Insurance** provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Methods of Sharing**

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

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



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **ADDITIONAL INSURED ENDORSEMENT**

Policy Number: 201702205NPO

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE ONLY**

In consideration of the premium charged, it is understood and agreed that the following is added as an additional insured:

Monterey County Probation Department, the County of Monterey, its officers, agents, and employees

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

But only as respects a legally enforceable contractual agreement with the Named Insured and only for liability arising out of the Named Insured's negligence and only for occurrences of coverages not otherwise excluded in the policy to which this endorsement applies.

It is further understood and agreed that irrespective of the number of entities named as insureds under this policy, in no event shall the company's limits of liability exceed the occurrence or aggregate limits as applicable by policy definition or endorsement.



## BUSINESS AUTO COVERAGE FORM

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

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

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

### SECTION I - COVERED AUTOS

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

#### A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

SYMBOL	DESCRIPTION
1	= ANY "AUTO."
2	= OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	= OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	= OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	= OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	= OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	= SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in ITEM THREE).
8	= HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your employees or partners or members of their households.
9	= NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your employees or partners or members of their households but only while used in your business or your personal affairs.

#### B. OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS

1. If symbols 1,2,3,4,5 or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.

2. But, if symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:

- We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
- You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

#### C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

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

- "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
- "Mobile equipment" while being carried or towed by a covered "auto."
- Any "auto" you do not own while used with the

permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:

- a. Breakdown;
- b. Repair;
- c. Servicing;
- d. "Loss;" or
- e. Destruction.

## SECTION II - LIABILITY COVERAGE

### A. COVERAGE

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

We have the right and duty to defend any "suit" asking for these damages. However, we have no duty to defend "suits" for "bodily injury" or "property damage" not covered by this Coverage Form. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. WHO IS AN INSURED

The following are "insureds:"

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

#### 2. COVERAGE EXTENSIONS

- a. Supplementary Payments. In addition to the Limit of Insurance, we will pay for the "insured:"

- (1) All expenses we incur.
- (2) Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earning up to \$100 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

#### b. Out of State Coverage Extensions.

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

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

### B. EXCLUSIONS

This insurance does not apply to any of the following:

1. **EXPECTED OR INTENDED INJURY**  
"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured."
2. **CONTRACTUAL**  
Liability assumed under any contract or agreement.  
But this exclusion does not apply to liability for damages:
  - a. Assumed in a contract or agreement that is an "insured contract;" or
  - b. That the "insured" would have in the absence of the contract or agreement.
3. **WORKERS COMPENSATION**  
Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers compensation, disability benefits or

unemployment compensation law or any similar law.

#### 4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

"Bodily injury" to:

- a. An employee of the "insured" arising out of and in the course of employment by the "insured;" or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

This exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic employees not entitled to workers compensation benefits or to liability assumed by the "insured" under an "insured contract."

#### 5. FELLOW EMPLOYEE

"Bodily injury" to any fellow employee of the "insured" arising out of and in the course of the fellow employee's employment.

#### 6. CARE, CUSTODY OR CONTROL

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

#### 7. HANDLING OF PROPERTY

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

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

#### 8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

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

#### 9. OPERATIONS

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment."

#### 10. COMPLETED OPERATIONS

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

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.

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

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

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

#### 11. POLLUTION

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

- (1) That are, or that are contained in any property that is:

- (a) Being transported or towed by, or handled for movement into, onto or from, the covered "auto;"
- (b) Otherwise in the course of transit by the "insured;" or
- (c) Being stored, disposed of, treated or processed in or upon the covered "auto;"

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

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

- b. Any loss, cost or expense arising out of any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

Paragraph a.(1)(c) does not apply to fuels, lubricants, fluids, exhaust gases or other similar pollutants that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

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

Paragraphs a(2) and a(3) of this exclusion do not apply if:

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

## 12. WAR

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

## C. LIMIT OF INSURANCE

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

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

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. COVERAGE

1. We will pay for "loss" to a covered "auto" or its equipment under:
  - a. Comprehensive Coverage. From any cause except:
    - (1) The covered "auto's" collision with another object; or
    - (2) The covered "auto's" overturn.
  - b. Specified Causes of Loss Coverage. Caused by:
    - (1) Fire, lightning or explosion;
    - (2) Theft;
    - (3) Windstorm, hail or earthquake;
    - (4) Flood;
    - (5) Mischief or vandalism; or
    - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto."
  - c. Collision Coverage. Caused by:

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

### 2. Towing.

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

### 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles.

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

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles. However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### 4. Coverage Extension. We will pay up to \$10 per day to a maximum of \$300 for transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

## B. EXCLUSIONS

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."
  - a. Nuclear Hazard.
    - (1) The explosion of any weapon employing atomic fission or fusion; or
    - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.
  - b. War or Military Action.
    - (1) War, including undeclared or civil war;
    - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
    - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
2. Other Exclusions.
  - a. We will not pay for "loss" to any of the

following:

- (1) Tape decks or other sound reproducing equipment unless permanently installed in a covered "auto."
- (2) Tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
- (3) Sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "auto" manufacturer for the installation of a radio.

b. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

#### C. LIMIT OF INSURANCE

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

1. The actual cash value of the damaged or stolen property as of the time of the "loss;" or
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

#### D. DEDUCTIBLE

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

### SECTION IV - BUSINESS AUTO CONDITIONS

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

#### A. LOSS CONDITIONS

##### 1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

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

- a. Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.

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

#### 2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

a. In the event of "accident," claim, "suit" or "loss," you must give us or our authorized representative prompt notice of the "accident" or "loss." Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

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

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

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

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

#### 3. LEGAL ACTION AGAINST US

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

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

**4. LOSS PAYMENT - PHYSICAL DAMAGE COVERAGES**

At our option we may:

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

**5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

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

**B. GENERAL CONDITIONS**

**1. BANKRUPTCY**

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

**2. CONCEALMENT, MISREPRESENTATION OR FRAUD**

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

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

**3. LIBERALIZATION**

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

**4. NO BENEFIT TO BAILEE - PHYSICAL DAMAGE COVERAGES**

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

**5. OTHER INSURANCE**

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

- (1) Excess while it is connected to a motor

vehicle you do not own.

- (2) Primary while it is connected to a covered "auto" you own.

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

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

**6. PREMIUM AUDIT**

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

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

**7. POLICY PERIOD, COVERAGE TERRITORY**

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

- a. During the policy period shown in the Declarations; and

- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

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

**8. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US**

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

insurance over this Coverage Form.

## SECTION V - DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage."
- B. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads but does not include "mobile equipment."
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- E. "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
  4. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  5. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality; or
  6. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage." Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- An "insured contract" does not include that part of any contract or agreement:
1. That pertains to the loan, lease or rental of an "auto" to you; or
  2. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- F. "Loss" means direct and accidental loss or damage.
- G. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;
  4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - a. Power cranes, shovels, loaders, diggers or drills; or
    - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
  5. Vehicles not described in paragraphs 1,2,3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
    - b. Cherry pickers and similar devices used to raise or lower workers.Vehicles not described in paragraphs 1,2,3 or 4 above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos."
    - a. Equipment designed primarily for:
      - (1) Snow removal;
      - (2) Road maintenance, but not construction or resurfacing; or
      - (3) Street cleaning.
    - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
    - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- H. "Property damage" means damage to or loss of use of tangible property.
- I. "Suit" means a civil proceeding in which damages because of "bodily injury" or "property damages" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
- J. "Trailer" includes semitrailer.

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:

### **2. All Policies in Effect For 60 Days Or Less**

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy;

b. 30 days before the effective date of cancellation if we cancel for any other reason.

### **3. All Policies in Effect For More Than 60 Days**

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(6) A determination by the Commissioner of Insurance that the:

(a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or

(b) Continuation of the policy coverage would:

(i) Place us in violation of California law or the laws of the state where we are domiciled; or

(ii) Threaten our solvency.

(7) A change by you or your representative in the activities, or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.

B. The following provision is added to the Cancellation Common Policy Condition:

### 7. Residential Property

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part  
Farm Coverage Part - Farm Property - Farm Dwellings, Appurtenant Structures, And Household Personal Property Coverage Form

a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.

b. We may not cancel this policy solely because the first Named Insured has:

(1) Accepted an offer of earthquake coverage; or

(2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part - Causes Of Loss - Special Form; or

(2) Farm Coverage Part - Causes Of Loss Form - Farm Property, Paragraph D, Covered Causes Of Loss - Special.

C. The following is added and supersedes any provisions to the contrary:

#### Nonrenewal

1. Subject to the provisions of Paragraphs C.2. and C.3. below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

#### 2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in b., c. and d. below.
- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

(1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

(2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

(3) We have:

(a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

(b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

c. We will not refuse to renew such coverage solely because the first Named Insured has canceled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.

d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (d.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

(2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

3. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph C.1.
- c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph C.1., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/19/2016

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 have ADDITIONAL INSURED provisions or 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).

<b>PRODUCER</b> Arthur J. Gallagher & Co. Insurance Brokers of CA, Inc. LIC # 0726293 505 N Brand Blvd, Suite 600 Glendale CA 91203	<b>CONTACT NAME:</b> Janis Lee <b>PHONE (A/C, No, Ext):</b> 818-539-2300 <b>E-MAIL ADDRESS:</b> Janis_lee@ajg.com	<b>FAX (A/C, No):</b> 818-539-2301
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> Turning Point of Central CA 615 S. Atwood St. Visalia, CA 93277	<b>INSURER A:</b> Quality Comp Inc	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**                      **CERTIFICATE NUMBER: 216371328**                      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG	\$
								\$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <b>DED</b> <b>RETENTION \$</b>						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	0150171006	1/1/2017	1/1/2018	X PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$1,000,000
							E.L. DISEASE - POLICY LIMIT	\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Evidence of Coverage.

<b>CERTIFICATE HOLDER</b>  County of Monterey, Contracts/Purchasing 1488 Schilling Place Salinas CA 93901	<b>CANCELLATION</b>  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 
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RE: Quality Comp, Inc. – Group Workers' Compensation Program

To Whom It May Concern:

As proof of workers' compensation coverage, I would like to provide you with the attached Certificate of Consent to Self-Insure issued to Quality Comp, Inc. by the Department of Industrial Relations, Office of Self-Insurance Plans. This Certificate carries an effective date of December 1, 2004 and does not have an expiration date. The Quality Comp, Inc. program has excess insurance coverage with NY Marine & General Insurance Company (NY-MAGIC). NY-MAGIC is a fully licensed and admitted writer of Excess Workers' Compensation Insurance in the State of California. The company is rated "A" Category "VIII" by A.M. Best & Company (NAIC#16608).

**Specific Excess Insurance**

Excess Workers' Compensation: Statutory per occurrence excess of \$500,000

Employers Liability: \$1,000,000 Limit

**Term of Coverage**

Effective Date: January 1, 2017

Expiration: January 1, 2018

Please contact me if you should have any questions or require additional information. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Jacqueline Harris".

Jacqueline Harris  
Director of Underwriting

STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS  
OFFICE OF THE DIRECTOR

NUMBER 4515

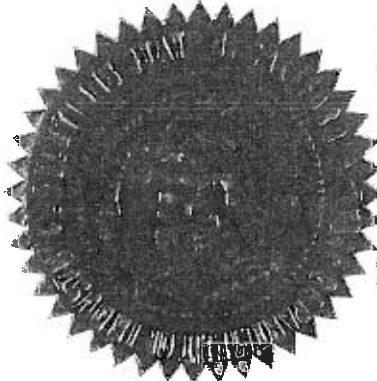
# CERTIFICATE OF CONSENT TO SELF-INSURE

Quality Comp, Inc.

THIS IS TO CERTIFY, That (a Corporation)

has complied with the requirements of the Director of Industrial Relations under the provisions of Sections 3700 to 3705, inclusive, of the Labor Code of the State of California and is hereby granted this Certificate of Consent to Self-insure.

This certificate may be revoked at any time for good cause shown.\*



EFFECTIVE:

THE 1st DAY OF December 2004

  
MARK T. JOHNSON  
MANAGER

DEPARTMENT OF INDUSTRIAL RELATIONS  
OFFICE OF THE STATE OF CALIFORNIA

DIRECTOR:

JOHN M. REA

\* Revocation of Certificate.—"A certificate of consent to self-insure may be revoked by the Director of Industrial Relations at any time for good cause after a hearing. Good cause includes, among other things, the impairment of the solvency of such employer, the inability of the employer to fulfill his obligations, or the practice by such employer or his agent in charge of the administration of obligations under this division of any of the following: (a) Habitually and as a matter of course and custom inducing claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due; (b) Discharging his compensation obligations in a dishonest manner; (c) Discharging his compensation obligations in such a manner as to cause injury to the public or those dealing with him." (Section 3702 of Labor Code.) The Certificate may be revoked for noncompliance with Title 8, California Administrative Code, Group 2—Administration of Self-Insurance.



DEPARTMENT OF INDUSTRIAL RELATIONS  
OFFICE OF SELF INSURANCE PLANS  
11050 Olson Drive, Suite 230  
Rancho Cordova, CA 95670  
Phone No. (916) 464-7000  
FAX (916) 464-7007



**CERTIFICATION OF SELF-INSURANCE OF WORKERS' COMPENSATION**

TO WHOM IT MAY CONCERN:

This certifies that Certificate of Consent to Self-Insure No. 4515 was issued by the Director of Industrial Relations to:

**Quality Comp, Inc.**

under the provisions of Section 3700, Labor Code of California with an effective date of December 1, 2004. The certificate is currently in full force and effective.

Dated at Sacramento, California  
This day the 13th of December 2016

A handwritten signature in cursive script, appearing to read "Lyn Asio Booz".

Lyn Asio Booz, Chief

ORIG: Jackie Harris  
Director Of Underwriting  
Monument Insurance Services  
255 Great Valley Parkway, Suite 200  
Malvern, Pa 19355



Number: 4515-017

STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS  
OFFICE OF THE DIRECTOR

CERTIFICATE OF CONSENT TO SELF-INSURE

THIS IS TO CERTIFY, That

**TURNING POINT OF CENTRAL CALIFORNIA, INC.**

(Name of Affiliate) (State of Incorporation) CA

Quality Comp, Inc.

(Master Certificateholder)

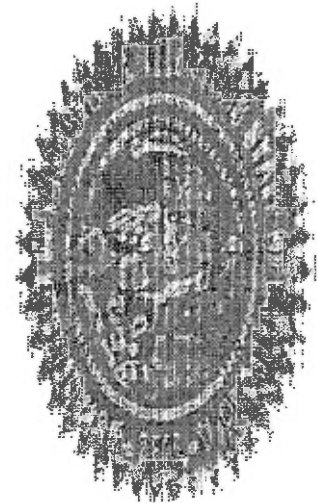
has complied with the requirements of the Director of Industrial Relations under the provision of Sections 3700 to 3705, inclusive, of the Labor Code of the State of California and is hereby granted this Certificate of Consent to Self-Insure.

This certificate may be revoked at any time for good cause shown.\*

EFFECTIVE:

THE 1st DAY OF OCTOBER 2006.

DEPARTMENT OF INDUSTRIAL RELATIONS  
OF THE STATE OF CALIFORNIA



  
\_\_\_\_\_  
MARK T. JOHNSON, MANAGER

  
\_\_\_\_\_  
JOHN M. REA, DIRECTOR

\*Revocation of Certificate.— "A certificate of consent to self-insure may be revoked by the Director of Industrial Relations at any time for good cause after a hearing. Good cause includes, among other things, the impairment of the solvency of such employer, the inability of the employer to fulfill his obligations, or the practice by such employer or his agent in charge of the administration of obligations under this division of any of the following: (a) Habitually and as a matter of practice and custom inducing claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due; (b) Discharging his compensation obligations in a dishonest manner; (c) Discharging his compensation obligations in such a manner as to cause injury to the public or those dealing with him." (Section 3702 of Labor Code.) The Certificate may be revoked for noncompliance with Title 8, California Administrative Code, Group 2—Administration of Self-Insurance.