

Business Name of Location Monterey County Youth Center		Main Account Contact (Authorized to make account changes) Jeff Johnson	
Lead Type or ID Existing Customer (EC)	If referred, by whom? Existing Customer	Business # 8317555000	Cell # 8317596703
Service Address 970 Circle Dr.		Mailing Address	
City Salinas	State CA	Zip 93905	City State Zip

Used Cooking Oil <input type="radio"/> New <input checked="" type="radio"/> Renew <input type="radio"/> N/A		Who was your previous service provider? SQ	
Container Type & Qty <input type="radio"/> Inside <input checked="" type="radio"/> Outside QTY: 1 Size (gal): Barrel - 55 gal (outdoor)		Container Placement <input checked="" type="radio"/> Onsite <input type="radio"/> Delivery Required Behind locked gate must ring the buzzer so a cook can come out and unlocked the door.	
Rate <input checked="" type="radio"/> FREE/NO CHARGE <input type="radio"/>	Service Frequency 2 (weeks)	Estimated GPM 45	
Access Hours (24HR) Start: 0800 End: 1700 Days: Mon-Fri	Business Hours 0000 2399 Sat-Sun	Requires Key/Code? <input type="radio"/> Y <input checked="" type="radio"/> N Code:	
Site Contact Person PRIMARY: Jeff Johnson	Phone# 8317596703	Email: Johnsonj6@co.monterey.ca.us	
BACKUP:			
Additional Information/Special Instructions Please no Saturday or Sunday service			
Shipping Manifest I delegate Encore Oils, DBA SeSequential, or its employee, as the responsible party to sign Inedible kitchen grease manifests as the agent or representative of the above-named company. By this delegation SeSequential will be responsible for the proper manifesting of all IKG collected at my facility at each time of service.			
Client Signature 		Contractor Signature 	

Payment: This is a legally binding agreement. No payment will be issued for cooking oil collected in amounts less than 50 gallons. By signing below, Client agrees to rates and frequency of service listed above and is subject to the terms and conditions of service detailed on the reverse side, and as per attached Exhibit A to Terms and Conditions.

Business name Monterey County Youth center	Contractor Company Name: SeSequential
Authorized Client Signature: 	Contractor Signature:
Printed Client Name and Title: Michael R. DePoe	Contractor Printed Name: Jorge Campos TIM LARGE
Date: 5/8/19	Date: 2-14-19

CONTRACTS/PURCHASING OFFICER
COUNTY OF MONTEREY

SeSequential is building a better energy model through an innovative process that collects used cooking oil, refines it regionally into biodiesel and other bioproducts, and sells it locally to refuel our neighbors and partners.



contracts@chooseSQ.com * www.chooseSQ.com * 1-800-447-3794

Anne K. Brereton
Deputy County Counsel
Date: 4-8-19

Gary Giboney
Auditor Controller
Date: 4-8-19

TERMS AND CONDITIONS

Client grants to Encore Oils LLC, DBA SeQuential ("SeQuential") also referred to as the "Contractor" or "its assigns," the exclusive right to perform the services specified on Page One of this agreement. Contractor agrees to furnish such services and any equipment specified on Page One of this agreement.

Equipment: The word "Equipment" as used in these Terms and Conditions shall mean all containers used for the storage of Used Cooking Oils, and other such on-site devices as may be specified on Page One of this agreement. Contractor shall not be held liable for failure to provide equipment in excess of specific equipment and specific quantities mentioned on Page One of this Agreement.

Client's Duties and Liabilities: The equipment shall be in the possession and control of the Client who will be responsible for its cleanliness and safekeeping. All equipment furnished by the Contractor for the use by the Client, unless purchased by the Client, shall remain the property of the Contractor, and the Client shall have no right, title or interest in it. The Client may not authorize third parties to remove, modify, or tamper with equipment. Equipment may only be removed by the Contractor.

Client is responsible for all container contents. Contractor is not responsible for any spillage of any liquids resulting from emptying contents of containers or stains or damage related thereto. There will be a \$100 fee for container replacement due to Client spills. Client agrees that the Contractor shall not be responsible for repairs to enclosures, fences, gates, and other Client property resulting from Contractor's operations. Client shall use the equipment only for its proper and intended purpose. Only Used Cooking Oil shall be placed in the assigned container. All materials that could affect the characteristics of the Used Cooking Oil are prohibited in the used cooking oil container. Prohibited materials include but are not limited to Grease Trap and Interceptor material, latex or nitrile gloves, motor oil, mineral oil, plastic utensils, and wash water. Client agrees not to overload (by weight or volume), move or alter the equipment, nor use it for incineration purposes, and shall be liable to Contractor for loss or damage in excess of reasonable wear and tear. Client must load Used Cooking Oils in a manner that allows Contractor to safely handle and transport the Used Cooking Oils without incurring any damage or injury to its' employees, the equipment, or any third party. ~~Client agrees to protect, indemnify, defend and hold harmless Contractor against all claims, damages, suits, penalties, fines and liabilities for the injury or death to persons or loss or damage to property arising out of the Client's use, operation or possession of the equipment.~~ *2.14.19*

Rates and Payment: Payments to Client, if any, will be issued based upon the rate specified on Page One of this agreement. Contractor reserves the right, upon notice to Client, to adjust prices based on increases in market prices and indices, as well as the impact of increases in taxes, processing fees and fuel costs. Contractor shall compensate per "dry gallon" of cooking oil. A dry gallon is defined as pure oil free of water & sediment. A minimum 30% deduction for water & sediment will be applied to offset the average water & sediment collected per container. Contractor reserves the right to reduce or raise this deduction depending on collection driver's location notes if necessary. No payment will be due for Used Cooking Oils until Contractor has collected 500 gallons of oil, or three (3) times the oil container capacity, whichever is greater. Contractor reserves the right to cease payments on Used Cooking Oil if the Jacobsen Index for yellow grease drops below \$0.30 per pound.

Term: The initial term of the agreement is Five (5) years from the date signed by Contractor on Page One of this agreement. The term of this agreement shall ~~automatically continue in successive periods of 2 years each, unless either party gives written notice of termination by certified mail to the other at least 45 days prior to the expiration of the initial term or any renewal term. If the Client terminates this Agreement other than as provided above, Client shall pay to Contractor as liquidated damages, and not as a penalty, an amount equal to the greater of: (i) \$1.00 per day for each day remaining in the then current term of this Agreement as of the date of termination by Client, and (ii) the cost of the container plus the cost of the container logistics. From the date of receipt of certified mail received by Contractor from Client, regarding the cancellation of this Agreement the Contractor shall have exclusive right to the collection of all Client's Used Cooking Oil, and this Agreement is automatically extended, for a period of ninety (90) days after the date the notice of cancellation is received by Contractor.~~ *2.14.19*

Used Cooking Oils: The term "Used Cooking Oils" as used in this Agreement and these Terms and Conditions shall mean used cooking oils and renderable oils generated by the Client, and does not refer to any other materials. Client grants to Contractor the exclusive right to collect and dispose of all the client's Used Cooking Oils for the term of this agreement, including renewal terms. The material to be collected and disposed of by the Contractor excludes all radioactive, volatile, corrosive, highly flammable, explosive, biochemical, biomedical, toxic or hazardous material as defined by the applicable federal, state, or county laws or regulation (Excluded Waste). Contractor shall acquire title to the Used Cooking Oils when it is loaded into the grease bin. Title to and liability for any Excluded Waste shall remain with the Client and Client expressly agrees to defend, indemnify and hold harmless Contractor from and against any and all damages, penalties, fines and liabilities resulting from or arising out of the presence of Excluded Waste.

Premises: Client shall provide and warrant unobstructed and safe access to the equipment on Client's premises, with adequate clearance and shall be sufficient to bear weight of the Contractor's equipment and vehicles reasonably required to perform the service contracted. Contractor shall not be responsible for damage to any pavement or accompanying subsurface including utility lines for said access and Client releases Contractor from all claims for the operation of Contractor's vehicles and equipment on Client's premises.

Changes: Changes in the price rates, other than above noted adjustments, frequency or collection service, number, capacity and type of equipment may be agreed to, orally or in writing by the parties without affecting the validity of the remainder of this Agreement which shall be deemed amended. Consent to oral changes shall be evidenced by the actions and practices of the parties.

Excused Performance: Neither party hereto shall be liable for its failure to perform hereunder due to factors beyond its reasonable control, including, but not limited to strikes, riots, fires and acts of God.

Attorney's Fees: ~~In the event of any litigation arising out of this Agreement, the prevailing party in such action shall be entitled to an award of their court costs, expenses and attorney fees incurred in connection therewith, at all trial and appellate levels, in addition to any other or further relief to which such prevailing party may be entitled.~~ *2.14.19*

Notices: All notices, requests, demands, consents, regulatory reporting and other communications required or permitted under this Agreement shall be in writing (including ~~facsimile and~~ electronic communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, telecommunicated, e-mailed, or mailed (airmail if international) by registered or certified mail (postage prepaid), return receipt requested, addressed to the appropriate party at its address set forth above or to such other address as that party may designate by notice complying with the terms of this Section. Each such notice is deemed delivered: (a) on the date delivered if by personal delivery; (b) on the date of transmission, with confirmation of transmission if by ~~facsimile or~~ e-mail; or (c) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities or courier service as not deliverable, as the case may be, if mailed or couriered. Notwithstanding the foregoing, all notices of termination must be sent via certified mail.

Opportunity to Cure: Client shall provide Contractor with written notice, by mail, of any matter that it believes constitutes a failure by Contractor to fully perform its obligations under this Agreement, and Contractor shall have 15 days to cure an alleged breach before Client can terminate this Agreement for cause. Where such a problem is beyond Contractor's control, Contractor is not obligated to cure such problem and this Agreement shall remain in full force and effect.

Miscellaneous: If any conflict exists in this Agreement between terms, which are printed and those that are typed, verbally agreed to or written, the typed or written language shall govern. This Agreement shall be binding on the parties and their successors and assigns. ~~Contractor shall have the right to freely assign this Agreement. The representations, warranties and indemnifications contained herein shall survive the termination of this Agreement. A faxed, electronic, or emailed signature of any party verified by time and date sent shall be considered to have the same binding legal effect as an original signature.~~ Client represents and warrants to Contractor that Client is not bound by any written or verbal agreement with any other person or entity for the collection of Client's Used Cooking Oil. *2.14.19*

Contractor Initials
Date

Contractor Initials
Date
Contractor Initials
Date
Contractor Initials
Date
Contractor Initials
Date

EXHIBIT A - ADDITIONS TO TERMS AND CONDITIONS

1. Revise Paragraph "Client Duties and Liabilities" by adding the following language:

The CONTRACTOR and the County of Monterey each agree to indemnify, defend and save harmless the other party and the other party's officers and employees, from and against any and all claims and losses whatsoever arising out of or in any way related to , the indemnifying party's performance under this agreement, including but not limited to, claims for property, personal injury, death, and any legal expenses (such as attorney's fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. The "party's performance" includes the party's actions or inaction and the action of that party's officers and employees.

CONTRACTOR shall be solely responsible for the packaging and/or transportation, disposal, or release of any oil. County does not take responsibility for the improper packaging or transportation of any materials while in transit or in the course of services performed for this Agreement

2. Revise Paragraph "Rates and Payment" by adding the following language:

Due consideration under this Agreement is for the County to have their cooking oil picked up and transported safely away from County premises and for Encore Oils, LLC DBA Sequential to re-sell the used cooking oil for their benefit.

3. Revise Paragraph "Miscellaneous" by adding the following language:

CONTRACTOR shall have the right to freely assign this Agreement in writing and signed by all parties.

A wet original signature is required for binding legal effect.

Addition of the Following Insurance Requirements

Required Coverage. Without in any way limiting Contractor's liability pursuant to the "indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- a) **Commercial General Liability** Insurance with limits not less than \$1,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed;

EXHIBIT A - ADDITIONS TO TERMS AND CONDITIONS

- b) **Commercial Auto Liability** Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-owed, and Hired auto coverage, as applicable;
- c) **Worker's Compensation**, in Statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness;

Additional Insured

Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

- a) County of Monterey, its Agents, officers, and Employees as Additional Insured.
- b) Such policies will be primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separate to each insured against whom claim is made or suit is brought.
- c) If a contractor carries or maintains an Umbrella/Excess Liability policy to provide additional coverage or if the contract requires higher limits than what the contractor carries in the primary policies, County shall be added as Additional insured on such policies.
 - i. The policy shall provide "drop-down" coverage where underlying primary insurance coverage limits are insufficient or exhausted.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/22/2019

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).

PRODUCER Beecher Carlson Insurance Services 6 Concourse Parkway, Suite 2300 Atlanta, GA 30328 www.beechercarlson.com		CONTACT NAME: Beecher Carlson Insurance Services PHONE (A/C, No, Ext): 678-539-4800 FAX (A/C, No): 770-870-3031 E-MAIL ADDRESS:																						
INSURED Encore Oils, LLC dba SeSequential 3333 NW 35th Ave, Buildings C Portland OR 97210		<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A :</td> <td>Farmland Mutual Insurance Company</td> <td>13838</td> </tr> <tr> <td>INSURER B :</td> <td></td> <td></td> </tr> <tr> <td>INSURER C :</td> <td>Berkshire Hathaway Homestate Ins Co</td> <td>20044</td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	Farmland Mutual Insurance Company	13838	INSURER B :			INSURER C :	Berkshire Hathaway Homestate Ins Co	20044	INSURER D :			INSURER E :			INSURER F :		
INSURER(S) AFFORDING COVERAGE		NAIC #																						
INSURER A :	Farmland Mutual Insurance Company	13838																						
INSURER B :																								
INSURER C :	Berkshire Hathaway Homestate Ins Co	20044																						
INSURER D :																								
INSURER E :																								
INSURER F :																								

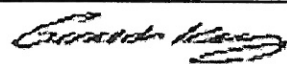
COVERAGES **CERTIFICATE NUMBER:** 46692690 **REVISION NUMBER:**

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
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Primary & Non-Contributory <input checked="" type="checkbox"/> Contractual GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			CPP134060	6/25/2018	6/25/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			CPP134060	6/25/2018	6/25/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ ACV comp/coll deductible: \$ 1,000/1,000 EACH OCCURRENCE \$ AGGREGATE \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						
C	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	SEWC927020	9/1/2018	9/1/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> 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)

The County of Monterey, Its Officers, Agents and Employees are named as an Additional Insured as respects the ongoing operations of the Named Insured with respects to General and Auto Liability coverage where required by written and signed contract subject to policy terms, conditions, limits and exclusions. The General Liability and Auto Liability policies shown above are primary and non-contributory where required by written contract.

CERTIFICATE HOLDER The County of Monterey 20. E. Alisal Street, 2nd Floor Salinas CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  (BSTN) Geraldine Kerrigan
--	--

© 1988-2015 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED - REQUIRED BY CONTRACT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. SECTION II - WHO IS AN INSURED is amended to include as an additional insured any person(s) or organization(s) with whom you have agreed in a valid written contract or agreement, executed prior to any "occurrence", that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured 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:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to SECTION III - LIMITS OF INSURANCE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BLANKET WAIVER OF TRANSFER OF RIGHTS
OF RECOVERY AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Name Of Person(s) Or Organization(s):

Any person(s) or organization(s) with whom you have agreed to such waiver, in a valid written contract or written agreement that has been executed prior to loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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

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

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

C. BLANKET ADDITIONAL INSURED – REQUIRED BY CONTRACT

The following is added to Paragraph A.1. **Who Is An Insured** of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any person(s) or organization(s) is an additional "insured" with whom you have agreed in a valid written contract or agreement, executed prior to any "accident" or "loss", that such person(s) or organization(s) be added as an additional "insured" on your policy.

Such persons or organizations are additional "insureds", but only with respect to liability for "bodily injury" or "property damage" caused by an "accident" that is, in whole or in part, caused by your acts or omissions or the acts or omissions of those acting on your behalf and resulting from the ownership, maintenance or use of a covered "auto".

D. EMPLOYEES AS INSUREDS – NONOWNED AUTOS

The following is added to the SECTION II – COVERED AUTOS LIABILITY COVERAGE, Paragraph A.1. **Who Is An Insured** provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. EMPLOYEE HIRED AUTOS**1. Changes In Covered Autos Liability Coverage**

The following is added to the **Who Is An Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Changes In General Conditions

Paragraph 5.b. of the **Other Insurance** Condition in the **BUSINESS AUTO COVERAGE FORM** is replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- a. Any covered "auto" you lease, hire, rent or borrow; and
- b. Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

F. SUPPLEMENTARY PAYMENTS – BAIL BONDS

The following replaces Paragraph A.2.a. (2) of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

- (2) Up to \$5,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

G. SUPPLEMENTARY PAYMENTS – LOSS OF EARNINGS

The following replaces Paragraph A.2.a. (4) of SECTION II – COVERED AUTOS LIABILITY COVERAGE: