

# Attachment D

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## Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

#### Agreement No's.: A-12432, A-12433

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

- a. Approved Amendment No. 1 to Professional Services Agreement No. A-12432 with Rincon Consultants, Inc. where the Base budget is increased by \$38,350.00 to \$247,295.00 and the Contingency budget is increased by \$30,000.00 to \$103,130.75, for a total amount not to exceed \$350,425.75 to complete new tasks and re-evaluation of the original tasks to accommodate the revision to the project description and site plan for the Environmental Impact Report (EIR) for the California Flats Solar Project (PLN120294) in South County, and extend the term to March 31, 2015; and
- b. Approved Amendment No. 1 to Funding Agreement No. A-12433 with California Flats Solar, LLC where the Base budget is increased by \$38,350.00 to \$247,295.00, the Contingency budget is increased by \$30,000.00 to \$103,130.75, and the County Contract Administration Fee is unchanged at \$3,170.00, for a total amount not to exceed \$353,595.75 to allow funding to Monterey County for costs incurred by Rincon Consultants, Inc. and County departments to complete new tasks and re-evaluation of the original tasks to accommodate the revision to the project description and site plan for the EIR for the California Flats Solar Project (PLN120294) in South County, and extend the term to March 31, 2015; and
- c. Authorized the Director of Planning to execute Amendment No. 1 to Professional Services Agreement No. A-12432, Amendment No. 1 to Funding Agreement No. A-12433 and future amendments to the Agreements where the amendments do not significantly alter the scope of work or change the approved Agreement amounts. (PLN120294/California Flats Solar Project in South County - PD060202/Rincon Consultants, Inc.)

PASSED AND ADOPTED on this 8th day of April 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Salinas, Parker and Potter

NOES: None

ABSENT: Supervisor Calcagno

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 77 for the meeting on April 8, 2014.

Dated: April 9, 2014  
File Number: A 14-039

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

By  Deputy

**AMENDMENT NO. 1  
TO PROFESSIONAL SERVICES AGREEMENT  
BETWEEN COUNTY OF MONTEREY AND  
RINCON CONSULTANTS, INC.**

**THIS AMENDMENT NO. 1** to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Rincon Consultants, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the "Parties") as of the last date opposite the respective signatures below.

**WHEREAS**, CONTRACTOR entered into a Professional Services Agreement with County on April 17, 2013 (hereinafter, "Agreement"); and

California Flats Solar, LLC

*CF* Contractor's Initials

*3/27* Date

*3/27/14*

**WHEREAS**, ~~First Solar Development, LLC~~ (hereinafter, "Project Applicant") has applied to the County for approval of a Combined Development Permit for the California Flats Solar Project (hereinafter, "Project") requiring an Environmental Impact Report (EIR); and

**WHEREAS**, Project Applicant has revised the original project description and site plan for the Project; and

**WHEREAS**, CONTRACTOR has proposed the addition of new tasks and re-evaluation of the original tasks to accommodate the revision to the project description and site plan to complete the Project; and

**WHEREAS**, additional time and funding are required to continue to provide services associated with the completion of the Project; and

**WHEREAS**, the Parties wish to amend the Agreement to extend the term to March 31, 2015 and increase the amount by \$68,350 to allow CONTRACTOR to continue to provide services identified in the Agreement and as amended by this Amendment No. 1.

**NOW, THEREFORE**, the Parties agree to amend the Agreement as follows:

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

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

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A and 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 \$350,425.75.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from March 13, 2013 to March 31, 2015, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-1, Scope of Services/Payment Provisions".
5. The "Project Schedule" and "EIR Preparation" referenced in the Agreement, Exhibit A – Scope of Services/Payment Provisions, is hereby amended to extend through March 31, 2015, to conform to the amended term of the Agreement.
6. All other terms and conditions of the Agreement remain unchanged and in full force.
7. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

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

COUNTY OF MONTEREY

CONTRACTOR\*

By: [Signature]  
Director of Planning

Rincon Consultants, Inc.  
Contractor's Business Name

Date: 4/9/14

By: [Signature]  
(Signature of Chair, President or Vice President)

Its: Stephen Svete, Vice President  
(Print Name and Title)

Approved as to Form and Legality  
Office of the County Counsel

By: [Signature]  
Deputy County Counsel

Date: 3-31-14

Date: February 19, 2014

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Assistant Treasurer)

Its: Duane VanderPluym, CFO  
(Print Name and Title)

Approved as to Fiscal Provisions

By: [Signature]  
Auditor/Controller

Date: 2/20/14

Date: February 19, 2014

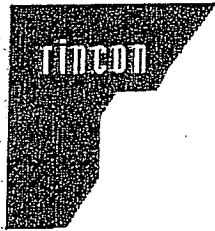
Approved as to Indemnity and Insurance Provisions

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

\*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 – SCOPE OF SERVICES/PAYMENT PROVISIONS



Rincon Consultants, Inc.  
437 Figueroa Street, Suite 203  
Monterey, California 93940

831 333 0310  
FAX 333 0340

info@rinconconsultants.com  
www.rinconconsultants.com

February 14, 2014  
Job No. 13-00723

County of Monterey Resource Management Agency  
Planning Department  
168 W. Alisal St., 2<sup>nd</sup> Floor  
Salinas, CA 93901  
Attn: Delinda Robinson, Senior Planner; Joe Sidor, Associate Planner

**SUBJECT: California Flats Solar Project EIR Revised Contract Amendment Request**

Dear Ms. Robinson and Mr. Sidor:

The purpose of this letter is to request an amendment to the March 19, 2013 contract scope of work between Rincon Consultants, Inc. (Rincon) and the County of Monterey for the California Flats Solar Project EIR. The amendment would augment the EIR scope of work and budget to evaluate the revised project description and site plan submitted by the applicant in December 2013. The modifications include the following:

- Increasing the solar panel development area footprint from 2,030 acres to 2,120 acres;
- A new, 157-acre utility corridor to accommodate an above-ground temporary water pipeline, temporary pumping facilities, an electric distribution line, and a redundant communication line;
- A new high-capacity collection system line corridor;
- Relocation of the proposed northern substation and associated switching station;
- Re-alignment of the proposed crossing of Cottonwood Creek;
- Installation of up to four temporary water storage ponds;
- Increasing the construction staging areas located north of State Route (SR) 41; and
- Other minor modifications (e.g. increased height of operations and maintenance building, widened project driveway, elimination of a previously proposed well, elimination of previously proposed on-site water treatment, and the use of mud shaker plates in lieu of a tire washing station).

### ADDITIONAL SCOPE ITEMS

*Task 3.7 Review Updated Technical Memoranda.* To account for the project description modifications, the applicant team will submit memoranda to the County updating the biological resources, cultural resources, drainage, and air quality/greenhouse gas technical analyses. The analyses corresponding to the previous project description were previously peer reviewed by Rincon. It is anticipated that the memoranda will include updated impact calculations and acreage summaries, as well as

Environmental Scientists

Planners

Engineers

# EXHIBIT A -1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

California Flats Solar Project EIR  
Revised Contract Amendment Request

any additional survey data. Rincon's review of the new memoranda will not include a formal peer review; however, the information will be critically reviewed prior to incorporation into the EIR, and any omissions or substantive errors will be discussed with the County. This task does not include the use of any technical subconsultants.

~~Rincon does not anticipate receiving updated technical memoranda for the following issue areas: geology and soils, water supply, land use and planning, public services, transportation/traffic, and aesthetics. For these areas, Rincon will review the original technical studies (including those for which we provided a formal peer review) and confirm that additional study is not required.~~

*Task 4.2 Update Acoustical Analysis.* Rincon prepared an Acoustical Analysis for the project in August 2013. This report will be updated to reflect the current project description. It is anticipated that the project description changes will not require modifications to the noise modeling or technical analysis; rather, edits will be for consistency with the EIR project description only.

*Task 7.1 Review and Modify Revised Project Description.* As part of this task, Rincon will review the revised project description submitted to the County by the applicant team as ~~task~~ changes to the previously submitted Administrative Draft EIR project description, and accept and/or modify the ~~applicant changed track~~ changes therein, as appropriate. This task will include independent verification of the modifications, as well as revisions to the project description figures to reflect the current proposed site plan. If minor errors or omissions are discovered, Rincon will resolve the error internally as part of this task; however, if fundamental inconsistencies or other substantive errors are discovered, Rincon will alert the County immediately.

applicant team's tracked changes

*Task 8.6 Prepare Second Administrative Draft EIR.* Based on the project description revisions, the previously submitted ADEIR sections will require revision. In addition, sections not submitted to date (including biological resources, alternatives, and the water supply impact) will require updates for consistency with the current project description. For those sections already submitted, it is anticipated that the applicant team will provide track changes revisions to four impact sections reflecting necessary modifications based on the project description changes. As part of this task, Rincon will critically review these tracked changes, accepting and/or modifying them where appropriate. It is assumed that the applicant-provided modifications will generally capture the revisions to the project description, such that Rincon's additional independent effort will be relatively minor. Rincon will review the revised project description, and modify the EIR sections independently, as needed. This will include, but may not be limited to; revising technical information to account for the increased disturbance area and other project description modifications; revising references to project description details that have changed, such as the height of the panels; modifications to existing EIR figures; and other minor consistency edits.

This task additionally includes necessary revisions to the previously submitted ADEIR sections based on comments provided by the applicant to the County, which are

2/19/14  
(Date)  
SSS  
(Contractors' initials)



## EXHIBIT A -1 -- SCOPE OF SERVICES/PAYMENT PROVISIONS

California Flats Solar Project EIR  
Revised Contract Amendment Request

anticipated to be included as part of the forthcoming tracked changes ADEIR sections. It is anticipated that this task will require approximately 24 staff hours. However, if comments are substantial or require additional technical analysis, additional work effort may be required.

Once complete, the Second ADEIR will be submitted to the County for review. This ADEIR will include the previously excluded sections (biological resources, alternatives, water supply impact, and executive summary). This scope of work assumes that comments provided by the applicant on the Second ADEIR will be minor.

*Project Management and Coordination.* This scope amendment includes additional project management and coordination during review of the updated technical memoranda and preparation of the Second ADEIR.

*Screencheck Draft EIR, Draft EIR, Administrative Final EIR, Screencheck Final EIR, and Final EIR.* These tasks will be completed as outlined in the March 19, 2013 scope of work.

### TIMELINE

With the exception of the second Administrative Draft EIR task, the following timeline is consistent with the March 19, 2013 contract scope of work.

- *Second Administrative Draft EIR:* The second Administrative Draft EIR will be completed within four weeks of County receipt of all additional technical information from the applicant. This assumes that review of the technical information does not identify issues that require resolution by the applicant team.
- *Screencheck Draft EIR:* Assuming that the County will deliver comments on the Administrative DEIR within three weeks, Rincon will produce the Screencheck Draft EIR within four weeks of receipt of staff comments. This schedule assumes that County comments are coordinated into a single consistent set of comments, and that no new substantial analysis will be needed as a result.
- *Draft EIR:* Assuming that the County will deliver comments on the Screencheck Draft EIR within one week, Rincon will produce the Draft EIR within one week of receipt of staff screencheck comments. This schedule also assumes that County comments are coordinated into a single consistent set of comments, and that no new substantial analysis will be needed as a result.
- *Administrative Final EIR:* Within six weeks of the close of the Draft EIR circulation period (this period is assumed to extend for seven weeks) and receipt of all written and oral comments, Rincon will deliver a Draft Response to Comments report. Together with any changes that might be required to the Draft EIR, this will constitute the Administrative Final EIR for County staff review.

## EXHIBIT A -1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

California Flats Solar Project EIR  
Revised Contract Amendment Request

- *Screencheck Final EIR:* Assuming that the County will deliver comments on the Administrative FEIR within three weeks, Rincon will produce the Screencheck Final EIR within two weeks of receipt of staff comments.
- *Final EIR:* Assuming that the County will deliver comments on the Screencheck Final EIR within one week, Rincon will produce the Final EIR within one week of receipt of staff screencheck comments. This schedule assumes County comments are coordinated into a single consistent set of comments.

Adhering to this schedule, the EIR will be prepared, reviewed by the public and decision-makers, and could be certified within about 33 weeks of receiving the applicant-provided technical memoranda. Assuming this information is received by January 31, 2014, the Final EIR will be complete by mid-September, 2014. Please note that the existing contract expires on September 30, 2014. Therefore, we request that the contract be extended by six months to March 31, 2015.

The ability to meet this schedule depends on the level of public comment, the number of public hearings needed, timely receipt of technical information, and staff's direction on addressing unanticipated issues that may arise during the process.

### FEE ESTIMATE

We are requesting fees in the amount of \$38,350 to complete this revised scope of work, as shown in the table below. When added to the current authorized budget of \$208,945 (excluding contingency), the total revised budget would be \$247,295.

# EXHIBIT A -1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

California Flats Solar Project EIR  
Revised Contract Amendment Request

## County of Monterey - California Flats Solar Project EIR

Cost Estimate

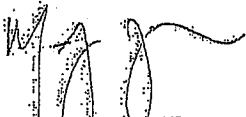
Revised 2-14-14

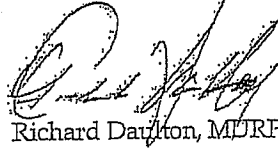
Tasks	Cost	Rincon Labor Hours	Rincon Consultants					GIS Specialist \$15/hour	Client \$55/hour
			Sr. Principal \$210/hour	Principal \$170/hr	Proj. Mgr./Sr. Planner II \$150/hour	Env. Sc. III \$95/hour			
<b>3.7 Review Updated Technical Memoranda</b>									
3.7.1 Biological Resources	\$4,460	34	2	4	20	8			
3.7.2 Cultural Resources	\$3,090	28		2	8	18			
3.7.3 Drainage	\$2,220	14	2	5	6				
3.7.4 Air Quality/Greenhouse Gas	\$1,430	12		2	4	6			
3.7.5 Review Other Reports to Confirm Additional Analysis not Required	\$2,680	20		2	18				
4.2 Update Acoustical Analysis	\$1,150	10		2	2	4	2		
<b>7.1 Review and Modify Revised Project Description</b>									
<b>8.6 Second Administrative Draft EIR</b>									
<b>8.6.1 EIR Impact Analysis</b>									
Aesthetics	\$1,170	11		1	2	6	2		
Agricultural Resources	\$1,065	10		1	2	4	3		
Air Quality	\$870	8		1	1	6			
Biological Resources	\$1,910	18	1	1	2	8	6		
Cultural Resources	\$1,170	11		1	2	6	2		
Geology/Soils	\$1,065	10		1	2	4	3		
Greenhouse Gas Emissions	\$890	6		1	1	4			
Hazards and Hazardous Materials	\$810	7		1	2	4			
Hydrology/Water Quality	\$1,210	10	1	1	2	6			
Land Use and Planning	\$895	8		1	2	4	1		
Noise	\$680	6		1	1	4			
Public Services	\$810	7		1	2	4			
Transportation/Traffic (Rincon Labor Only)	\$680	6		1	1	4			
Utilities and Services	\$910	7		1	2	4			
Effects Found Not to Be Significant	\$910	7		1	2	4			
8.6.2 Intro, Signing, Churn CEQA-Required Sections	\$1,140	13		1	2	4		6	
Second ADEIR Project Management/Coordination	\$3,950	28		8	20				
Subtotal Labor (Base Fee):	\$38,350	328	6	44	110	124	37	7	
<b>REQUESTED LABOR + ADDITIONAL COSTS</b>	<b>\$38,350</b>								

Per the County's guidance, we are also requesting new contingency funds in the amount of \$30,000.

Thank you for your consideration of this request to provide additional environmental consulting services for this project. Please call Megan Jones or Richard Daulton directly if you have any questions or need any additional information.

Sincerely,  
RINCON CONSULTANTS, INC.

  
Megan Jones, MPP  
Senior Program Manager

  
Richard Daulton, MDRP  
Principal

Environmental Scientists

Planners

Engineers

**EXHIBIT A -1 – SCOPE OF SERVICES/PAYMENT PROVISIONS**

**PAYMENT PROVISIONS**

Invoices for services / work products / deliverables under the AGREEMENT shall be submitted when the work product is complete, shall identify the document or work product being delivered or monthly (by the tenth day of the month) and shall include the following:

**1. Invoice Coversheet**

*Rincon Consultants, Inc.  
California Flats Solar Project Environmental Impact Report*

Date: \_\_\_\_\_

Invoice No. \_\_\_\_\_

*Original Agreement Term: March 13, 2013 – December 31, 2014*  
*Original Agreement Amount: \$282,075.75 (\$208,945.00 base budget plus \$73,130.75 project contingency)*  
*Amendment No. 1: \$68,350.00 (\$38,350.00 base budget plus \$30,000.00 project contingency)*  
*Extension of Term to March 31, 2015*

<i>This Invoice:</i>	<i>3.7</i>		<i>Review Updated Technical Memoranda</i>	
	<i>1. 3.7.1</i>	<i>\$4,460.00</i>	<i>Biological Resources</i>	_____
	<i>2. 3.7.2</i>	<i>\$3,090.00</i>	<i>Cultural Resources</i>	_____
	<i>3. 3.7.3</i>	<i>\$2,220.00</i>	<i>Drainage</i>	_____
	<i>4. 3.7.4</i>	<i>\$1,430.00</i>	<i>Air Quality/Greenhouse Gas</i>	_____
	<i>5. 3.7.5</i>	<i>\$2,680.00</i>	<i>Review Other Reports to Confirm Additional Analysis Not Required</i>	_____
	<i>6. 4.2</i>	<i>\$1,150.00</i>	<i>Update Acoustical Analysis</i>	_____
	<i>7. 7.1</i>	<i>\$3,585.00</i>	<i>Review and Modify Revised Project Description</i>	_____
	<i>8.6</i>		<i>Second Administrative Draft EIR</i>	
	<i>8.6.1</i>		<i>EIR Impact Analysis</i>	
	<i>8.</i>	<i>\$1,170.00</i>	<i>Aesthetics</i>	_____
	<i>9.</i>	<i>\$1,065.00</i>	<i>Agricultural Resources</i>	_____
	<i>10.</i>	<i>\$ 870.00</i>	<i>Air Quality</i>	_____
	<i>11.</i>	<i>\$1,910.00</i>	<i>Biological Resources</i>	_____
	<i>12.</i>	<i>\$1,170.00</i>	<i>Cultural Resources</i>	_____
	<i>13.</i>	<i>\$1,065.00</i>	<i>Geology/Soils</i>	_____
	<i>14.</i>	<i>\$ 680.00</i>	<i>Greenhouse Gas Emissions</i>	_____
	<i>15.</i>	<i>\$ 810.00</i>	<i>Hazards and Hazardous Materials</i>	_____
	<i>16.</i>	<i>\$1,210.00</i>	<i>Hydrology/Water Quality</i>	_____
	<i>17.</i>	<i>\$ 895.00</i>	<i>Land Use and Planning</i>	_____
	<i>18.</i>	<i>\$ 680.00</i>	<i>Noise</i>	_____
	<i>19.</i>	<i>\$ 810.00</i>	<i>Public Services</i>	_____
	<i>20.</i>	<i>\$ 680.00</i>	<i>Transportation/Traffic (Rincon Labor Only)</i>	_____
	<i>21.</i>	<i>\$ 810.00</i>	<i>Utilities and Services</i>	_____

**EXHIBIT A -1 – SCOPE OF SERVICES/PAYMENT PROVISIONS**

22.		\$ 810.00	Effects Found Not to Be Significant	_____
23	8.6.2	\$1,140.00	Intro, Setting, Other CEQA-Required Sections	_____
24.		\$3,960.00	Second ADEIR Project Management/Coordination	_____

**Grand Total:** \$38,350.00

Remaining Balance \$ \_\_\_\_\_

Approved as to Work/Payment: Delinda Robinson, Senior Planner \_\_\_\_\_ Date

All Invoices Are To Be Sent To:  
Jaime Martinez, Accounting Technician  
County of Monterey Resource Management Agency - Finance Division  
168 W. Alisal Street, 2<sup>nd</sup> Floor, Salinas, CA 93901  
Telephone: (831) 755-4829

**2. Invoice Detail**

Each invoice shall indicate the hours worked by task and by staff member, with the corresponding billing rates.

**3. Transfer from Project Contingency Account**

Transfer of funding from the Project Contingency Account (contingency increased in the amount of \$30,000 for a total amount not to exceed \$103,130.75) requires the prior written approval of the Director of Planning and the Project Applicant.

A recommendation for such a transfer shall be presented in writing by CONTRACTOR to the Project Planner, with a duplicate original delivered to the Contract Administrator, at the earliest possible date. The recommendation shall include:

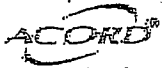
- The dollar amount;
- The anticipated date the funded work would begin;
- The duration of the work;
- The entity (CONTRACTOR or subconsultant) to whom the funds would be transferred/allocated; and
- The justification for the expenditure.

Within five working days of receipt of the recommendation, the Project Planner and Contract Administrator will have contacted CONTRACTOR to discuss its recommendation and will have made a recommendation to the Director of Planning, or in his absence, designee. Within ten working days thereafter, the Director of Planning or designee will approve, deny, or approve a revised version of the recommendation received from CONTRACTOR, and will send his decision in writing to the Project Applicant, and CONTRACTOR.

## EXHIBIT A -1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

Unless he denies the recommended transfer, the Director of Planning or designee will ask the Project Applicant to make a decision within five working days regarding the recommended transfer from the Project Contingency Account. If necessary, reasonable efforts will be made to reach a compromise.

Upon receipt of the Project Applicant's written approval by the Director of Planning or designee, the funding transfer will be made. At the same time, a letter authorizing the work funded by the approved transfer will be sent to CONTRACTOR.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
12/13/2011

PRODUCER (714) 585-3200  
 LEGENDIS ENVIRONMENTAL INS:SVCS,LLC  
 2166 N.GLASSELL STREET  
 ORANGE, CA 92865  
 LICENSE #0C79875

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
 RINCON CONSULTANTS, INC.  
 180 NORTH ASHWOOD AVENUE  
 VENTURA, CA 93003

INSURERS AFFORDING COVERAGE	NAIC#
INSURER A: AMERICAN SAFETY INDEMNITY COMPANY	A IX
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

### COVERAGES

Serial #

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, AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDTL INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTORS POLL <input checked="" type="checkbox"/> XCU GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	ENV030030-11-01	9/22/2011	9/22/2014	EACH OCCURRENCE \$ 3,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 3,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS-COMP/OP AGG \$ 4,000,000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	ENV030030-11-01	9/22/2011	9/22/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> (Mandatory in NH) (If yes, describe under SPECIAL PROVISIONS below)				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ EL DISEASE -EA EMPLOYEE \$ EL DISEASE -POLICY LIMIT \$
A		OTHER PROF LIABILITY/CLMS MDE TRANSPORTATION COV./CLMS MDE	ENV030080-11-01	9/22/2011	9/22/2014	RETRO DATES: 12/9/94, 9/1/08. 4,000,000 AGG. 3,000,000 EA OCC (PL) 1,000,000 AGG 1,000,000 PER OCC

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS  
 THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS, AND EMPLOYEES ARE NAMED AS ADDITIONAL INSURED'S WITH RESPECTS TO WORK PERFORMED FOR THEM BY THE NAMED INSURED.  
 INSURANCE IS PRIMARY

\*EXCEPT 10 DAYS NOTICE FOR NONPAY OF PREMIUM

CERTIFICATE HOLDER  
 COUNTY OF MONTEREY  
 CONTRACTS PURCHASING DEPT.  
 188 WEST ALISAL STREET, THIRD FLOOR  
 SALINAS, CA 93901

CANCELLATION  
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL SEND A ~~30~~ 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT ~~OF THIS CERTIFICATE~~  
 AUTHORIZED REPRESENTATIVE



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/13/2014

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

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

<b>PRODUCER</b> Tolman & Wiker Insurance Services LLC #0E52073 196 S. Fir Street PO Box 1388 Ventura CA 93002-1388		<b>CONTACT NAME:</b> Pam Ayerle <b>PHONE (A/C. No. Ext):</b> (805) 585-6737 <b>FAX (A/C. No.):</b> (805) 585-6837 <b>E-MAIL ADDRESS:</b> payerle@tolmanandwiker.com	
<b>INSURED</b> Rincon Consultants Inc. 180 N. Ashwood Ave. Ventura CA 93003		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Golden Eagle Ins Corp. NAIC# 10836 <b>INSURER B:</b> State Compensation Ins. Fund 35076 <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

COVERAGES CERTIFICATE NUMBER: 14/15 AU/WC 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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			BAR962991	12/17/2013	12/17/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist BI single \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	9086946-2014	2/1/2014	2/1/2015	<input checked="" type="checkbox"/> W/C STATUTORY LIMITS OTHER 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 (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
AUTO: The County of Monterey, Its Officers, Agents and Employees are Additional Insured as respects to operations of the Named Insured per attached GECA7010107. This Insurance is Primary & Non-Contributory to any other Insurance per attached form CA00011001.

<b>CERTIFICATE HOLDER</b> County of Monterey Contract/Purchasing Division 168 West Alisal Street 3rd Floor 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 David Shore/TERIS
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Any person or organization with whom the Named Insured enters into a written contract that requires them to be named as an Additional Insured for Completed Operations Coverage and the contract is executed prior to the start of the project.	Where specified by written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED 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)	Location(s) of Covered Operations
Any person or organization with whom the Named Insured enters into a written contract that requires them to be named as an Additional Insured and the contract is executed prior to the start of the project.	Where specified by written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. 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:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, 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 the 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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PRIMARY NON CONTRIBUTORY INSURANCE ENDORSEMENT FOR SPECIFIED PROJECT

This Endorsement shall not serve to increase our limits of insurance, as described in SECTION III - LIMITS OF INSURANCE.

Solely with respect to the specified project listed below and subject to all terms, conditions and exclusions of the policy, this insurance shall be considered primary to the Additional Insured listed below if other valid and collectible insurance is available to the Additional Insured for a loss we cover for the Additional Insured under COVERAGE A. It is also agreed that any other insurance maintained by the additional insured shall be non-contributory.

In consideration of the payment of premiums, it is hereby agreed as follows.

Additional Insured(s)	Specified Project
Any person or organization with whom the Named Insured enters into a written contract that requires them to be named as an Additional Insured and the contract is executed prior to the start of the project.	Where specified by written contract.

All other terms, conditions and exclusions under the policy are applicable to this Endorsement and remain unchanged.

## COMMERCIAL AUTO GOLD ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies Insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

### SECTION II - LIABILITY COVERAGE

#### A. COVERAGE

##### 1. WHO IS AN INSURED

The following is added:

- d. Any organization, other than a partnership or joint venture, over which you maintain ownership or a majority interest on the effective date of this Coverage Form, if there is no similar insurance available to that organization.
- e. Any organization you newly acquire or form other than a partnership or joint venture, and over which you maintain ownership of a majority interest. However, coverage under this provision does not apply:
  - (1) If there is similar insurance or a self-insured retention plan available to that organization; or
  - (2) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.
- f. Any volunteer or employee of yours while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs. Insurance provided by this endorsement is excess over any other insurance available to any volunteer or employee.
- g. Any person, organization, trustee, estate or governmental entity with respect to the operation, maintenance or use of a covered "auto" by an insured, if:
  - (1) You are obligated to add that person, organization, trustee, estate or governmental entity as an additional insured to this policy by:
    - (a) an expressed provision of an "insured contract", or written agreement; or
    - (b) an expressed condition of a written permit issued to you by a governmental or public authority.
  - (2) The "bodily injury" or "property damage" is caused by an "accident" which takes place after:
    - (a) You executed the "insured contract" or written agreement; or
    - (b) the permit has been issued to you.

##### 2. COVERAGE EXTENSIONS

###### a. Supplementary Payments.

Subparagraphs (2) and (4) are amended as follows:

- (2) Up to \$2500 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.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earning up to \$500 a day because of time off from work.

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## SECTION III – PHYSICAL DAMAGE COVERAGE

### A. COVERAGE

The following is added:

#### 5. Hired Auto Physical Damage

- a. Any "auto" you lease, hire, rent or borrow from someone other than your employees or partners or members of their household is a covered "auto" for each of your physical damage coverages.
- b. The most we will pay for "loss" in any one "accident" is the smallest of:
  - (1) \$50,000
  - (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

If you are liable for the "accident", we will also pay up to \$500 per "accident" for the actual loss of use to the owner of the covered "auto".

- c. Our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by an amount that is equal to the amount of the largest deductible shown for any owned "auto" for that coverage. However, any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.
- d. For this coverage, the insurance provided is primary for any covered "auto" you hire without a driver and excess over any other collectible insurance for any covered "auto" that you hire with a driver.

#### 6. Rental Reimbursement Coverage

We will pay up to \$75 per day for up to 30 days, for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Rental Reimbursement will be based on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for a period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days. We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your materials and equipment from the covered "auto".

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under paragraph 4. Coverage Extension.

#### 7. Lease Gap Coverage

If a long-term leased "auto" is a covered "auto" and the lessor is named as an Additional Insured – Lessor, in the event of a total loss, we will pay your additional legal obligation to the lessor for any difference between the actual cash value of the "auto" at the time of the loss and the "outstanding balance" of the lease.

"Outstanding balance" means the amount you owe on the lease at the time of loss less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; and lease termination fees.

### B. EXCLUSIONS

The following is added to Paragraph 3

The exclusion for "loss" caused by or resulting from mechanical or electrical breakdown does not apply to the accidental discharge of an airbag.

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Paragraph 4 is replaced with the following:

4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, disks or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - b. Equipment designed or used for the detection or location of radar.
  - c. Any electronic equipment that receives or transmits audio, visual or data signals.

Exclusion 4.c does not apply to:

- (1) Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- (2) Any other electronic equipment that is:
  - (a) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
  - (b) An integral part of the same unit housing any sound reproducing equipment described in (1) above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

#### D. DEDUCTIBLE

The following is added: No deductible applies to glass damage if the glass is repaired rather than replaced.

### SECTION IV. BUSINESS AUTO CONDITIONS

#### A. LOSS CONDITIONS

Item 2.a. and b. are replaced with:

##### 2. Duties In The Event of Accident, Claim, Suit, or Loss

- a. You must promptly notify us. Your duty to promptly notify us is effective when any of your executive officers, partners, members, or legal representatives is aware of the accident, claim, "suit", or loss. Knowledge of an accident, claim, "suit", or loss, by other employee(s) does not imply you also have such knowledge.
- b. To the extent possible, notice to us should include:
  - (1) How, when and where the accident or loss took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the accident or loss.

The following is added to 5.

We waive any right of recovery we may have against any additional insured under Coverage A. 1. Who Is An Insured g., but only as respects loss arising out of the operation, maintenance or use of a covered "auto" pursuant to the provisions of the "insured contract", written agreement, or permit.

#### B. GENERAL CONDITIONS

9. is added

##### 9. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Your unintentional failure to disclose any hazards existing at the effective date of your policy will not prejudice the coverage afforded. However, we have the right to collect additional premium for any such hazard.

#### COMMON POLICY CONDITIONS

2.b. is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

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## 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 Of Covered Auto Designation Symbols	
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", partners (if you are a partnership); members (if you are a limited liability company) 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", partners (if you are a partnership), members (if you are a limited liability company), 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:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. 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:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. 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 will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. 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, parking or storing "autos" unless that business is yours.



- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above 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 \$2,000 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.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" 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 earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" 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" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; 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:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; 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". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**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 or while performing duties related to the conduct of your business.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving 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

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

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. 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

c. 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".

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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", "property damage" or "covered pollution cost or expense" 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 b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, 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.

#### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### 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 the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

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

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

## 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 Extensions**

a. **Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary 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 temporary 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. Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**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. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. 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:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or

b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

**C. Limit Of Insurance**

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**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**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- 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 request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "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.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**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. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. 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. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. 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;
- d. Canada; and
- e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

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. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement; or
2. Any claim or "suit" by or on behalf of a governmental authority demanding that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured";
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. 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
- c. 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".

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "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.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. 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.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "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.

6. 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.
- L. "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.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury" or "property damage"; or
  - 2. A "covered pollution cost or expense",
- to which this insurance applies, are alleged.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Order

### Agreement No.'s: A-12432 & A-12433

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

- a. Approved Amendment No. 2 to Professional Services Agreement No. A-12432 with Rincon Consultants, Inc. where the Base budget is increased by \$56,530 to \$303,825 and the Contingency budget is increased by \$19,786 to \$122,916, for a total amount not to exceed \$426,741 to complete additional work related to response to comments for the Draft Environmental Impact Report (EIR) and new tasks related to review of the Administrative Final EIR and Appendix to the EIR for the California Flats Solar Project (PLN120294) in South County, and extend the term to September 30, 2015; and
- b. Approved Amendment No. 2 to Funding Agreement No. A-12433 with California Flats Solar, LLC where the Base budget is increased by \$56,530 to \$303,825, the Contingency budget is increased by \$19,786 to \$122,916, and the County Contract Administration Fee is unchanged at \$3,170, for a total amount not to exceed \$429,911 to allow funding to Monterey County for costs incurred by Rincon Consultants, Inc. and County departments to complete additional work related to response to comments for the Draft EIR and new tasks related to review of the Administrative Final EIR and Appendix to the EIR for the California Flats Solar Project (PLN120294) in South County, and extend the term to September 30, 2015; and
- c. Authorized the Director of Planning to execute Amendment No. 2 to Professional Services Agreement No. A-12432, Amendment No. 2 to Funding Agreement No. A-12433 and future amendments to the Agreements where the amendments do not significantly alter the scope of work or change the approved Agreement amounts.  
(REF150001/Rincon Consultants, Inc. and PLN120294/EIR for the California Flats Solar Project, in South County)

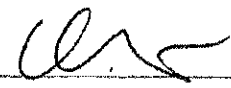
PASSED AND ADOPTED on this 3rd day of February 2015, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter  
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 77 for the meeting on February 3, 2015.

Dated: February 3, 2015  
File ID: A 15-012

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

By  Deputy

**AMENDMENT NO. 2  
TO PROFESSIONAL SERVICES AGREEMENT  
BETWEEN COUNTY OF MONTEREY AND  
RINCON CONSULTANTS, INC.**

**THIS AMENDMENT NO. 2** to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Rincon Consultants, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the "Parties") as of the last date opposite the respective signatures below.

**WHEREAS**, CONTRACTOR entered into a Professional Services Agreement with County on April 17, 2013 (hereinafter, "Agreement"); and

**WHEREAS**, Agreement was amended by the Parties on April 9, 2014 (hereinafter, "Amendment No. 1", including Exhibit A-1 – Scope of Services/Payment Provisions) and incorporated into the Agreement by this reference; and

**WHEREAS**, California Flats Solar, LLC (hereinafter, "Project Applicant") has applied to the County for approval of a Combined Development Permit for the California Flats Solar Project (hereinafter, "Project") requiring an Environmental Impact Report (EIR); and

**WHEREAS**, CONTRACTOR released the Draft EIR (DEIR) for the Project to the public for review and comment; and

**WHEREAS**, a greater number of DEIR comments were received than originally anticipated and budgeted for in the Agreement; and

**WHEREAS**, CONTRACTOR has proposed budget increases for existing tasks and the addition of new tasks to accommodate response to DEIR comments and the Project Applicant's request to review the Administrative Final EIR and analyze the new Appendix provided by Pacific Gas & Electric Company for the proposed switching station for the Project as outlined in Exhibit A-2, Scope of Services/Payment Provisions included in this Amendment No. 2; and

**WHEREAS**, additional time and funding are required to continue to provide services associated with the completion of the Project; and

**WHEREAS**, the Parties wish to further amend the Agreement to extend the term to September 30, 2015 and increase the amount by \$76,315.50 to allow CONTRACTOR to continue to provide services identified in the Agreement and as amended by this Amendment No. 2.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1 and A-2 in conformity with the terms of this Agreement.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1 and A-2, 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 \$426,741.25.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from March 13, 2013 to September 30, 2015, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-2, Scope of Services/Payment Provisions".

5. The "Project Schedule" and "EIR Preparation" referenced in the Agreement, Exhibit A -- Scope of Services/Payment Provisions, are hereby amended to extend through September 30, 2015, to conform to the amended term of the Agreement.

6. All other terms and conditions of the Agreement remain unchanged and in full force.

7. This Amendment No. 2 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

8. The recitals to this Amendment No. 2 are incorporated into the Agreement and this Amendment No. 2.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement as of the last date opposite the respective signatures below:

COUNTY OF MONTEREY

CONTRACTOR\*

By: [Signature]  
Director of Planning

Rincon Consultants, Inc.  
Contractor's Business Name

Date: 2/4/15

By: [Signature]  
(Signature of Chair, President or Vice President)

Its: STEPHEN SVETE, VICE PRESIDENT  
(Print Name and Title)

Date: 12/17/2014

Approved as to Form and Legality  
Office of the County Counsel

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Assistant Treasurer)

By: [Signature]  
Deputy County Counsel

Its: Duane Vander Ploeg / CFO  
(Print Name and Title)

Date: 1-14-15

Date: 12/17/2014

Approved as to Fiscal Provisions

By: [Signature]  
Auditor/Controller

Date: 1-5-15

Approved as to Indemnity and Insurance Provisions

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

\*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-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

This addition to the Agreement's Scope of Work (SOW) for the California Flats Solar Project Environmental Impact Report (EIR) (Project) responds to the number and complexity of comments received on the Draft EIR (DEIR), which exceeded the comments anticipated in the original SOW for this Project. Rincon Consultants, Inc. (Rincon) will prepare responses to the additional unanticipated comments which will require more Rincon staff time than currently allocated for this task. The additional SOW will also respond to the Project Applicant's request to review the Administrative Final EIR (AFEIR), and the new Appendix anticipated from Pacific Gas and Electric (PG&E) analyzing the proposed switching station.

### ADDITIONAL SCOPE ITEMS

Task 10.1 AFEIR/Responses to Comments. The County of Monterey (County) received over four hundred (400) pages of comments in twenty-four (24) letters with ten (10) of the letters from public agencies. The letters include new information in the form of three (3) new biological resources studies supplied by the Project Applicant and a one hundred thirty-two (132) page letter provided by Adams, Broadwell, Joseph & Cardozo, including three (3) technical evaluations of biological resources, hazards and air quality, and hydrology. Based on Rincon's thorough review of these comments and discussions with County staff regarding approach to the most substantive comments, Rincon estimates that the responses to comments will require approximately two hundred seventy-four (274) hours of Rincon staff time.

These additional hours are comprised of both the time to draft the responses and the time to conduct additional analysis and/or revisions to the DEIR as warranted by the comments. Rincon understands that some of the technical comments related to biology, hydrology, air quality, and traffic will require additional information to be provided by the Project Applicant's technical consultants, and that Rincon can expect the Project Applicant and their consultants' cooperation in that regard, subject to County oversight and Rincon's review. The estimate of hours does not include the cost for Project Applicant consultant's time or expenses, but does include Rincon time to coordinate with County, including the Project Applicant's team on receipt and review of additional information. This coordination effort includes attendance at the two (2) meetings already held with County staff to discuss the comments (held on September 30 and October 2, 2014), compilation and submittal of a list of specific information requests for the Project Applicant's technical consultants, and one (1) additional meeting with County staff and the Project Applicant team to discuss the Project Applicant comments for which no changes to the EIR are anticipated.

The major components of the responses to comments effort will be as follows:

- Organizing, delineating and summarizing the individual comments;
- Preparing the responses to comments document, as otherwise described generally in Rincon's existing SOW;
- Coordinating with the Project Applicant's technical team to communicate information requests; and
- Peer reviewing (and modifying, where appropriate) responses and other new information provided by the Project Applicant team prior to incorporation into the Final EIR (FEIR).



## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

Task 10.3 Peer Review PG&E Technical Appendix. It is Rincon's understanding that PG&E plans to provide a new technical analysis to the County for inclusion in the FEIR. The new technical analysis will assess the impacts of the proposed PG&E switching station separate from the rest of the Project. This new Appendix will require Rincon's peer review prior to attachment to the FEIR.

Rincon will review the technical appendix, which is anticipated to draw heavily from the DEIR. It is assumed that most issue areas will be addressed relatively briefly (one (1) to two (2) pages), and will not require substantial Rincon staff effort to review and confirm findings. More detailed analysis of air quality and traffic is anticipated. Thus, Rincon has assumed additional time to verify new air quality calculations. In addition, Hexagon Transportation Consultants, Inc. (Rincon's subconsultant) will peer review the additional traffic analysis, including updated modeling and qualitative discussion. The findings of the peer review will be presented to the County in a brief memorandum. If revisions to the technical appendix are requested in Rincon's memorandum, six (6) additional Rincon staff hours have been included in this SOW to review the updated technical appendix.

Task 11.1 Revise AFEIR Based on Staff Comments. The Project Applicant's team has requested to review the AFEIR. To account for this review, this SOW includes sixteen (16) hours of Rincon staff time for comparing and synchronizing the Project Applicant and County comments, fifty-five (55) hours to revise the responses to comments and associated EIR textual changes, and thirty (30) hours for conference calls to discuss specific issue areas with the County and Project Applicant's team. This estimate includes one (1) conference call for air quality and Valley Fever, two (2) conference calls for biological resources, and two (2) additional conference calls for other technical issue areas, as needed. Each conference call is anticipated to take approximately two (2) Rincon staff hours and will require up to three (3) Rincon staff members.

Task 11.2 Publication of FEIR. This task includes additional Rincon staff time to address Project Applicant's team comments on the Screencheck FEIR (prepared in Task 11.1).

Task 13 Meetings and Hearings. As a result of ongoing coordination and standing meetings with the Project Applicant's team and County, the budget for Task 13, Meetings and Hearings, has been expended. To account for the need for Rincon staff to attend up to four (4) public hearings to consider the FEIR on the Project, this SOW includes staff time for Rincon's Project Manager and/or Principal-in-Charge to attend the hearings. This request additionally includes staff time for Rincon's Project Manager to attend up to six (6) additional meetings, beyond those previously assumed in tasks 10.1 and 11.1. Each meeting is anticipated to require two (2) Rincon staff hours.

Project Management/Coordination. This SOW includes additional project management and coordination during preparation of the AFEIR, addressing County and Project Applicant comments on the AFEIR, and publication of the FEIR.

### TIMELINE

Once required information or supplementary responses are provided by the Project Applicant team, Rincon will complete the AFEIR/Responses to Comments in two (2) weeks. The ability to meet this schedule depends on timely receipt of technical information and responses from the

## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

Project Applicant's team and County staff's direction on addressing unanticipated issues that may arise during the process.

Once the PG&E technical appendix is received, Rincon will provide a peer review memorandum within two (2) weeks.

The time required to revise the AFEIR in accordance with the County and the Project Applicant's comments will depend on the extent of comments received, and the relative consistency between the sets of comments (with conflicting comments requiring additional time for coordination and resolution). If comments from the Project Applicant's team are generally consistent with the County's comments, it is anticipated that the Screencheck FEIR can be provided within two (2) to three (3) weeks.

### FEE ESTIMATE

As shown in the attached table, Rincon estimates an additional fee of \$56,530 to complete this additional SOW. When added to the Agreement's current authorized Base budget of \$247,295 (excluding contingency), the total revised Base budget of the Agreement shall not exceed \$303,825.00.

EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

County of Monterey - California Flats Solar Project EIR

Cost Estimate

Revised 10/21/2014

Tasks	Cost	Rincon Labor Hours	Rincon Consultants					
			St. Principal	Principal	Proj. Mgr./Sr. Planner II	Env. Sci. III	GIS Specialist	Clerical
			\$210/hour	\$170/hour	\$130/hour	\$95/hour	\$65/hour	\$55/hour
<b>10. Administrative FEIR and MMRP</b>								
10.1 Administrative Final EIR/Responses to Comments (increase)	\$23,435	194	1	10	120	60	2	1
10.3 Peer Review PG&E Technical Appendix	\$5,700	48		4	24	20		
<b>11. FEIR</b>								
11.1 Revise AFEIR Based on Staff Comments (increase)	\$12,745	101	2	22	38	36	2	1
11.2 Publication of Final EIR (increase)	\$1,970	15	1	4	6	2		2
13. Meetings (6) and Hearings (4) (increase)	\$5,000	36		8	28			
Project Management/Coordination (increase)	\$6,200	44		12	32			
<b>Subtotal Labor (Base Fee)</b>	<b>\$55,050</b>	<b>438</b>	<b>4</b>	<b>60</b>	<b>248</b>	<b>118</b>	<b>4</b>	<b>4</b>
<b>Additional Costs</b>			<b>\$640</b>	<b>\$10,200</b>	<b>\$32,240</b>	<b>\$11,210</b>	<b>\$340</b>	<b>\$220</b>
Hexagon Transportation Consultants, Inc. - Traffic Peer Review and Analysis	\$1,480							
<b>TOTAL LABOR + ADDITIONAL COSTS</b>	<b>\$56,530</b>							
<b>TOTAL AMENDMENT REQUESTED</b>	<b>\$56,530.00</b>							

**EXHIBIT A -2 – SCOPE OF SERVICES/PAYMENT PROVISIONS**

**PAYMENT PROVISIONS**

Invoices for services / work products / deliverables under the AGREEMENT shall be submitted when the work product is complete, shall identify the document or work product being delivered or monthly (by the tenth day of the month) and shall include the following:

**I. Invoice Coversheet**

*Rincon Consultants, Inc.  
California Flats Solar Project Environmental Impact Report*

Date: \_\_\_\_\_ Invoice No. \_\_\_\_\_

*Original Agreement Term: March 13, 2013 – December 31, 2014*  
*Original Agreement Amount: \$282,075.75 (\$208,945.00 base budget plus \$73,130.75 project contingency)*  
*Amendment No. 1: \$68,350.00 (\$38,350.00 base budget plus \$30,000.00 project contingency)*  
*Extension of Term to March 31, 2015*  
*Amendment No. 2: \$76,315.50 (\$56,530.00 base budget plus \$19,785.50 project contingency)*  
*Extension of Term to September 30, 2015*

<i>This Invoice:</i>	<i>10.</i>		<i>Administrative FEIR and MMRP</i>	
	<i>10.1</i>	<i>\$23,435.00</i>	<i>Administrative Final EIR/Responses to Comments (increase)</i>	_____
	<i>10.3</i>	<i>\$5,700.00</i>	<i>Peer Review PG&amp;E Technical Appendix</i>	_____
	<i>11.</i>		<i>FEIR</i>	_____
	<i>11.1</i>	<i>\$12,745.00</i>	<i>Revise AFEIR Based on Staff Comments (increase)</i>	_____
	<i>11.2</i>	<i>\$1,970.00</i>	<i>Publication of Final EIR (increase)</i>	_____
	<i>13.</i>	<i>\$5,000.00</i>	<i>Meetings (6) and Hearings (4) (increase)</i>	_____
		<i>\$6,200.00</i>	<i>Project Management/Coordination (increase)</i>	_____
		<i>\$1,480.00</i>	<i>Hexagon Transportation Consultants, Inc. – Traffic Peer Review and Analysis</i>	_____
<i>Grand Total:</i>				<i>\$56,530.00</i>

Remaining Balance \$ \_\_\_\_\_

Approved as to Work/Payment: \_\_\_\_\_  
*John H. Ford, Planning Services Manager* Date \_\_\_\_\_

All Invoices Are To Be Sent To:  
 Diana Lemos, Account Clerk  
 County of Monterey Resource Management Agency - Finance Division  
 168 W. Alisal Street, 2<sup>nd</sup> Floor, Salinas, CA 93901  
 Telephone: (831) 755-5220

## EXHIBIT A -2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

### 2. Invoice Detail

Each invoice shall indicate the hours worked by task and by staff member, with the corresponding billing rates.

### 3. Transfer from Project Contingency Account

Transfer of funding from the Project Contingency Account (contingency increased in the amount of \$19,785.50 for a total amount not to exceed \$122,916.25) requires the prior written approval of the Director of Planning and the Project Applicant.

A recommendation for such a transfer shall be presented in writing by CONTRACTOR to the Project Planner, with a duplicate original delivered to the Contract Administrator, at the earliest possible date. The recommendation shall include:

- The dollar amount;
- The anticipated date the funded work would begin;
- The duration of the work;
- The entity (CONTRACTOR or subconsultant) to whom the funds would be transferred/allocated; and
- The justification for the expenditure.

Within five (5) working days of receipt of the recommendation, the Project Planner and Contract Administrator will have contacted CONTRACTOR to discuss its recommendation and will have made a recommendation to the Director of Planning, or in the Director's absence, designee. Within ten (10) working days thereafter, the Director of Planning or designee will approve, deny, or approve a revised version of the recommendation received from CONTRACTOR, and will send his decision in writing to the Project Applicant, and CONTRACTOR.

Unless the recommended transfer is denied by the Director of Planning or designee, the Director of Planning or designee will ask the Project Applicant to make a decision within five (5) working days regarding the recommended transfer from the Project Contingency Account. If necessary, reasonable efforts will be made to reach a compromise.

Upon receipt of the Project Applicant's written approval by the Director of Planning or designee, the funding transfer will be made. At the same time, a letter authorizing the work funded by the approved transfer will be sent to CONTRACTOR.



# CERTIFICATE OF LIABILITY INSURANCE

RINCCON-01

MANAWILM

DATE (MM/DD/YYYY)  
1/7/2015

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

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

PRODUCER License # 0E67768 Legends Environmental Ins. Services 130 Vantis Suite 250 Aliso Viejo, CA 92656	CONTACT NAME: Michael Manawil PHONE (A/C, No, Ext): (800) 992-6999 E-MAIL ADDRESS: Michael.Manawil@legends-enviro.com	FAX (A/C, No): (800) 999-3987
	INSURER(S) AFFORDING COVERAGE INSURER A: Crum & Forster Specialty Insurance Company NAIC # 44520 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
INSURED  Rincon Consultants, Inc. 222 N Ashwood Ave Ventura, CA 93045		

**COVERAGES**

CERTIFICATE NUMBER:

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	ADDITIONAL INSURED	SOBER	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"/> Pollution Liability <input checked="" type="checkbox"/> Transportation Pol.* GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X	X	EPK-105397	09/22/2014	09/22/2016	EACH OCCURRENCE \$ 3,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 3,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Transp. Poll.* \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	X		EFX-101817	09/22/2014	09/22/2015	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
	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				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liab.*			EPK-105397	09/22/2014	09/22/2016	Occurrence 3,000,000
A	Professional Liab.*			EPK-105397	09/22/2014	09/22/2016	Aggregate 4,000,000

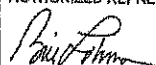
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

All projects performed by the insured.

\*Professional Liability and Transportation Pollution are written on a Claims Made basis. When required by written contract, the General Liability and Pollution Liability Limits are on a Per Project basis while dedicated; the Professional Liability is on a Per Policy basis.

The County of Monterey, its Officers, Agents and Employees are included as additional insured on a primary and non-contributory basis; waiver of subrogation applies where required by a written contract. 30 day notice of cancellation with 10 day notice for nonpayment of premium in accordance with the policy provisions.

**CERTIFICATE HOLDER****CANCELLATION**

County of Monterey Contracts/Purchasing Division 168 West Alisal Street 3rd Floor Salinas, CA 93901	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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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/5/2015

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

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


<b>PRODUCER</b> Tolman & Wiker Insurance Services LLC #0E52073 196 S. Fir Street PO Box 1388 Ventura CA 93002-1388		<b>CONTACT NAME:</b> Pam Ayerle <b>PHONE (A/C No. Ext.):</b> (805) 585-6737 <b>FAX (A/C No.):</b> (805) 585-6837 <b>E-MAIL ADDRESS:</b> payerle@tolmanandwiker.com	
<b>INSURED</b> Rincon Consultants Inc. 180 N. Ashwood Ave. Ventura CA 93003		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> American Fire & Cas Ins Co	<b>NAIC #</b> 24066
		<b>INSURER B:</b> State Compensation Ins Fund	<b>NAIC #</b> 35076
		<b>INSURER C:</b>	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

**COVERAGES** CERTIFICATE NUMBER: 14/15 AU/WC 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	ADDITIONAL INSURER	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		BAA (15) 56271217	12/17/2014	12/17/2015	COMBINED SINGLE LIMIT (Ea. accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist BI single \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					Underinsured motorist BI single \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	9086946-2014	2/1/2014	2/1/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER 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 (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 AUTO: The County of Monterey, Its Officers, Agents and Employees are Additional Insured as respects to operations of the Named Insured per CA88100113. This Insurance is Primary & Non-Contributory to any other Insurance per CA00010306. Endorsements apply only as required by current written contract on file.

<b>CERTIFICATE HOLDER</b>  County of Monterey Contracts/Purchasing Department 168 West Alisal Street 3rd Floor 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  David Shore/PAMELA 
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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/21/2015

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

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

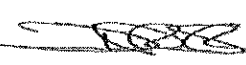
<b>PRODUCER</b> Tolman & Wiker Insurance Services LLC #0E52073 196 S. Fir Street PO Box 1388 Ventura CA 93002-1388	<b>CONTACT NAME:</b> Pam Ayerle <b>PHONE (A/C, No, Ext):</b> (805) 585-6737 <b>FAX (A/C, No):</b> (805) 585-6837	
	<b>E-MAIL ADDRESS:</b> payerle@tolmanandwiker.com	
<b>INSURED</b> Rincon Consultants Inc. 180 N. Ashwood Ave. Ventura CA 93003	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> American Fire & Cas Ins Co	<b>NAIC #</b> 24066
	<b>INSURER B:</b> State Compensation Ins Fund	<b>NAIC #</b> 35076
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**COVERAGES**                      **CERTIFICATE NUMBER:** 14/15 AU/WC                      **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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
A	<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS  <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			BAA(15)56271217	12/17/2014	12/17/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist BI single \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> RETENTION \$						<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE \$
B	<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		N/A	9086946-2015	2/1/2015	2/1/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER 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** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 AUTO: The County of Monterey, Its Officers, Agents and Employees are Additional Insured as respects to operations of the Named Insured per CA88100113. This Insurance is Primary & Non-Contributory to any other Insurance per CA00010306. Endorsements apply only as required by current written contract on file.

<b>CERTIFICATE HOLDER</b>  County of Monterey Contracts/Purchasing Department 168 West Alisal Street 3rd Floor 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  David Shore/PAMELA 
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED 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)	Location(s) Of Covered Operations
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured.	Where specified by written contract.

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

**A. 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:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B. With respect to the insurance** afforded to these additional insureds, 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 the 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured for Completed Operations Coverage.	Where specified by written contract.

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

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" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

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

**PRIMARY NON CONTRIBUTORY INSURANCE ENDORSEMENT FOR SPECIFIED PROJECT**

This Endorsement shall not serve to increase our limits of insurance, as described in SECTION III - LIMITS OF INSURANCE.

In consideration of the payment of premiums, It is hereby agreed as follows.

Solely with respect to the specified project listed below and subject to all terms, conditions and exclusions of the policy, this insurance shall be considered primary to the Additional Insured listed below if other valid and collectible insurance is available to the Additional Insured for a loss we cover for the Additional Insured under COVERAGE A. It is also agreed that any other insurance maintained by the additional insured shall be non-contributory.

Additional Insured(s)	Specified Project
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured on a primary and non contributory basis.	Where specified by written contract.

All other terms, conditions and exclusions under the policy are applicable to this Endorsement and remain unchanged.

POLICY NUMBER: EPK-105397

COMMERCIAL GENERAL LIABILITY  
CG 24 04 10 93

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

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

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organization:

Any person or organization when you have agreed in writing in a contract or agreement to waive your right of recovery against such person or organization.

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

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

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.

## 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.  
**BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

**COVERAGE INDEX**

**SUBJECT**

**PROVISION NUMBER**

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SECTION II - LIABILITY COVERAGE is amended as follows:

1. BROAD FORM INSURED

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

d. Any legally incorporated entity of which you own more than 50 percent of the voting stock during the policy period. However, "insured" does not include any organization that:

- (1) Is a partnership or joint venture; or
- (2) Is an insured under any other automobile policy; or
- (3) Has exhausted its Limit of Insurance under any other automobile policy.

Paragraph d. (2) of this provision does not apply to a policy written to apply specifically in excess of this policy.

e. Any organization you newly acquire or form, other than a partnership or joint venture, of which you own more than 50 percent of the voting stock. This automatic coverage is afforded only for 180 days from the date of acquisition or formation. However, coverage under this provision does not apply:

- (1) If there is similar insurance or a self-insured retention plan available to that organization;

- (2) If the Limits of Insurance of any other insurance policy have been exhausted; or
- (3) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

**2. EMPLOYEES AS INSURED**

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- f. Any "employee" of yours while using a covered "auto" you do not own, hire or borrow, but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".
- g. An "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

**3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT**

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- h. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed in a written contract, agreement, or permit issued to you by governmental or public authority, to add such person, or organization, or governmental or public authority to this policy as an "insured".

However, such person or organization is an "insured":

- (1) Only with respect to the operation, maintenance or use of a covered "auto";
- (2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or agreement, or the permit has been issued to you; and
- (3) Only for the duration of that contract, agreement or permit

**4. SUPPLEMENTARY PAYMENTS**

SECTION II - LIABILITY COVERAGE, Coverage Extensions, 2.a. Supplementary Payments, paragraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic violations ) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to \$500 a day because of time off from work.

**5. AMENDED FELLOW EMPLOYEE EXCLUSION**

In those jurisdictions where, by law, fellow employees are not entitled to the protection afforded to the employer by the workers compensation exclusivity rule, or similar protection, the following provision is added:

SECTION II - LIABILITY, exclusion B.5. FELLOW EMPLOYEE does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

**6. HIRED AUTO PHYSICAL DAMAGE**

Paragraph A.4. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended by adding the following:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes of Loss or Collision coverage are provided under the Business Auto Coverage Form for any "auto" you own, then the Physical Damage coverages provided are extended to "autos":

- a. You hire, rent or borrow; or

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- b. Your "employee" hires or rents under a written contract or agreement in that "employee's" name, but only if the damage occurs while the vehicle is being used in the conduct of your business,

subject to the following limit and deductible:

- A. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:
- (1) \$50,000; or
  - (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.
- B. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.
- C. Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.
- D. Subject to a maximum of \$1,000 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.
- E. This coverage extension does not apply to:
- (1) Any "auto" that is hired, rented or borrowed with a driver; or
  - (2) Any "auto" that is hired, rented or borrowed from your "employee".

For the purposes of this provision, SECTION V - DEFINITIONS is amended by adding the following: "Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

#### 7. TOWING AND LABOR

SECTION III - PHYSICAL DAMAGE COVERAGE, paragraph A.2. Towing, is amended by the addition of the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

- a. For private passenger type vehicles, we will pay up to \$50 per disablement.
- b. For "light trucks", we will pay up to \$50 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.
- c. For "medium trucks", we will pay up to \$150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 - 20,000 pounds.

However, the labor must be performed at the place of disablement.

#### 8. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a., Coverage Extension of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended to provide a limit of \$50 per day and a maximum limit of \$1,500



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**9. RENTAL REIMBURSEMENT**

SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

- a. We will pay up to \$75 per day for rental reimbursement expenses incurred by you for the rental of an "auto" because of "accident" or "loss", to an "auto" for which we also pay a "loss" under Comprehensive, Specified Causes of Loss or Collision Coverages. We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto."
- b. Rental Reimbursement will be based on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for the period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days.
- c. We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your tools and equipment from the covered "auto".
- d. This coverage does not apply unless you have a business necessity that other "autos" available for your use and operation cannot fill.
- e. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Paragraph 4. Coverage Extension.
- f. No deductible applies to this coverage.

For the purposes of this endorsement provision, materials and equipment do not include "personal effects" as defined in provision 11.

**10. EXTRA EXPENSE - BROADENED COVERAGE**

Under SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you. The maximum amount we will pay is \$1,000.

**11. PERSONAL EFFECTS COVERAGE**

A. SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to \$600 for "personal effects" stolen with the "auto."

The insurance provided under this provision is excess over any other collectible insurance.

B. SECTION V - DEFINITIONS is amended by adding the following:

For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an insured." "Personal effects" does not include tools, equipment, jewelry, money or securities.

**12. ACCIDENTAL AIRBAG DEPLOYMENT**

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion for "loss" relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Any insurance we provide shall be excess over any other collectible insurance or reimbursement by manufacturer's warranty. However, we agree to pay any deductible applicable to the other coverage or warranty.

**13. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS, exception paragraph a. to exclusions 4.c. and 4.d. is deleted and replaced with the following:

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Exclusion 4.c. and 4.d. do not apply to:

- a. Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto" and physical damage coverages are provided for the covered "auto"; or

If the "loss" occurs solely to audio, visual or data electronic equipment or accessories used with this equipment, then our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.

#### 14. LOAN / LEASE GAP COVERAGE

- A. Paragraph C., LIMIT OF INSURANCE of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by adding the following:

The most we will pay for a "total loss" to a covered "auto" owned by or leased to you in any one "accident" is the greater of the:

1. Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
  - a. Overdue payments and financial penalties associated with those payments as of the date of the "loss",
  - b. Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear,
  - c. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease,
  - d. Transfer or rollover balances from previous loans or leases,
  - e. Final payment due under a "Balloon Loan",
  - f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto",
  - g. Security deposits not refunded by a lessor,
  - h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto",
  - i. Any amount representing taxes,
  - j. Loan or lease termination fees; or

2. The actual cash value of the damage or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the "loss". This adjustment is not applicable in Texas.

#### B. ADDITIONAL CONDITIONS

This coverage applies only to the original loan for which the covered "auto" that incurred the loss serves as collateral, or lease written on the covered "auto" that incurred the loss.

#### C. SECTION V - DEFINITIONS is changed by adding the following:

As used in this endorsement provision, the following definitions apply:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.



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**15. GLASS REPAIR - WAIVER OF DEDUCTIBLE**

Paragraph D. Deductible of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

**16. PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)**

Paragraph D. Deductible of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

- a. In the charge of an "insured";
- b. Legally parked; and
- c. Unoccupied.

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

**17. TWO OR MORE DEDUCTIBLES**

Under SECTION III PHYSICAL DAMAGE COVERAGE, if two or more company policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement company means any company that is part of the Liberty Mutual Group.

**SECTION IV - BUSINESS AUTO CONDITIONS is amended as follows:**

**18. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

SECTION IV-BUSINESS AUTO CONDITIONS, Paragraph B.2. is amended by adding the following:

If you unintentionally fail to disclose any hazards, exposures or material facts existing as of the inception date or renewal date of the Business Auto Coverage Form, the coverage afforded by this policy will not be prejudiced.

However, you must report the undisclosed hazard of exposure as soon as practicable after its discovery, and we have the right to collect additional premium for any such hazard or exposure.

**19. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.2.a. is replaced in its entirety by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must promptly notify us when it is known to:
  - 1. You, if you are an individual;
  - 2. A partner, if you are a partnership;
  - 3. Member, if you are a limited liability company;
  - 4. An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.

To the extent possible, notice to us should include:

- (1) How, when and where the "accident" or "loss" took place;
- (2) The "insureds" name and address; and
- (3) The names and addresses of any injured persons and witnesses.

**20. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.5., Transfer of Rights of Recovery Against Others to Us, is amended by the addition of the following:

If the person or organization has waived those rights before an "accident" or "loss", our rights are waived also.

**21. HIRED AUTO COVERAGE TERRITORY**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph B.7., Policy Period, Coverage Territory, is amended by the addition of the following:

- f. For "autos" hired 30 days or less, the coverage territory is anywhere in the world, provided that the insured's responsibility to pay for damages is determined in a "suit", on the merits, in the United States, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

This extension of coverage does not apply to an "auto" hired, leased, rented or borrowed with a driver.

**SECTION V - DEFINITIONS is amended as follows:**

**22. BODILY INJURY REDEFINED**

Under SECTION V - DEFINITIONS, definition C. is replaced by the following:

"Bodily injury" means physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

**COMMON POLICY CONDITIONS**

**23. EXTENDED CANCELLATION CONDITION**

COMMON POLICY CONDITIONS, paragraph A. - CANCELLATION condition applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation. This provision does not apply in those states which require more than 60 days prior notice of cancellation.



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## 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 Of Covered Auto Designation Symbols	
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 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", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

Symbol	Description Of Covered Auto Designation Symbols	
9	Non-Owned "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", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

**B. Owned Autos You Acquire After The Policy Begins**

1. If symbols 1, 2, 3, 4, 5, 6 or 19 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:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. 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:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto."
3. 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 will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos." However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident."

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. 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, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments.

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 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.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" 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 earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" 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.

These payments will not reduce the 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" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; 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:

- (1) Employment by the "insured"; or
- (2) Performing the duties related to the conduct of the "insured's" business; 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". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**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 or while performing duties related to the conduct of your business.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving 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:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

**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

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

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. 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
- c. 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".

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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", "property damage" or "covered pollution cost or expense" 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 b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

### 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 the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

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

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

## 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 Extensions

#### a. Transportation Expenses

We will pay up to \$20 per day to a maximum of \$600 for temporary 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 temporary 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. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

#### 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. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

- 3. 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:
  - a. Wear and tear, freezing, mechanical or electrical breakdown.
  - b. Blowouts, punctures or other road damage to tires.
- 4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
  - c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
  - d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:
  - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or

- (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### 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

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- 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 request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "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.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**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. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. 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;
- d. Canada; and
- e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

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;

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" 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. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured";
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. 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

c. 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."

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment."

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker"; "Employee" does not include a "temporary worker".
- G. "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.
- H. "Insured contract" means:
  - 1. A lease of premises;
  - 2. A sidetrack agreement;
  - 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - 5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
  - 6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental of lease, by you or any of your "employees", of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "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.
- L. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- M. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- N. 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.

An "insured contract" does not include that part of any contract or agreement:



- 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.
- 6. 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.
- L. "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.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  - 1. Damages because of "bodily injury" or "property damage"; or
  - 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.
 "Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5086

## Board Order

### Agreement No.: A-12432 & A-12433

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

- a. Approved Amendment No. 3 to Professional Services Agreement No. A-12432 with Rincon Consultants, Inc. where the Base budget is increased by \$314,723 to \$618,548 and the Contingency budget is increased by \$110,153 to \$233,069, for a total amount not to exceed \$851,617 to complete new additional tasks associated with the Mitigation Monitoring Reporting Program (MMRP) for the California Flats Solar Project Environmental Impact Report (EIR) (PLN120294) in South County, and extend the term to December 31, 2018; and
- b. Approved Amendment No. 3 to Funding Agreement No. A-12433 with California Flats Solar, LLC where the Base budget is increased by \$314,723 to \$618,548, the Contingency budget is increased by \$110,153 to \$233,069, and the County Contract Administration Fee is unchanged at \$3,170, for a total amount not to exceed \$854,787 to allow funding to Monterey County for costs incurred by Rincon Consultants, Inc. and County departments to complete new additional tasks associated with the MMRP for the California Flats Solar Project EIR (PLN120294) in South County, and extend the term to December 31, 2018; and
- c. Authorized the Director of Planning to execute Amendment No. 3 to Professional Services Agreement No. A-12432, Amendment No. 3 to Funding Agreement No. A-12433 and future amendments to the Agreements where the amendments do not significantly alter the scope of work or change the approved Agreement amounts. (REF150085/Rincon Consultants, Inc. and PLN120294/EIR for the California Flats Solar Project, in South County)

PASSED AND ADOPTED on this 29th day of September 2015, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter  
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 78 for the meeting on September 29, 2015.

Dated: September 29, 2015  
File ID: A 15-327

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

By *Danise Hancock*  
Deputy

**AMENDMENT NO. 3  
TO PROFESSIONAL SERVICES AGREEMENT  
BETWEEN COUNTY OF MONTEREY AND  
RINCON CONSULTANTS, INC.**

**THIS AMENDMENT NO. 3** to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Rincon Consultants, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the "Parties") and effective as of the last date opposite the respective signatures below.

**WHEREAS**, CONTRACTOR entered into a Professional Services Agreement with County on April 17, 2013 (hereinafter, "Agreement"); and

**WHEREAS**, Agreement was amended by the Parties on April 9, 2014 (hereinafter, "Amendment No. 1", including Exhibit A-1 – Scope of Services/Payment Provisions), and February 4, 2015 (hereinafter, "Amendment No. 2", including Exhibit A-2 – Scope of Services/Payment Provisions); and

**WHEREAS**, California Flats Solar, LLC (hereinafter, "Project Applicant") has applied to the County for approval of a Combined Development Permit for the California Flats Solar Project (hereinafter, "Project") requiring an Environmental Impact Report (EIR); and

**WHEREAS**, Project is located within both Monterey County and San Luis Obispo (hereinafter, "SLO") County; and

**WHEREAS**, the County, acting as Lead Agency, certified a Final EIR with mitigation measures and approved the Project subject to a Mitigation Monitoring and Reporting Plan (MMRP); and

**WHEREAS**, SLO County, a Responsible Agency under the California Environmental Quality Act (CEQA), considered the County's Final EIR for its approval of a Conditional Use Permit DRC2015-00016 for the portion of the Project located within SLO County; and

**WHEREAS**, SLO County adopted relevant mitigation measures contained in the MMRP applicable to the Project area located within SLO County; and

**WHEREAS**, Project Applicant, County and SLO County desire to avoid duplication of work in implementation of the MMRP; and

**WHEREAS**, the County desires to include new additional tasks associated with Task 10.2, Draft MMRP, of this Agreement; and

**WHEREAS**, costs associated with CONTRACTOR's work conducted in SLO County, as reflected in the Cost Estimate included in Exhibit A-3, Scope of Services/Payment Provisions, will be paid under a separate agreement between SLO County, CONTRACTOR, and Project Applicant; and

**WHEREAS**, costs associated with CONTRACTOR's work conducted within the County, as reflected in the Cost Estimate included in Exhibit A-3, Scope of Services/Payment Provisions, will be paid under this Agreement; and

**WHEREAS**, a budget cost savings balance in the amount of \$33,019.00 remains from work conducted under the Agreement prior to this Amendment No. 3, and the Parties intend that this balance be reallocated to the new additional tasks associated with the expansion of Task 10.2, Draft MMRP; and

**WHEREAS**, additional time and funding are necessary to allow CONTRACTOR to complete the new additional tasks; and

**WHEREAS**, the Parties wish to further amend this Agreement to extend the term to December 31, 2018 and to increase the amount by \$424,876.05 to continue to provide tasks identified in this Agreement and as amended by this Amendment No. 3.

**NOW, THEREFORE**, the Parties agree to amend this Agreement as follows:

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2 and A-3 in conformity with the terms of this Agreement.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2 and A-3, 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 \$851,617.30.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from March 13, 2013 to December 31, 2018, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-3, Scope of Services/Payment Provisions".

5. The "Project Schedule" referenced in the Agreement, Exhibit A – Scope of Services/Payment Provisions, is hereby amended to allow for completion of additional tasks associated with Task 10.2, Draft MMRP, for the Project as set forth in Exhibit A-3, Scope of Services/Payment Provisions.
6. All other terms and conditions of this Agreement remain unchanged and in full force.
7. This Amendment No. 3 shall be attached to this Agreement and incorporated therein as if fully set forth in this Agreement.
8. The recitals to this Amendment No. 3 are incorporated into this Agreement and this Amendment No. 3.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 3 to this Agreement which shall be effective as of the last date opposite the respective signatures below.

**COUNTY OF MONTEREY**

**CONTRACTOR\***

By: *[Signature]*  
Director of Planning

Rincon Consultants, Inc.  
Contractor's Business Name

Date: 9/30/15

By: *[Signature]*  
(Signature of Chair, President or Vice President)

Its: Michael P. Gulletti, President  
(Print Name and Title)

Date: 9/11/2015

**Approved as to Form and Legality  
Office of the County Counsel**

By: *[Signature]*  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)

By: *[Signature]*  
Deputy County Counsel

Its: RICHARD DAULTON, SECRETARY  
(Print Name and Title)

Date: 9-18-15

Date: 9/14/15

**Approved as to Fiscal Provisions**

By: *[Signature]*  
Auditor/Controller

Date: 9-21-15

**Approved as to Indemnity and Insurance Provisions**

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

\*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-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

To Agreement by and between  
County of Monterey, hereinafter referred to as "County"  
and  
Rincon Consultants, Inc., hereinafter referred to as "CONTRACTOR"

### A. SCOPE OF SERVICES

- A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work for the California Flats Solar Project (hereinafter, "Project"). County and CONTRACTOR acknowledge that all tasks in the current scope of services have been completed and there is a remaining unused budget balance in the amount of \$33,019.00 which will be applied to the budget for the expansion and inclusion of new additional tasks related to Task 10.2, Draft Mitigation Monitoring and Reporting Program (MMRP), of Task 10, Administrative Final Environmental Impact Report (EIR) and MMRP. These tasks will be conducted in four (4) stages as set forth below:

#### STAGE 1: ACCESS ROAD AND NORTHERN PHOTOVOLTAIC (PV) CONSTRUCTION

**Task 10.2.a Technical Document Review for Access Road and Northern PV Construction**  
CONTRACTOR shall perform detailed peer review of technical documents such as preconstruction survey reports and other technical studies and permits, review of various plans and procedures, and review of documentation that specific conditions have or will be met by California Flats Solar, LLC (hereinafter, Project Applicant"). Peer review of these documents will focus on accuracy of the information as well as the level of compliance with the specified mitigation measures.

CONTRACTOR shall provide technical memoranda summarizing the review of each document and any recommendations for next steps if applicable. Memorandums will be prepared for each document or compilation of documents for similar issue areas (e.g. restoration plans). A complete list of the expected plans, technical documents and survey reports to be reviewed will include the following documents:

- Conservation Easement Lands Habitat Assessment Documents
- Habitat Conservation Plan
- Special Status Plant Survey Report
- Coachwhip and Coast Horned Lizard Preconstruction Survey Report
- Wildlife Friendly Fence Design
- Bat Preconstruction Survey Report
- Nesting Bird and Raptor Preconstruction Survey Report
- Western Pond Turtle Preconstruction Survey Report
- Paleontological Resource Mitigation Plan
- American Badger Preconstruction Survey Report
- San Joaquin Kit Fox Survey Report
- Burrowing Owl Survey Report
- California Red Legged Frog (CRLF) Preconstruction Survey Report
- Vernal Pool Branchiopod Survey Report
- Biological Monitor Resumes
- Habitat Restoration and Revegetation Plan
- Project Vegetation and Invasive Species Management Plan
- Stage III Cultural Data Recovery Reports

## EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

- Western Spadefoot Preconstruction Survey Report
- California Tiger Salamander (CTS) and CRLF Relocation Sites Report
- Landslide Survey Report
- Recycling/Disposal Plan
- Emergency Response Training

CONTRACTOR shall also review non-report documentation and memoranda for each compliance measure, as applicable. Attachment A includes a full list of all compliance tasks for all Stages, and specifies the estimated hours to complete each review. Estimated hours for review of each document under each resource area (i.e. Air Quality, Biological Resources, Cultural Resources, Geological Resources, Hazards, Hydrology, Public Safety and Traffic) were used to develop the total cost for each resource area as shown in the cost spreadsheet.

**Deliverable:** CONTRACTOR shall provide technical memoranda summarizing the review of each document and any recommendations for next steps if applicable. Memorandums will be prepared for each document or compilation of documents for similar issue areas (e.g., restoration plans). A complete list of the expected plans, technical documents and survey report are noted above. Deliverables will be provided to the County's Project Manager, Delinda Robinson, in electronic format within five (5) working days of completion. Hard copy documents will be provided via the United States Postal Service on a monthly basis.

### **Task 10.2.b Compliance Tracking for Access Road and Northern PV Construction**

CONTRACTOR shall track over eighty (80) mitigation measures within the MMRP, including tracking the preparation and timing of a wide range of documents, reports and notifications that must be submitted to the Project Applicant and/or the construction contractors to the County. CONTRACTOR shall develop a compliance tracking spreadsheet to track the status of all compliance measures, and maintain a full compliance binder of all final approved compliance documents. The compliance tracker will include a minimum of the following information: 1) Mitigation Measure number and name; 2) Timing of required compliance (i.e. pre-permit, preconstruction, construction, operation); 3) Name of reviewer; 4) Review deadlines; 5) Approval check boxes for CONTRACTOR and County reviewers; and 6) Notes for comments/recommendations for revisions or non-compliance issues. The compliance tracker can be expanded as needed following initial kick-off meeting coordination with County staff, and to be modified for the Stage II Construction Monitoring. CONTRACTOR shall identify and coordinate with County on any measures that have not been met through specified documentation, and communicate issues of non-compliance with County and Project Applicant through an approved non-compliance protocol developed during the Project initial kick-off meeting (see Compliance Management below).

**Deliverable:** CONTRACTOR shall provide brief memorandums that summarize the results of document review and provided recommendations for approval or revisions. A single memorandum for each of the documents listed in Task 10.2.a, Technical Document Review for Access Road and Northern PV Construction shall be provided to the County. The status of all other conditions will be addressed through the compliance tracker and/or direct communications with County. All written deliverables will be provided to the County's Project Manager, Delinda Robinson, in electronic format within five (5) working days of completion. Hard copy documents will be provided via the United States Postal Service on a monthly basis.



## EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

### Task 10.2.c Compliance Management for Access Road and Northern PV Construction

CONTRACTOR shall participate in an initial kick-off meeting with County to develop a protocol for communication, review, and approval of compliance documents, and to develop a plan for addressing deficiencies in compliance reports, studies, and documents, and for communicating and correcting non-compliance issues.

CONTRACTOR shall provide the direct oversight and management of Project compliance activity including coordination of staff for management of compliance process, technical review, tracking and documentation of Project Applicant compliance with Project conditions, coordination with the Project Applicant and County for submission and review of compliance documents, regular communications with County on status of compliance review and overall status of Project Applicant's compliance, tracking and record keeping for compliance documents and approvals. CONTRACTOR shall also work on budget control, CONTRACTOR'S staffing needs and internal review timing and processes. CONTRACTOR assumes two (2) regularly scheduled meetings with County per week during Stage I preconstruction compliance review, and regular (up to daily) communications with County for coordinating submission, review, revisions requests, and final approvals of compliance documents. CONTRACTOR assumes compliance management and weekly compliance status report will require four (4) hours per week for the duration of the Project (4 hours/week x 56 weeks = 224 hours).

**Deliverable:** CONTRACTOR shall prepare weekly status reports to County to be used for communication to the Public regarding the ongoing status of compliance activity on this Project. Weekly status reports will be provided to the County's Project Manager, Delinda Robinson, in electronic format within five (5) working days of completion. Hard copy documents will be provided via the United States Postal Service on a monthly basis.

## STAGE II: ACCESS ROAD AND NORTHERN PV CONSTRUCTION MONITORING

### Task 10.2.d On-Site Compliance Monitoring

CONTRACTOR shall provide one (1) on-site Professional Staff (Compliance Monitor) at the initiation of construction to confirm and ensure that the Project site and construction activity is in compliance with all Project conditions, and that the appropriate monitoring staff have been contracted and are conducting environmental monitoring in an appropriate and professional manner. CONTRACTOR'S Professional Staff (Compliance Monitor) shall communicate directly with CONTRACTOR'S Senior Staff III (Compliance Manager) for information relating to Project activities, timing of construction activity, anticipated completion of critical compliance activities, and site orientations for scheduled and surprise site visits. CONTRACTOR'S Professional Staff (Compliance Monitor) shall inspect the site for compliance with Project conditions including, but not limited to the following:

- Signage
- Construction Lighting
- Conditions within Construction Management Plan
- Environmental Sensitive Area (ESA) fencing
- Wildlife avoidance and minimization measures
- Security fencing
- Dust control measures (including valley fever measures)
- Habitat Conservation Plan measures
- Biological monitoring activity
- Carcass removal
- CRLF and CTS construction barriers

## EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

- Habitat Mitigation Monitoring Plan (HMMP) implementation
- Riparian, wetland and stream setbacks
- Wildlife-friendly fencing
- Cultural resources data recovery program
- Unexpected archeological discoveries
- Paleontological monitoring
- Emergency access
- Maintenance of fire suppression equipment
- PVIMP implementation
- Frac-out plan
- Avoidance of archeological sites
- Cultural resources monitoring activity
- Paleontological monitoring
- Landslide avoidance
- Vehicle maintenance
- Peak-hour control measures

CONTRACTOR assumes that one (1) full-time Professional Staff I (Compliance Monitor) will be required during the first four (4) weeks of construction activity. During this period all construction activity located in San Luis Obispo (SLO) County is expected to be completed. Any work located and conducted in SLO County will be invoiced to SLO County according to the Cost Estimate, as reflected on Page 7 (below). At the completion of the first four (4) weeks of construction activity, and assuming the construction contractor and Project Applicant contracted Compliance Monitors are meeting all Project conditions and the Project is in good standing regarding environmental compliance, on-site monitoring will be reduced to three (3) days per week for spot-checks for the following ten (10) weeks, and then twice-weekly spot-checks from that point on for the duration of the northern PV site (fifty-six (56) weeks total through December 31, 2016) for a total of ninety-two (92) monitoring days (assuming five (5) day work weeks during the initial month of construction and eight (8) hour work days inclusive of travel time).

### **Task 10.2.e Ongoing Review of Monitoring Logs, Monitoring Reports, and Other Documents**

CONTRACTOR shall have a dedicated, office-based, Senior Staff III (Compliance Manager) to review all daily logs, and weekly, monthly and annual reports, and to coordinate directly with County staff on submission of electronic copies of all monitoring reports and other Project documents, and the ongoing tracking of construction-phase compliance with Project conditions. CONTRACTOR'S Senior Staff III (Compliance Manager) will work directly with the County and the Project's on-site Compliance Monitors (contracted directly to the Project Applicant) for submission of regular monitoring reports and daily logs, and for procedures and notifications of non-compliance issues. CONTRACTOR assumes that, in addition to a review of any specific construction phase technical reports, this task will require an average of six (6) hours per week for review of daily logs and eight (8) hours per month for review of monitoring reports and coordination with the County for a total of four hundred thirty-two (432) hours.

### **STAGE III: SOUTHERN PV SITE PRECONSTRUCTION REVIEW**

#### **Task 10.2.f Southern Construction Phase Preconstruction Document Review and Compliance Tracking**

CONTRACTOR shall provide detailed peer review of technical documents such as preconstruction survey reports and other technical studies and permits, review of various plans and procedures, and review of documentation that specific conditions have or will be met by the Project Applicant. The task will involve the coordination of a variety of technical specialists, and oversight and management by a primary point of contact with support by an Assistant Project Manager. This task will be completed as detailed above in Tasks 10.2.a, b and c, for all

## **EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS**

documents prepared and submitted by the Project Applicant prior to the construction phase for the southern PV site, estimated to commence in May 2017. CONTRACTOR shall provide review of technical documents and permits, as well as oversight, coordination, and management by the Senior Staff III (Compliance Manager) and Professional Staff III (Assistant Compliance Manager) to document the Project's compliance with all conditions of approval, and communicate environmental compliance activity with County.

### **STAGE IV: SOUTHERN PV CONSTRUCTION MONITORING**

#### **Task 10.2.g Southern PV Construction Phase Compliance Monitoring and Compliance Tracking**

CONTRACTOR shall provide on-site inspection of the Project Applicant's compliance with Project conditions and the office-based review of daily monitoring logs and regular monitoring reports as detailed in Tasks 10.2.d and e above, for the construction of the southern PV site scheduled to commence in May 2017 and end in July 2018. During this stage, CONTRACTOR shall support County by making site inspections to ensure Project conditions are consistent with measures outlined in the conditions of approval, MMRP and the various monitoring and mitigation plans.

CONTRACTOR assumes that one (1) full-time Professional Staff I (Compliance Monitor) will be required during the first four (4) weeks of construction activity on the southern PV site. At the completion of the first four (4) weeks of construction activity, and assuming the construction contractor and Project Applicant contracted compliance monitors are meeting all Project conditions and the Project is in good standing regarding environmental compliance, CONTRACTOR shall reduce on-site monitoring to three (3) days per week for spot-checks for the following ten (10) weeks, and then twice-weekly spot-checks from that point on for the duration of the construction on the southern PV site (sixty-four (64) weeks total through July 31, 2018) for a total of one hundred (100) monitoring days (assuming five (5) day work weeks during the initial month of construction and eight (8) hour work days inclusive of travel time). CONTRACTOR assumes that, in addition to a review of any specific construction phase technical reports, this task will also require an average of six (6) hours per week for review of daily logs and eight (8) hours per month for review of monitoring reports and coordination with the County for a total of five hundred four (504) hours.

### **PROGRAM MANAGEMENT**

#### **Task 10.2.h Program Management and Administration**

CONTRACTOR shall provide senior oversight of program management, quality assurance/quality control, and administration required to manage the administrative and other internal and external aspects of the compliance program. CONTRACTOR shall participate in teleconference meetings to coordinate Project changes or other issues that may arise throughout the Project, and assumes not more than two (2) meetings during Stage I, Access Road and Northern PV Construction. CONTRACTOR's Senior Staff II (Program Manager) shall regularly review compliance status; and shall be available to County to address any potential concerns the County may have. CONTRACTOR shall provide general consulting, principal review and oversight, coordination, and general contract administration.

## EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

### SCHEDULE AND ASSUMPTIONS

At the County's direction, CONTRACTOR shall be immediately available to commence Stage I, Access Road and Northern PV Construction, including preliminary compliance oversight, review of review of preconstruction compliance reports and technical documents, and planning for Stage II, Access Road and Northern PV Construction, activity. CONTRACTOR understands that Project Applicant is actively submitting Project documents, and CONTRACTOR proposes an initial coordination meeting with County RMA - Planning Staff to establish a communication protocol, procedures for document transfer and review, procedures for document printing and storage, and procedures for recording compliance with Project conditions. After completion of the initial kick-off meeting, CONTRACTOR shall commence with document review, and, if the County does not have a procedure in place for recording and storing compliance data, CONTRACTOR shall develop a database in consultation with County-RMA - Planning to meet the Project needs and existing County systems. Specific details on the need and type of data and document storage would be developed in concert with the County for inclusion during Stage II, Access Road and Northern PV Construction.

### B. PAYMENT PROVISIONS

#### B.1 COMPENSATION/ PAYMENT

County shall pay an increased amount of \$424,876.05 (\$314,723.00 for Base Budget and \$110,153.05 for Contingency) for a total amount not to exceed \$851,617.30 (\$618,548.00 for Base Budget and \$233,069.30 for Contingency) for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services. CONTRACTOR'S compensation for services rendered shall be based on the attached Cost Estimate.

All trip travel, including mileage, to and from the worksite will be billed at the hourly rate listed in the attached Cost Estimate and will be considered towards the total number of hours worked per day. There shall be no other type of travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this Agreement are not in excess of those charged any other client for the same services performed by the same individuals.

#### B.2 CONTRACTOR'S BILLING PROCEDURES

Billing procedures are outlined in the following Payment Provisions.

County may, in its sole discretion, terminate the Agreement or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

County of Monterey Planning Department  
California Flats Solar Project Environmental Compliance Review and Oversight  
Cost Estimate

Tasks	Total Cost	Monterey County Cost <sup>1</sup>	San Luis Obispo County Cost <sup>1</sup>	Labor Hours	Rincon Consultants					Direct Expenses	
					Senior Staff I	Senior Staff II	Senior Staff III	Professional Staff II	Professional Staff I		Professional Staff
STAGE I ACCESS ROAD AND NORTHERN PV CONSTRUCTION Task 10.2.1 - Technical Document Review for Access Road and Northern PV Construction A-E Quality No Stage I Review Biological Resources Stage I and II Reviews Cultural Resources Stage I Reviews Geological Resources Stage I and II Review Hazards Stage I Review Hydrology - No Stage I Review Public Safety Phase I Review Traffic Phase I Review Task 10.2.2 - Compliance Tracking for Access Road and Northern PV Construction (see original under Task 10.2.c Compliance Management) Task 10.2.3 - Compliance Management for Access Road and Northern PV Construction STAGE II ACCESS ROAD AND NORTHERN PV CONSTRUCTION MONITORING Task 10.2.4 - On-site Compliance Monitoring (Total of 92 monitoring days) Task 10.2.5 - Ongoing Review of Monitoring Logs, Monitoring Reports, and Other Documents STAGE III SOUTHERN PV SITE PRECONSTRUCTION REVIEW Task 10.2.1 Southern Construction Phase Preconstruction Document Review and Compliance Tracking STAGE IV SOUTHERN PV CONSTRUCTION MONITORING Task 10.2.2 Southern PV Construction Phase Compliance Monitoring and Compliance Tracking Program Management Task 10.2.1 Program Management and Administration Subtotal Labor: \$39,724.2 Monterey County Credit (estimated buffer): \$38,750	\$340 \$3,100 \$7,750 \$2,250 \$1,550 \$1,570 \$1,150 \$26,630 \$7,220 \$4,340 \$12,440 \$13,330 \$33,550 \$39,724.2 \$390,730	\$120 \$26,350 \$3,850 \$1,145 \$775 \$835 \$95 \$16,284 \$6,470 \$4,764 \$12,840 \$12,330 \$33,124 \$34,724.2 \$314,772	\$100 \$26,350 \$3,850 \$1,145 \$775 \$835 \$95 \$16,284 \$6,470 \$4,764 \$12,840 \$12,330 \$33,124 \$34,724.2 \$314,772	2 472 86 22 15 16 12 224 740 432 122 1304 272 3497	8	24 4	220 60 8 5 6 2 40	270 14 10 10 10 10 154 40 300 72 260	264 350	\$1,000	
<b>TOTAL COST ESTIMATE</b>	<b>\$390,730</b>	<b>\$314,772</b>	<b>\$42,958</b>								

<sup>1</sup> Costs calculated as follows: Review rates 50%, Monitor/50% San Luis Obispo; Compliance Monitoring/Management 88.7% Monterey/ 11.3% San Luis Obispo; Compliance Monitoring/Management 2 weeks full time San Luis Obispo. Monterey to cover all remaining Stage II monitoring and all Stage III costs  
<sup>2</sup> Assumes 8 hours per day inclusive of travel time

**EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS**

**PAYMENT PROVISIONS**

Invoices for services / work products / deliverables under the AGREEMENT shall be submitted when the work product is complete, shall identify the document or work product being delivered or monthly (by the tenth day of the month) and shall include the following:

1. **Invoice Coversheet**

*Rincon Consultants, Inc.  
California Flats Solar Project Environmental Impact Report*

Date: \_\_\_\_\_

Invoice No. \_\_\_\_\_

Original Agreement Term: *March 13, 2013 – December 31, 2014*  
Original Agreement Amount: *\$282,075.75 (\$208,945.00 base budget plus \$73,130.75 project contingency)*

Amendment No. 1: *\$68,350.00 (\$38,350.00 base budget plus \$30,000.00 project contingency)*  
*Extension of Term to March 31, 2015*

Amendment No. 2: *\$76,315.50 (\$56,530.00 base budget plus \$19,785.50 project contingency)*  
*Extension of Term to September 30, 2015*

Amendment No. 3: *\$424,876.05 (\$314,723.00 base budget plus \$110,153.05 project contingency)*  
*Extension of Term to December 31, 2018*

**This Invoice:**

- 10. Administrative FEIR and MMRP**
- 10.2 Draft MMRP**
- STAGE I: ACCESS ROAD AND NORTHERN PHOTOVOLTAIC (PV) CONSTRUCTION**
- 10.2.a *\$33,880.00 Technical Document Review for Access Road and Northern PV Construction*
- 10.2.b *\$0.00 Compliance Tracking for Access road and Northern PV Construction (cost captured under Task 10.2.c, Compliance Management)*
- 10.2.c *\$26,284.00 Compliance Management for Access Road and Northern PV Construction*
- STAGE II: ACCESS ROAD AND NORTHERN PV CONSTRUCTION MONITORING**
- 10.2.d *\$64,470.00 On-Site Compliance Monitoring*
- 10.2.e *\$43,764.00 Ongoing Review of Monitoring Logs, Monitoring Reports, and Other Documents*
- STAGE III: SOUTHERN PV SITE PRECONSTRUCTION REVIEW**
- 10.2.f *\$12,840.00 Southern Construction Phase Preconstruction Document Review and Compliance Tracking*
- STAGE IV: SOUTHERN PV CONSTRUCTION MONITORING**
- 10.2.g *\$133,380.00 Southern PV Construction Phase Compliance Monitoring and Compliance Tracking*

EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

PROGRAM MANAGEMENT

10.2.h	\$33,124.00	Program Management and Administration	
<b>Total Costs:</b>	<b>\$347,742.00</b>		
<i>Credit for Unused Budget from Previously Identified Tasks</i>	<i>-\$33,019.00</i>		
<b>Total Increase for Amendment No. 3</b>	<b>\$314,723.00</b>		
 <i>Remaining Balance</i>	 \$ _____		

Approved as to Work/Payment: \_\_\_\_\_  
Delinda Robinson, Senior Planner Date

All Invoices Are To Be Sent To:  
Diana Lemos, Account Clerk  
County of Monterey Resource Management Agency - Finance Division  
168 W. Alisal Street, 2<sup>nd</sup> Floor, Salinas, CA 93901  
Telephone: (831) 755-5220

2. **Invoice Detail**

Each invoice shall indicate the hours worked by task and by staff member, with the corresponding billing rates.

3. **Transfer from Project Contingency Account**

Transfer of funding from the Project Contingency Account (contingency increased in the amount of \$110,153.05 for a total amount not to exceed \$233,069.30) requires the prior written approval of the Director of Planning and the Project Applicant.

A recommendation for such a transfer shall be presented in writing by CONTRACTOR to the Project Planner, with a duplicate original delivered to the Contract Administrator, at the earliest possible date. The recommendation shall include:

- The dollar amount;
- The anticipated date the funded work would begin;
- The duration of the work;
- The entity (CONTRACTOR or subconsultant) to whom the funds would be transferred/allocated; and
- The justification for the expenditure.

Within five (5) working days of receipt of the recommendation, the Project Planner and Contract Administrator will have contacted CONTRACTOR to discuss its recommendation and will have made a recommendation to the Director of Planning, or in the Director's absence, designee. Within ten (10) working days thereafter, the Director of Planning or designee will approve, deny, or approve a revised version of the recommendation received from CONTRACTOR, and will send his decision in writing to the Project Applicant, and CONTRACTOR.

Unless the recommended transfer is denied by the Director of Planning or designee, the Director of Planning or designee will ask the Project Applicant to make a decision within five (5) working days regarding the recommended transfer from the Project Contingency Account. If necessary, reasonable efforts will be made to reach a compromise.

Upon receipt of the Project Applicant's written approval by the Director of Planning or designee, the funding transfer will be made. At the same time, a letter authorizing the work funded by the approved transfer will be sent to CONTRACTOR.

## ATTACHMENT A

### County Conditions

#### 1. PD001- Specific Uses Only

- *Stage II and IV Ensure adherence to conditions and uses specified in the permit (no additional hours)*

### Aesthetics

#### 9. AES-1 Temporary Fencing At SR 41 Staging Areas

- *Stage II and IV Review fencing in the field prior to construction (captured in monitoring estimate)*
- *Stage II and IV Review fencing in the field during construction (ongoing)*

#### 10. AES-3 Minimize Construction Lighting

- *Stage II and IV Review construction lighting in the field (captured in monitoring estimate) – may require separate nighttime visits*

### Air Quality

#### 11. AQ-2(A) Dust Control Measures

- Review construction drawings to ensure dust control measures are included on all plans and specifications (already completed by County)
- *Stage II and IV Spot check in the field to verify compliance (captured in monitoring estimate)*

#### 12. AQ-2(B) Emission-Reduction Measures for Construction Equipment

- Review construction drawings to ensure measures are included on all plans and specifications (already completed by County)
- *Stage II and IV Spot check in the field to verify compliance (captured in monitoring estimate)*

#### 13. AQ-2(C) Tier 3 Construction Equipment

- Review signed written correspondence and list of construction to be used and associated EPA tier (already completed by County)
- *Stage II and IV Review list of construction submitted quarterly during construction (2 hours each time)*

#### 14. AQ-6(A) Valley Fever Management Plan

- Review VFMP (already completed by County)
- Confirm Health Department has approved VFMP (2 hours of coordination with Health Dept)

#### 15. AQ-6(B) Additional Valley Fever Dust Suppression Measures

- Review final Construction Management Plan to confirm dust suppression measures are included (already completed by County)
- *Stage II and IV Spot check during construction (captured in monitoring estimate)*

#### 16. AQ-6 (C) Monterey County Health Department Notification

- Confirm notice is provided to Health Officer and County not more than 60 days nor less than 30 days prior to construction (already completed by County)
- Coordinate with Health Officer as needed to confirm they provide educational outreach (already completed by County)



## ATTACHMENT A

17. AQ-6(D) Valley Fever Worker Training Program and Safety Measures
  - Review copies of all educational training materials (already completed by County)
  - *Stage II and IV Review evidence that new employees are provided training (captured in monitoring estimate)*
18. AQ-6(E) Valley Fever Information Handout
  - Review informational handout (already completed by County)
  - Coordinate with Health Department for their approval of the handout (already completed by County)
  - Confirm handout is mailed to existing residences within three miles of project (will be completed by County)
19. AQ-9 Construction Management Plan Requirements
  - Review Construction Management Plan to confirm inclusion of required measures (already completed by County)
  - *Stage II and IV Spot check during construction (captured in monitoring estimate)*

### Biological Resources

- 20/21. B-1(A) Compensatory Mitigation.
  - Review calculated acreages for compensatory mitigation. (16 hours)
  - Review/approve conservation land locations (16 hours)
  - Review conservation easement purchases or payments to qualified conservation easement holder. (4 hours)
  - Review qualifications of conservation easement holder. (4 hours)
  - Review studies documenting habitat conditions and suitability of conservation lands for all species (see costs for individual species conditions below).
  - Evaluate the sufficiency of provided conservation funds for necessary land management (8 hours)
  - Review the plans for enhanced habitat if proposed. (20 hours)
22. B-1(B) Habitat Conservation Plan
  - Review HCP for consistency with County conditions (8 hours)
  - *Stage II and IV Review implementation of all conditions within the HCP (8 hours)*
23. B-1(C) Special status Plant Surveys
  - Review results of Special Status Plant surveys on utility corridor (2 hours in both Stage I and Stage III)
24. B-1(D) Special Status Plant Species Avoidance and Minimization
  - Review botanical ESAs on site plans (2 hours in both Stage I and Stage III)
  - *Stage II and IV Review fencing of botanical ESAs in the field prior to construction (captured in monitoring estimate)*
  - *Stage II and IV Periodic checking that ESA fencing remains in tack during construction (captured in monitoring estimate)*
25. B-1(E) Special status Plant Compensatory Mitigation
  - Review of technical report identifying extent of compensatory mitigation for plants and the species for which mitigation is required. (8 hours)
26. B-1(F) American Badger Preconstruction Surveys
  - Review American badger preconstruction survey report (not specified in B-1[F] but required under B-1[G]) (2 hours in both Stage I and Stage III)

## ATTACHMENT A

27. B-1(G) American Badger Avoidance and Minimization
  - *Stage II and IV If required, ensure avoidance and minimization measures have been implemented in the field. (captured in monitoring estimate)*
28. B-1(H) San Joaquin Kit Fox Surveys
  - Review San Joaquin Survey Report (Not required under B-1(H) but should be reviewed to evaluate avoidance in measure B-1(I) (2 hours in both Stage I and Stage III)
- 29/30. B-1(I) San Joaquin Kit Fox Avoidance and Minimization
  - *Stage II and IV If required, ensure avoidance and minimization measures have been implemented in the field. (captured in monitoring estimate)*
31. B-1(J) San Joaquin Kit Fox Compensatory Mitigation
  - Review the calculations of total required mitigation lands and suitability of mitigation lands for San Joaquin kit fox compensatory mitigation (8 hours)
32. B-1(K) Removal of wildlife and livestock carcasses
  - *Stage II and IV Periodic field checks to ensure ongoing carcass removal is being conducted. (captured in monitoring estimate)*
33. B-1(L) Burrowing Owl Surveys
  - Review burrowing owl preconstruction survey reports. (2 hours in both Stage I and Stage III)
34. B-1(M) Burrowing Owl Avoidance and Minimization
  - *Stage II and IV If required, ensure avoidance and minimization measures have been implemented in the field. (captured in monitoring estimate)*
35. B-1(N) Burrowing Owl Compensatory Mitigation
  - Review the calculations of total required mitigation lands and suitability of mitigation lands for burrowing owl compensatory mitigation (4 hours)
36. B-1(O) Coachwhip and Coast Horned Lizard Preconstruction surveys
  - Review Coachwhip and Coast Horned Lizard Preconstruction surveys report. (2 hours in both Stage I and Stage III)
37. B-1(P) Wildlife Friendly Fence Design
  - Review of project fence design for consistency with wildlife movement standards. (2 hours in both Stage I and Stage III)
38. B-1(Q) Bat Preconstruction Surveys and Avoidance
  - Review of preconstruction bat survey report (2 hours in both Stage I and Stage III)
  - *Stage II and IV If applicable, review and monitor the avoidance measures for bat species. (captured in monitoring estimate)*
39. B-1(R) Preconstruction Survey for Raptors and Other Special Status Bird
  - Review of preconstruction nesting bird and raptor survey report (4 hours in both Stage I and Stage III)
  - *Stage II and IV If applicable, review and monitor the avoidance measures for nesting birds and raptors. (captured in monitoring estimate)*

## ATTACHMENT A

40. B-1(S) Special Status Bird Species Impact Avoidance and Minimization
  - Review project design for avian avoidance features (2 hours in both Stage I and Stage III)
41. B-1(T) Preconstruction Surveys and Avoidance of Western Pond Turtle
  - Review of preconstruction western pond turtle survey report (2 hours in both Stage I and Stage III)
  - *Stage II and IV If applicable, review and monitor the avoidance measures for western pond turtle. (captured in monitoring estimate)*
42. B-1(U) Preconstruction Surveys and Avoidance of Western Spadefoot
  - Review of preconstruction western spadefoot survey report (2 hours in both Stage I and Stage III)
  - *Stage II and IV If applicable, review and monitor the avoidance measures for western spadefoot. (captured in monitoring estimate)*
43. B-1(V) Compensatory Mitigation for Western Spadefoot
  - Review compensatory mitigation plan and HMMP for consistency with western spadefoot impacts. (4 hours)
44. B-1(W) California Tiger Salamander and California Red-Legged Frog Relocation Sites
  - Review information on CDFW and USFWS approved relocation sites (8 hours in both Stage I and Stage III)
45. B-1(X) California Red-Legged Frog Construction Barriers
  - Review documentation that fencing has been installed prior to ground disturbance (2 hours in both Stage I and Stage III)
  - *Stage II and IV On-site monitoring of fence to ensure barriers are correctly installed and located. (captured in monitoring estimate)*
46. B-1(Y) Construction Timing, Preconstruction Surveys and Avoidance Measures for CRLF
  - Review of CRLF preconstruction survey report (2 hours in both Stage I and Stage III)
  - *Stage II and IV If applicable, review and monitor the avoidance measures for CRLF. (captured in monitoring estimate)*
47. B-1(Z) Compensatory Mitigation for California Red-Legged Frog
  - Review calculations for impacts to CRLF habitat and required mitigation acreages (8 hours in both Stage I and Stage III)
  - Review analyses of proposed mitigation lands [concurrent with B-1(A) and B-1(B)] for suitability to CRLF (4 hours)
48. B-1(AA) California Tiger Salamander Construction Barriers
  - Review USFWS and CDFW approval of CTS construction barriers. (1 hours in both Stage I and Stage III)
  - *Stage II and IV Field checks to evaluate extent and design of CTS barriers (captured in monitoring estimate)*
49. B-1(BB) California Tiger Salamander Daily Pre-Activity Surveys
  - *Stage II and IV Review daily monitoring reports for CTS pre-activity surveys (in conjunction with regular reporting oversight)*
50. B-1(CC) Compensatory Mitigation for California Tiger Salamander
  - Review calculations for impacts to CTS habitat and required mitigation acreages (8 hours in both Stage I and Stage III)
  - Review analyses of proposed mitigation lands [concurrent with B-1(A) and B-1(B)] for suitability to CTS (4 hours)

## ATTACHMENT A

51. B-1(DD) Vernal Pool Branchiopod Avoidance and Mitigation
- Review any documentation related to the identification of potential impacts to VPFS ( 4 hours in both Stage I and Stage III)
  - Review and proposed avoidance measures for VPFS habitat (2 hours in both Stage I and Stage III)
  - If avoidance is not feasible: review calculations for impacts to VPFS habitat and required mitigation acreages and review analyses of proposed mitigation lands [concurrent with B-1(A) and B-1(B)] for suitability to VPFS (8 hours in both Stage I and Stage III)
52. B-1(EE) Construction Biological Monitoring
- Review biological monitor qualifications (16 hours)
  - *Stage II and IV Review monthly summary monitoring reports (captured in review estimate)*
  - *Stage II and IV Review annual monitoring reports (captured in review estimate)*
53. B-1(FF) Special Status Animal Species General Avoidance Measures and Construction BMPs
- *Stage II and IV On site monitoring of biological monitoring activities for compliance with all avoidance measures and BMPs (captured in monitoring estimate)*
  - *Stage II and IV Review of monthly and annual monitoring Reports (captured in review estimate)*
54. B-1(GG) Worker Environmental Awareness Program
- Review the WEAP (already completed by County)
  - *Stage II and IV Review WEAP administration to construction staff (captured in review estimate)*
  - Review documentation that all construction staff are WEAP trained
55. B-2 (A) Valley Needlegrass Grassland and Wildflower Field Habitat Mitigation
- Review and approve location and easement holders for mitigation (48 hours)
  - Review analyses of proposed mitigation lands [concurrent with B-1(A) and B-1(B)] for suitability to needlegrass and wildflower habitat (24 hours)
56. B-2(B) Habitat Restoration and Revegetation Plan
- Review and approval of HRRP (24 hours)
  - *Stage II and IV Field-based review of implementation of HMMP (8 hours)*
57. B-2(C) Project Vegetation and Invasive Species Management Plan
- Review and approval of PVIMP (16 hours)
  - *Stage II and IV Field-based review of implementation of PVIMP (8 hours)*
58. B-2(D) Mixed Oak Woodland Avoidance and Minimization
- Review of documentation on oak woodland impacts (4 hours)
  - *Stage II and IV If necessary, field-based review that all oak woodland avoidance measures are in place (captured in monitoring estimate)*
59. B-2(E) Riparian/Stream Habitat Setbacks
- Review documentation of riparian/stream avoidance measures (4 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of setbacks and avoidance for riparian/stream habitat (captured in monitoring estimate)*

## ATTACHMENT A

60. B-2(F) Stream Channel Avoidance and Minimization
  - Review documentation of stream channels avoidance measures (4 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of setbacks and avoidance for stream channels (captured in monitoring estimate)*
61. B-2(G) Directional Boring Avoidance and Minimization
  - Review of Frac-out plan (8 hours)
  - *Stage II and IV Field-based review of implementation of frac-out plan (captured in monitoring estimate)*
62. B-2(H) Show Streams and Riparian Habitat, and Associated Setbacks, on Construction Plans
  - Review construction plans for inclusion of streams and riparian habitat setbacks (4 hours in both Stage I and Stage III)
63. B-2(I) Riparian/Stream Mitigation
  - Review and approve location and easement holders for mitigation (16 hours)
  - Review analyses of proposed mitigation lands [concurrent with B-1(A) and B-1(B)] for suitability to riparian/stream habitat (16 hours)
64. B-3(A) Wetland Avoidance and Minimization
  - Review documentation wetland avoidance measures (2 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of setbacks and avoidance for wetland habitat (captured in monitoring estimate)*
65. B-3(B) Well Placement Hydrology Study (WPHS)
  - Review of WPHS (8 hours)
66. B-3(C) Monitor Well Impacts To Wetlands
  - Review documentation of avoidance if feasible. (2 hours)
  - Review compensatory mitigation measures if avoidance is not possible (4 hours)
  - *Stage II and IV Field-based review of avoidance measures or compensatory mitigation (captured in monitoring estimate)*
67. B-3(D) Wetland Habitat Mitigation
  - Review wetland habitat compensatory mitigation under B-1(A) (16 hours)
68. B-4(A) Pronghorn Calving Ground Avoidance and Minimization
  - Review documentation of preconstruction surveys for pronghorn calving grounds, or (2 hours in both Stage I and Stage III)
  - Review avoidance measures for pronghorn calving (2 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of avoidance measures (captured in monitoring estimate)*
69. B-4(B) Pronghorn-Friendly Fence Design
  - Review HMMP for inclusion of pronghorn-friendly fence design (2 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of implementation of pronghorn friendly fence design (captured in monitoring estimate)*
70. B-5(A) Oak/Riparian Tree Protection Zone
  - Review contracting of arborist and proposed TPZs (4 hours in both Stage I and Stage III)
  - *Stage II and IV Field-based review of monitoring of TPZs (captured in monitoring estimate)*

## ATTACHMENT A

### 71. B-5(B) Oak/Riparian Tree Mitigation

- Review documentation of oak tree avoidance, or (2 hours)
- *Stage II and IV Review mitigation planting plans and implementation (8 hours)*

### Cultural Resources

### 72. CR-1(A) Archaeological Site Avoidance

- Review of avoidance feasibility assessment. (*Excluded per Monterey County request*)
- *Stage II and IV Field-based review of avoidance of archeological sites (site flagging and avoidance measures) (captured in monitoring estimate)*

### 73. CR-1(B) Site Capping and Data Indexing

- *Stage II and IV Field-based review of capping and indexing of cultural resources that cannot be avoided (Excluded per Monterey County request)*

### 74. CR-1(C) Data Recovery Excavation

- Review of Phase III data recovery program documents and plans (already completed by County)
- *Stage II and IV Field-based review of implementation of data recovery program (8 hours)*
- *Stage II and IV Review of technical reports (including any attached special studies) (16 hours)*

### 75. CR-1(D) Archaeological Resource Worker Environmental Awareness Program

- Review WEAP for Cultural Resource sections (already completed by County)
- *Stage II and IV Ensure all workers have attended WEAP training (captured in review estimate)*

### 76. CR-1(E) Archaeological Resource Construction Monitoring

- *Stage II and IV Field-based review of cultural resource monitoring (captured in monitoring estimate)*

### 77. CR-1(F) Native American Construction Monitoring

- Review that NA monitors have been contracted for project monitoring (16 hour)
- *Stage II and IV Field-based review that NA monitors are present on site (captured in monitoring estimate)*
- *Stage II and IV Review weekly monitoring status updates (captured in review estimate)*

### 78. CR-2 Previously Unidentified Archaeological Resources

- *Stage II and IV Available for review of unexpected archeological discoveries throughout the project (16 hours; assumes two unexpected discoveries)*

### 79. CR-4(A) Paleontological Resource Mitigation Plan

- Review PRMP (8 hours)

### 80. CR-4(B) Paleontological Resource Construction Monitoring

- *Stage II and IV Field-based review of paleontological monitoring (captured in monitoring estimate)*

### Geologic Resources

### 81. GE0-2 Landslide Avoidance and Hazard Minimization

- Review landslide survey (10 hours in both Stage I and Stage III)
- Review proposed design modifications, if any (4 hours)
- *Stage II and IV Verify construction with approved plans (8 hours)*

## ATTACHMENT A

### Hazards

82. HAZ-3 Locate Underground Utilities
- Review proof of underground utility location (3 hours in both Stage I and Stage III)
  - Confirm plans avoid underground utilities (2 hours)
83. HAZ-4(A) Final Fuel Management Plan
- Review final Fuel Management Plan (already completed by County)
84. HAZ-4(B) Emergency Access
- *Stage II and IV Spot check emergency access in accordance with Final Fuel Management Plan during construction and operation (captured in monitoring estimate)*
85. HAZ-5 Disposal of PV Modules and Support Structures
- Review recycling/disposal plan (8 hours in both Stage I and Stage III)
  - Confirm long-term decommissioning bond is posted (2 hours [coordination])

### Hydrology

86. HYD-2(B) Maintain Vehicles and Equipment
- *Stage II and IV Confirm vehicles are properly maintained during construction (captured in monitoring estimate) Stage II Review vehicle and equipment log monthly during construction (captured in monitoring estimate)*

### Public Safety

87. PS-1(A) Construction Management Plan
- Review final Construction Management Plan to confirm inclusion of fire protection measures (8 hours in both Stage I and Stage III)
  - Confirm CAL FIRE reviews and approves Construction Management Plan (2 hours [coordination])
  - *Stage II and IV Spot check in field to confirm compliance with CMP (captured in monitoring estimate)*
88. PS-1(B) Emergency Response Training
- Review verification of emergency response training (2 hours)
  - Confirm applicant has consulted with South Monterey County FPD/CAL FIRE (2 hours [coordination])
  - *Stage II and IV Review verification on an annual basis during operation (captured in review estimate)*
  - *Stage II and IV Confirm on-site fire suppression equipment properly maintained (captured in monitoring estimate)*
89. PS-1(C) Fire Protection During Construction
- Review final, executed agreement with CAL FIRE (2 hours)

### Traffic

90. T-2 Friday Peak Hour Control Measures- Construction Stage
- *Stage II and IV Confirm compliance with control measures in the field (construction, Fridays between 4:35-5:35 PM) (captured in monitoring estimate)*

## ATTACHMENT A

91. T-4 Friday Peak Hour Control Measures- Operation Stage

- *Stage II and IV Confirm compliance with control measures in the field (operation until Caltrans SR 41/46 improvements complete, Friday between 4:35-5:35 PM) (captured in monitoring estimate)*

92. T-7 Park and Ride Facility Siting

- Review plans showing proposed park and ride facilities for compliance with siting requirements (12 hours)

93. L T -1 Worker Housing Program

- Review Worker Housing Program (already completed by County)





# CERTIFICATE OF LIABILITY INSURANCE

RINCCON-01

MANAWILM

DATE (MM/DD/YYYY)

1/7/2015

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

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

PRODUCER License # 0E67768 Legends Environmental Ins. Services 130 Vanille Suite 250 Aliso Viejo, CA 92658	CONTACT NAME: Michael Manawil PHONE (A/C No. Ext.): (800) 992-6999 FAX (A/C No.): (800) 999-3887 E-MAIL ADDRESS: Michael.Manawil@legends-enviro.com
INSURED	INSURER(S) AFFORDING COVERAGE
Rincon Consultants, Inc. 222 N Ashwood Ave Ventura, CA 93045	INSURER A: Crum & Forster Specialty Insurance Company NAIC # 44520
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **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	ADDITIONAL INSURED	COVERAGE	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"/> Pollution Liability <input checked="" type="checkbox"/> Transportation Pol.* GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X	X	EPK-105397	09/22/2014	09/22/2016	EACH OCCURRENCE \$ 3,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ 50,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 3,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Transp. Pol.* \$ 1,000,000 COMBINED SINGLE LIMIT (EA ACCIDENT) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	X		EFX-101817	09/22/2014	09/22/2015	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liab*			EPK-105397	09/22/2014	09/22/2016	Occurrence 3,000,000
A	Professional Liab.*			EPK-105397	09/22/2014	09/22/2016	Aggregate 4,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 All projects performed by the insured.  
 \*Professional Liability and Transportation Pollution are written on a Claims Made basis. When required by written contract, the General Liability and Pollution Liability Limits are on a Per Project basis while dedicated; the Professional Liability is on a Per Policy basis.  
 The County of Monterey, its Officers, Agents and Employees are included as additional insured on a primary and non-contributory basis; waiver of subrogation applies where required by a written contract. 30 day notice of cancellation with 10 day notice for nonpayment of premium in accordance with the policy provisions.

**CERTIFICATE HOLDER**                      **CANCELLATION**

County of Monterey Contracts/Purchasing Division 168 West Alisal Street 3rd Floor Salinas, CA 93901	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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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/21/2015

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

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

<b>PRODUCER</b> Tolman & Wiker Insurance Services LLC #0E52D73 196 S. Fir Street PO Box 1388 Ventura CA 93002-1388		<b>CONTACT NAME:</b> Paim Ayarla <b>PHONE (Int. No. Ext.):</b> (805) 585-6737 <b>FAX (Int. No. Ext.):</b> (805) 585-6887 <b>E-MAIL ADDRESS:</b> payerle@tolmanandwiker.com															
<b>INSURED</b> Rincon Consultants Inc. 180 N. Ashwood Ave. Ventura CA 93003		<b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"> <tr> <th>INSURER</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: American Fire &amp; Cas Ins Co</td> <td>24066</td> </tr> <tr> <td>INSURER B: State Compensation Ins Fund</td> <td>35076</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>		INSURER	NAIC #	INSURER A: American Fire & Cas Ins Co	24066	INSURER B: State Compensation Ins Fund	35076	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:																	
INSURER D:																	
INSURER E:																	
INSURER F:																	

**COVERAGES** CERTIFICATE NUMBER: 14/15 AU/WC 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	ADDITIONAL INSURER	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADY INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		BAA (15) 56271217	12/17/2014	12/17/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist (BI single) \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED: <input type="checkbox"/> RETENTION \$					Underinsured motorist (BI single) \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in Neb) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	9086946-2015	2/1/2015	2/1/2016	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <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 (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 AUTO; The County of Monterey, its Officers, Agents and Employees are Additional Insured as respects to operations of the Named Insured per CA88100113. This Insurance is Primary & Non-Contributory to any other Insurance per CA00010306. Endorsements apply only as required by current written contract on file.

<b>CERTIFICATE HOLDER</b>  County of Monterey Contracts/Purchasing Department 168 West Alisal Street 3rd Floor 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  David Shore/PAMELA
--	--

ACORD 23 (2010/05)

INS025 (201005).01

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED 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)	Location(s) Of Covered Operations
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured.	Where specified by written contract.

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

**A. 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:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B. With respect to the insurance** afforded to these additional insureds, 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 the 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured for Completed Operations Coverage.	Where specified by written contract.

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

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" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

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

**PRIMARY NON CONTRIBUTORY INSURANCE ENDORSEMENT FOR SPECIFIED PROJECT**

This Endorsement shall not serve to increase our limits of insurance, as described in SECTION III - LIMITS OF INSURANCE.

In consideration of the payment of premiums, it is hereby agreed as follows.

Solely with respect to the specified project listed below and subject to all terms, conditions and exclusions of the policy, this insurance shall be considered primary to the Additional Insured listed below if other valid and collectible insurance is available to the Additional Insured for a loss we cover for the Additional Insured under COVERAGE A. It is also agreed that any other insurance maintained by the additional Insured shall be non-contributory.

Additional Insured(s)	Specified Project
Any person or organization when you have agreed in writing in a contract or agreement that such person or organization be added as an Additional Insured on a primary and non contributory basis.	Where specified by written contract.

All other terms, conditions and exclusions under the policy are applicable to this Endorsement and remain unchanged.

POLICY NUMBER: EPK-105397

COMMERCIAL GENERAL LIABILITY  
CG 24 04 10 93

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

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization when you have agreed in writing in a contract or agreement to waive your right of recovery against such person or organization.

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

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

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.

## 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.  
**BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

**COVERAGE INDEX**

**SUBJECT**

**PROVISION NUMBER**

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**SECTION II - LIABILITY COVERAGE** is amended as follows:

**1. BROAD FORM INSURED**

**SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED** is amended to include the following as an insured:

d. Any legally incorporated entity of which you own more than 50 percent of the voting stock during the policy period. However, "Insured" does not include any organization that:

- (1) Is a partnership or joint venture; or
- (2) Is an insured under any other automobile policy; or
- (3) Has exhausted its Limit of Insurance under any other automobile policy.

Paragraph d. (2) of this provision does not apply to a policy written to apply specifically in excess of this policy.

e. Any organization you newly acquire or form, other than a partnership or joint venture, of which you own more than 50 percent of the voting stock. This automatic coverage is afforded only for 180 days from the date of acquisition or formation. However, coverage under this provision does not apply:

- (1) If there is similar insurance or a self-insured retention plan available to that organization;



- (2) If the Limits of Insurance of any other insurance policy have been exhausted; or
- (3) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

**2. EMPLOYEES AS INSURED**

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- f. Any "employee" of yours while using a covered "auto" you do not own, hire or borrow, but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".
- g. An "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

**3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT**

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- h. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed in a written contract, agreement, or permit issued to you by governmental or public authority, to add such person, or organization, or governmental or public authority to this policy as an "insured".

However, such person or organization is an "insured":

- (1) Only with respect to the operation, maintenance or use of a covered "auto";
- (2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or agreement, or the permit has been issued to you; and
- (3) Only for the duration of that contract, agreement or permit

**4. SUPPLEMENTARY PAYMENTS**

SECTION II - LIABILITY COVERAGE, Coverage Extensions, 2.a. Supplementary Payments, paragraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to \$500 a day because of time off from work.

**5. AMENDED FELLOW EMPLOYEE EXCLUSION**

In those jurisdictions where, by law, fellow employees are not entitled to the protection afforded to the employer by the workers compensation exclusivity rule, or similar protection, the following provision is added:

SECTION II - LIABILITY, exclusion B.5. FELLOW EMPLOYEE does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

**6. HIRED AUTO PHYSICAL DAMAGE**

Paragraph A.4. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended by adding the following:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes of Loss or Collision coverage are provided under the Business Auto Coverage Form for any "auto" you own, then the Physical Damage coverages provided are extended to "autos":

- a. You hire, rent or borrow; or

- b. Your "employee" hires or rents under a written contract or agreement in that "employee's" name, but only if the damage occurs while the vehicle is being used in the conduct of your business,

subject to the following limit and deductible:

- A. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:
- (1) \$50,000; or
  - (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.
- B. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.
- C. Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.
- D. Subject to a maximum of \$1,000 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.
- E. This coverage extension does not apply to:
- (1) Any "auto" that is hired, rented or borrowed with a driver; or
  - (2) Any "auto" that is hired, rented or borrowed from your "employee".

For the purposes of this provision, SECTION V - DEFINITIONS is amended by adding the following: "Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

**7. TOWING AND LABOR**

SECTION III - PHYSICAL DAMAGE COVERAGE, paragraph A.2. Towing, is amended by the addition of the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

- a. For private passenger type vehicles, we will pay up to \$50 per disablement.
- b. For "light trucks", we will pay up to \$50 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.
- c. For "medium trucks", we will pay up to \$150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 - 20,000 pounds.

However, the labor must be performed at the place of disablement.

**8. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE**

Paragraph A.4.a., Coverage Extension of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended to provide a limit of \$50 per day and a maximum limit of \$1,500



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**9. RENTAL REIMBURSEMENT**

SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

- a. We will pay up to \$75 per day for rental reimbursement expenses incurred by you for the rental of an "auto" because of "accident" or "loss", to an "auto" for which we also pay a "loss" under Comprehensive, Specified Causes of Loss or Collision Coverages. We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto."
- b. Rental Reimbursement will be based on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for the period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days.
- c. We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your tools and equipment from the covered "auto".
- d. This coverage does not apply unless you have a business necessity that other "autos" available for your use and operation cannot fill.
- e. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Paragraph 4. Coverage Extension.
- f. No deductible applies to this coverage.

For the purposes of this endorsement provision, materials and equipment do not include "personal effects" as defined in provision 11.

**10. EXTRA EXPENSE - BROADENED COVERAGE**

Under SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you. The maximum amount we will pay is \$1,000.

**11. PERSONAL EFFECTS COVERAGE**

A. SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to \$800 for "personal effects" stolen with the "auto."

The insurance provided under this provision is excess over any other collectible insurance.

B. SECTION V - DEFINITIONS is amended by adding the following:

For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an insured." "Personal effects" does not include tools, equipment, jewelry, money or securities.

**12. ACCIDENTAL AIRBAG DEPLOYMENT**

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion for "loss" relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Any insurance we provide shall be excess over any other collectible insurance or reimbursement by manufacturer's warranty. However, we agree to pay any deductible applicable to the other coverage or warranty.

**13. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS, exception paragraph a. to exclusions 4.c. and 4.d. is deleted and replaced with the following:

Exclusion 4.c. and 4.d. do not apply to:

- a. Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto" and physical damage coverages are provided for the covered "auto"; or

If the "loss" occurs solely to audio, visual or data electronic equipment or accessories used with this equipment, then our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.

#### 14. LOAN / LEASE GAP COVERAGE

- A. Paragraph C., LIMIT OF INSURANCE of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by adding the following:

The most we will pay for a "total loss" to a covered "auto" owned by or leased to you in any one "accident" is the greater of the:

1. Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
  - a. Overdue payments and financial penalties associated with those payments as of the date of the "loss",
  - b. Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear,
  - c. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease,
  - d. Transfer or rollover balances from previous loans or leases,
  - e. Final payment due under a "Balloon Loan",
  - f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto",
  - g. Security deposits not refunded by a lessor,
  - h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto",
  - i. Any amount representing taxes,
  - j. Loan or lease termination fees; or

2. The actual cash value of the damage or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the "loss". This adjustment is not applicable in Texas.

- B. ADDITIONAL CONDITIONS

This coverage applies only to the original loan for which the covered "auto" that incurred the loss serves as collateral, or lease written on the covered "auto" that incurred the loss.

- C. SECTION V - DEFINITIONS is changed by adding the following:

As used in this endorsement provision, the following definitions apply:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.

**15. GLASS REPAIR - WAIVER OF DEDUCTIBLE**

Paragraph D. Deductible of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

**16. PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)**

Paragraph D. Deductible of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

- a. In the charge of an "insured";
- b. Legally parked; and
- c. Unoccupied.

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

**17. TWO OR MORE DEDUCTIBLES**

Under SECTION III PHYSICAL DAMAGE COVERAGE, if two or more company policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement, company means any company that is part of the Liberty Mutual Group.

**SECTION IV - BUSINESS AUTO CONDITIONS** is amended as follows:

**18. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph B.2. is amended by adding the following:

If you unintentionally fail to disclose any hazards, exposures or material facts existing as of the inception date or renewal date of the Business Auto Coverage Form, the coverage afforded by this policy will not be prejudiced.

However, you must report the undisclosed hazard of exposure as soon as practicable after its discovery, and we have the right to collect additional premium for any such hazard or exposure.

**19. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.2.a. is replaced in its entirety by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must promptly notify us when it is known to:
  1. You, if you are an individual;
  2. A partner, if you are a partnership;
  3. Member, if you are a limited liability company;
  4. An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.

To the extent possible, notice to us should include:

- (1) How, when and where the "accident" or "loss" took place;
- (2) The "insureds" name and address; and
- (3) The names and addresses of any injured persons and witnesses.

**20. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.5., Transfer of Rights of Recovery Against Others to Us, is amended by the addition of the following:

If the person or organization has waived those rights before an "accident" or "loss", our rights are waived also.

**21. HIRED AUTO COVERAGE TERRITORY**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph B.7., Policy Period, Coverage Territory, is amended by the addition of the following:

- f. For "autos" hired 30 days or less, the coverage territory is anywhere in the world, provided that the insured's responsibility to pay for damages is determined in a "suit", on the merits, in the United States, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

This extension of coverage does not apply to an "auto" hired, leased, rented or borrowed with a driver.

SECTION V - DEFINITIONS is amended as follows:

**22. BODILY INJURY REDEFINED**

Under SECTION V - DEFINITIONS, definition C. is replaced by the following:

"Bodily Injury" means physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

**COMMON POLICY CONDITIONS**

**23. EXTENDED CANCELLATION CONDITION**

COMMON POLICY CONDITIONS, paragraph A. - CANCELLATION condition applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation. This provision does not apply in those states which require more than 60 days prior notice of cancellation.

## 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 Of Covered Auto Designation Symbols	
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 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", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

Symbol	Description Of Covered Auto Designation Symbols	
9	Non-Owned "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", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

**B. Owned Autos You Acquire After The Policy Begins**

1. If symbols 1, 2, 3, 4, 5, 6 or 19 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:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. 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:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto."
3. 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 will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos." However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident."

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. 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 "employees" 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, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments.

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 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.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" 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 earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.

- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" 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.

These payments will not reduce the 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" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; 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:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; 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". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**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 or while performing duties related to the conduct of your business.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving 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:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

**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

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

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. 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
- c. 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".

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs B.b. and B.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

### 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 the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

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

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

## 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 Extensions

#### a. Transportation Expenses

We will pay up to \$20 per day to a maximum of \$600 for temporary 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 temporary 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. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

#### 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. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. 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:

a. Wear and tear, freezing, mechanical or electrical breakdown.

b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.

c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.

d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or

b. Any other electronic equipment that is:

(1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or

- (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### 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

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- 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 request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "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.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**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. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

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

d. 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;
- d. Canada; and
- e. Anywhere in the world if:

(1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

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;

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" 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. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured";
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. 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

c. 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."

Paragraph a. above 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, seep, migrate, or are discharged, dispersed 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," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment."

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" 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, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker"; "Employee" does not include a "temporary worker".
- G. "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.
- H. "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
  6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "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.
- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. 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.

An "insured contract" does not include that part of any contract or agreement:

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.

6. 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.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "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.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

1. Damages because of "bodily injury" or "property damage"; or
2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

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