

Attachment I

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**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
WOOD RODGERS, 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 WOOD RODGERS, INC. (hereinafter, "CONTRACTOR") which was executed by the County on October 27, 2008 (hereinafter, "Agreement") is hereby entered into between the County and the CONTRACTOR.

WHEREAS, the County and the CONTRACTOR wish to amend the Agreement to include additional environmental documentation and plans, specifications, and engineers estimate associated with the extension of the trail along the north edge of Moss Landing Road across Moro Cojo Slough by approximately 300 feet for the Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment, Project No. 866865.

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

1. Amend 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. The additional services to be included by this Amendment No. 1 are generally described in the attached Exhibit A-1.

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 is amended to increase the total amount payable to CONTRACTOR by \$15,700, for a total not to exceed the sum of \$1,064,596.04.

3. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-1, Scope of Services/Payment Provisions" and "Exhibit B-1, Federal Provisions".
4. Pages 1 and 2 of "Exhibit B, Federal Provisions" are hereby replaced with Pages 1 through 10 of "Exhibit B-1, Federal Provisions".

Page 1 of 2

Amendment No. 1 to Professional Services Agreement
Wood Rodgers, Inc.
Monterey Bay Sanctuary Scenic Trail - Moss Landing Segment
RMA – Department of Public Works
Term: October 1, 2008 – December 30, 2011
Not to Exceed: \$1,064,596.04

5. All other terms and conditions of the Agreement remain unchanged and in full force.
6. 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 Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: *Alfreda Buford vs Mike Alvar*
 Contracts/Purchasing Officer
 Date: 12/3/09

Approved as to Form, County Counsel

By: *Aprilia A. Glason*
 Deputy County Counsel
 Date: 9-30-09

Approved as to Fiscal Provisions, Auditor-Controller

By: *[Signature]*
 Date: 10/1-09

Approved as to Indemnity and Insurance Provisions, Risk Management

By: _____
 Date: _____

CONTRACTOR

Wood Rodgers, Inc.
 3301 C Street, Building 100-B
 Sacramento, CA 95816

By: _____
 (Signature of Chair, President or Vice President)

Its: _____
 (Name and Title)

Date: _____

By: _____
 (Signature of Secretary, Asst. Secretary, CFO, or Asst. Treasurer)

Its: _____
 (Name and Title)

Date: _____

ENTERED
 DEC 03 2009
 D BAYARD

5. All other terms and conditions of the Agreement remain unchanged and in full force.
6. 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 Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Contracts/Purchasing Officer

Wood Rodgers, Inc.
3301 C Street, Building 100-B
Sacramento, CA 95816

Date: _____

By: *Ali A. Hemmati*
(Signature of Chair, President or Vice President)

Approved as to Form, County Counsel

Its: Ali A. Hemmati / President
(Name and Title)

By: *Aprilia L. Glason*
Deputy County Counsel

Date: 10/1/09

Date: 9-30-09

By: *Timothy R. Gush*
(Signature of Secretary, Asst. Secretary, CFO, or Asst. Treasurer)

Approved as to Fiscal Provisions, Auditor-Controller

Its: Timothy R. Gush, Secretary
(Name and Title)

By: _____

Date: 10/1/09

Date: _____

Approved as to Indemnity and Insurance Provisions, Risk Management

By: _____

Date: _____

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS



WOOD RODGERS

9/24/09

July 24, 2009

Monterey County
Department of Public Works
Attn: Mr. Stephen Leiker, PE
168 West Alisal Street, 2nd Floor
Salinas, California 93901.

Re: Request for Amendment to Professional Engineering Services Agreement A-11286
Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment

Dear Mr. Leiker:

In response to your request, this letter is to request an augmentation to our consultant services agreement to compensate Wood Rodgers for additional services associated with the extension of the trail along the north edge of Moss Landing Road across Moro Cojo Slough, an additional length of approximately 300 feet. We understand that Monterey County is developing a separate project to reconstruct that section of Moss Landing Road and add curb and gutter along both sides, and that the construction of that separate project will occur either prior to or at about the same time as the construction of the trail project. The additional items of work and the associated budget estimates are outlined herein. These items are addressed in order of our current scope of work:

Project Management: We assume that this request will be approved promptly, so that the additional items of work can be accomplished at the same time as the similar items of work in the original project limits. Therefore, the overall duration of the project should not be affected and no additional management efforts will be required.

Task 1.1 – Surveys and Base Mapping – The area along the north side of Moss Landing Road is outside of the area mapped for this project, but is within the area of coverage of the aerial photography. Therefore, additional field survey work and aerial photography is not anticipated. However, the mapping must be extended to cover the area of the trail extension, and the additional area must be added to the orthophoto. This is estimated to require the following additional budget:

Wood Rodgers Classification	Hours	Hourly Rate	Fee
Project Manager / Project Engineer	3	\$130.00	\$390.00
Senior Surveyor	4	\$125.00	\$500.00
Design Engineer / Engineer I	4	\$115.00	\$ 460.00
Subtotal			\$1,350.00
Reimbursibles	Photogrammetry		650.00
			\$2,000.00

Task 2.3 – Environmental Technical Reports – Most of the environmental technical reports have been drafted, based on the original project area and description. These reports will need to be revised to include the additional 300-foot-long section of trail along the north side of Moss Landing Road.

Task 2.3.1: Natural Environment Study (NES) / Jurisdictional Delineation

The Natural Environment Study/Jurisdictional Delineation would be updated as follows:

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

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July 24, 2009

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- Update the Project Description in the NBS to include the new project segment;
- Modify report graphics in the NES to include the new segment as part of the proposed project;
- Analysis of additional sensitive aquatic habitat along the northern margin of the trail extension;
- Update the Project Description in the Jurisdictional Delineation to include the new project segment;
- Modify four (4) report graphics in the Jurisdictional Delineation to include the new segment as part of the proposed project;
- Delineation, including mapping of the High Water Line, and Mean High Water Line, of the slough adjacent to Moss Landing Road, as required by the Army Corps of Engineers;

LSA Budget: \$3,500.00

Task 2.3.2: Cultural Resources Studies

The Cultural Resource Studies would be updated as follows:

- Update Project Description in the Archeological Survey Report (ASR), Historic Resource Evaluation Report (HREER), Historic Property Survey Report (HPSR) and Archeological Evaluation Plan (AEP) to include the new project segment;
- Review current record searches, literature reviewed, and map sources to extend the Area of Potential Effects (APE) around the new trail segment;
- Include discussion of the new project segment in the body of the report (e.g., change length and size of project site);
- Address impacts of construction (if any) within APE extension area; and
- Modify six (6) figures (two (2) per report for the HREER, HPSR, and AEP) to include the new segment as part of the proposed project.

LSA Budget: \$600.00

Task 2.3.2: Hazardous Waste Initial Site Assessment (ISA)

The Phase I Environmental Site Assessment report would be updated as follows:

- Revise the project description to include the new project segment;
- Include the new project segment in the site reconnaissance discussions; and
- Modify one(1) report figure to include the new segment as part of the proposed project.

LSA / Earth Systems Budget: \$500.00

Task 2.3.4: Visual Impact Assessment

The Visual Impact Assessment would be updated as follows:

- Update Project Description to include the new project segment;
- Include discussion of the new project segment in the body of the report (e.g., change length and size of project site);
- Include photos and discussion of a new Key View associated with the new segment of the proposed trail;
- Address impacts of construction and operation (if any) associated with the new segment; and
- Modify three (3) report graphics to include the new segment as part of the proposed project.

LSA Budget: \$600.00

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

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Task 2.3.6: Water Quality Assessment

The Water Quality Assessment would be updated as follows:

- Update Project Description to include the new project segment;
- Include discussion of the new project segment in the body of the report (e.g., change length and size of project site);
- Address impacts of construction and operation (if any) associated with the new segment; and
- Modify three (3) report graphics to include the new segment as part of the proposed project.

LSA Budget: \$500.00

Task 3.1 – Trail Base Plans – The layout and profile of the additional section of bicycle/pedestrian trail will be prepared in coordination with the adjacent improvements to Moss Landing Road which are under design by Monterey County staff.

The level of effort associated with this change is estimated as:

Wood Rodgers Classification	Hours	Hourly Rate	Fee
Project Manager / Project Engineer	6	\$130.00	\$780.00
Design Engineer / Engineer I	24	\$115.00	\$2,760.00
W-R Budget			\$3,540.00

Task 3.3 – Bicycle/Pedestrian Trail Design – The design of the additional section of bicycle/pedestrian trail will be prepared in coordination with the adjacent improvements to Moss Landing Road which are under design by Monterey County staff. It is anticipated that the roadway project will construct a curb and gutter along the north side of Moss Landing Road to separate the trail from the adjacent roadway. It may be necessary to incorporate a railing or fence along the north side of the trail to mitigate the potential for falls into the adjacent harbor. There may also be some low retaining wall on the north side of the trail shoulder.

The level of effort associated with this change is estimated as:

Wood Rodgers Classification	Hours	Hourly Rate	Fee
Project Manager / Project Engineer	6	\$130.00	\$780.00
Design Engineer / Engineer I	32	\$115.00	\$3,680.00
W-R Budget			\$4,460.00

RECAP OF CHANGES

Task 1.1 – Surveys & Base Mapping:	\$ 2,000
Task 2.3 – Environmental Technical Reports:	\$ 5,700
Task 3.1 – Trail Base Plans:	\$ 3,540
Task 3.3 – Trail Design	\$ 4,460
TOTAL ADDITIONAL BUDGET	\$15,700

Payment Provisions:

The total amount of services provided under this Amendment No. 1 shall not exceed the amount of \$15,700 for a total Agreement amount not to exceed \$1,064,596.04. Payment for services shall be paid to the CONTRACTOR on a time and materials basis at the hourly rates provided and according to Provision 6 – PAYMENT CONDITIONS outlined in the Agreement.

Contractor Initials

10/1/09
Date

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS

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Wood Rodgers requests authorization for additional budget in the amount of \$15,700, changing the not-to-exceed contract amount from \$1,048,896.04 to a new total of \$1,064,596.04. We are looking forward to successful completion of this much-needed project and recommend your authorization.

If you require additional information regarding this request, please do not hesitate to contact me at 916-440-9519.

Sincerely,

WOOD RODGERS, INC.



Ali A. Hemmati, P.E.
Principal/Project Manager

cc: Keith Hallsten, Project Engineer, Wood Rodgers
Joey Sellers, Contracts, Wood Rodgers
8091.010, 052

**EXHIBIT B-1 - FEDERAL PROVISIONS
CALTRANS LOCAL ASSISTANCE PROCEDURES MANUAL**

ARTICLE I CONTACT INFORMATION

County Project Manager
Name Steve Leiker, P.E.
Title: Senior Civil Engineer
Address: 168 West Alisal Street, 2nd Floor
Salinas, CA 93901
Telephone Number: (831)755-4809

Contractor Project Manager
Name: Ali Hemmati, P.E.
Title: Principal/Project Manager
Address: 3301 C Street, Building 100-B
Sacramento, CA 95816
Telephone Number: (916-440-9519)

ARTICLE II TERMS

All references to "Contract" herein shall include the County of Monterey Agreement for Professional Services.

ARTICLE III ALLOWABLE COSTS AND PAYMENTS (Check one box only)

- The method of payment for this contract will be based on actual cost-plus-a fixed fee.**
- A. The COUNTY will reimburse the CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by the CONTRACTOR in performance of the work. The CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the CONTRACTOR's executed Proposal, unless additional reimbursement is provided for by contract amendment. In no event, will the CONTRACTOR be reimbursed for overhead costs at a rate that exceeds the COUNTY's approved overhead rate set forth in the executed Proposal. In the event that the COUNTY determines that a change to the work from that specified in the Executed Proposal and contract is required, the contract time and/or actual costs reimbursable by the COUNTY shall be adjusted by contract amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "H" shall not be exceeded, unless authorized by contract amendment.
- B. In addition to the allowable incurred costs, the COUNTY will pay the CONTRACTOR a fixed fee of \$ N/A. The fixed fee is nonadjustable for the term of the contract, except in the event of a significant change in the scope of work and such adjustment is made by contract amendment.
- C. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the executed Proposal.
- D. When milestone cost estimates are included in the executed Proposal, the CONTRACTOR shall obtain prior written approval for a revised milestone cost estimate from the COUNTY Project Manager before exceeding such cost estimate.
- E. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of the CONTRACTOR's fixed fee will be included in the monthly progress payments. If CONTRACTOR fails to submit the required

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deliverable items according to the schedule set forth in the Statement of Work, the COUNTY shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions of Section 7 of the County of Monterey Agreement for Professional Services.

- F. No payment will be made prior to approval of any work, nor for any work performed prior to the approval of this contract.
- G. The CONTRACTOR will be reimbursed, as promptly as fiscal procedures will permit upon receipt by the COUNTY'S Finance Division of an itemized invoice. Invoices shall be submitted no later than 30 calendar days after the performance of work for which the CONTRACTOR is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the executed Proposal and shall reference this contract name and the COUNTY'S Project Manager. Final invoice must contain the final cost and all credits due to the COUNTY. The final invoice should be submitted within 60-calendar days after completion of the CONTRACTOR'S work. Invoices shall be mailed to the COUNTY'S Finance Division at the following address:

County of Monterey
Resource Management Agency
Department of Public Works
168 West Alisal Street, 2nd Floor
Salinas, CA 93901
Attn: Finance Division

- H. The total amount payable by the COUNTY including the fixed fee shall not exceed the amount identified in Section 2 of the County of Monterey Agreement for Professional Services.
- I. Salary increases will be reimbursable if the new salary is within the salary range identified in the executed Proposal and is approved by the COUNTY'S Project Manager.

For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases which are the direct result of changes in the prevailing wage rates are reimbursable.

- J. All subcontracts in excess of \$25,000 shall contain the above provisions.
- The method of payment for this contract will be based on specific rates of compensation (on-call contracts).
- A. Specific projects will be assigned to the CONTRACTOR through issuance of Scope of Services.
- B. After a project to be performed under this contract is identified by the COUNTY, the COUNTY will prepare a draft Scope of Services; less the cost estimate. A draft Scope of Services will identify the expected results, project deliverables, period of performance, and

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project schedule, and will designate a COUNTY Project Coordinator, if different than the Project Manager. The draft Scope of Services will be delivered to the CONTRACTOR for review. The CONTRACTOR shall return a Proposal within ten (10) calendar days along with a Cost Estimate, including a written estimate of the number of hours and hourly rates per staff person, any anticipated reimbursable expenses, overhead, fee if any, and total dollar amount. After agreement on the Proposal has been reached on the negotiable items and total cost; the finalized Proposal shall be signed by both the COUNTY and the CONTRACTOR (hereinafter "executed Proposal").

- C. The CONTRACTOR will be reimbursed for hours worked at the hourly rates specified in the CONTRACTOR's executed Proposal. The specified hourly rates shall include direct salary costs, employee benefits, overhead, and fee.
- D. In addition, the CONTRACTOR will be reimbursed for incurred direct costs other than salary costs, and other costs that are identified in the executed Proposal.
- E. Reimbursement for transportation and subsistence costs shall not exceed the rates as specified in the Executed Proposal.
- F. When milestone cost estimates are included in the executed Proposal, the CONTRACTOR shall obtain prior written approval for a revised milestone cost estimate from the COUNTY's Project Manager before exceeding such estimate.
- G. Progress payments for each Proposal will be made monthly in arrears based on services provided and actual costs incurred.
- H. The CONTRACTOR shall not commence performance of work or services until this contract has been approved by the COUNTY, and notification to proceed has been issued by the COUNTY's Project Manager. No payment will be made prior to approval or for any work performed prior to approval of this contract.
- I. A Proposal is of no force or effect until returned to the COUNTY and signed by an authorized representative of the COUNTY. No expenditures are authorized on a project and work shall not commence until a Proposal for that project has been executed by the COUNTY.
- J. The CONTRACTOR will be reimbursed, as promptly as fiscal procedures will permit upon receipt by the COUNTY's Finance Division of an itemized invoice. Separate invoices itemizing all costs are required for all work performed under each Proposal. Invoices shall be submitted no later than 30 calendar days after the performance of work for which the CONTRACTOR is billing, or upon completion of the Proposal. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the executed Proposal and shall reference this contract name and the COUNTY's Project Manager. Credits due to the COUNTY must be reimbursed by the CONTRACTOR prior to the expiration or termination of this contract. Invoices shall be mailed to the COUNTY's Finance Division at the following address:

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County of Monterey
Resource Management Agency
Department of Public Works
168 West Alisal Street, 2nd Floor
Salinas, CA 93901
Attn: Finance Division

- K. The total amount payable by the COUNTY for an individual executed Proposal shall not exceed the amount agreed to in the executed Proposal, unless authorized by contract amendment.
- L. The total amount payable by the COUNTY for all Proposals resulting from this contract, shall not exceed the amount identified in Section 2 of the County of Monterey Agreement for Professional Services. It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under this contract through Scope of Services.
- M. All subcontracts in excess of \$25,000 shall contain the above provisions.
- The method of payment for this contract will be based on lump sum.**
- A. The total lump sum price paid the CONTRACTOR will include compensation for all work and deliverables, including travel and equipment described in the Statement of Work of this contract. No additional compensation will be paid to the CONTRACTOR, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total lump sum compensation will be negotiated between the CONTRACTOR and the COUNTY. Adjustment in the total lump sum compensation will not be effective until authorized by contract amendment and approved by the COUNTY.
- B. Progress payments may be made monthly in arrears based on the percentage of work completed by the CONTRACTOR. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in the Statement of Work, the COUNTY shall have the right to delay payment and/or terminate this Agreement in accordance with the provisions of Section 7 of the County of Monterey Agreement for Professional Services.
- C. The CONTRACTOR shall not commence performance of work or services until this contract has been approved by the COUNTY and notification to proceed has been issued by the COUNTY'S Project Manager. No payment will be made prior to approval of any work, or for any work performed prior to approval of this contract.
- D. The CONTRACTOR will be reimbursed, as promptly as fiscal procedures will permit, upon receipt by the COUNTY'S Finance Division of an itemized invoice. Invoices shall be submitted no later than 30-calendar days after the performance of work for which the CONTRACTOR is billing. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the executed Proposal and shall reference this contract name and the COUNTY'S Project Manager. Final

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invoice must contain the final cost and all credits due the COUNTY. The final invoice should be submitted within 60-calendar days after completion of the CONTRACTOR's work. Invoices shall be mailed to the COUNTY's Finance Division at the following address:

County of Monterey
Resource Management Agency
Department of Public Works
168 West Alisal Street, 2nd Floor
Salinas, CA 93901
Attn: Finance Division

- E. The total amount payable by the COUNTY shall not exceed the amount identified in Section 2 of the County of Monterey Agreement for Professional Services.
- F. All subcontracts in excess of \$25,000 shall contain the above provisions.

ARTICLE IV CHANGE IN TERMS

- A. The CONTRACTOR shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by the COUNTY's Project Manager.
- B. There shall be no change in the CONTRACTOR's Project Manager or members of the project team, as listed in the executed Proposal, which is a part of this contract without prior written approval by the COUNTY's Project Manager.

ARTICLE V COST PRINCIPLES

- A. The CONTRACTOR agrees that the Contract Cost Principals and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the allowability of cost individual items.
- B. The CONTRACTOR also agrees to comply with federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- C. Any costs for which payment has been made to CONTRACTOR that are determined by subsequent audit to be unallowable under 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by CONTRACTOR to the COUNTY.

ARTICLE VI CONTINGENT FEE

The CONTRACTOR warrants, by execution of this contract, that no person or selling agency has been employed, or retained, to solicit or secure this contract upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by the CONTRACTOR for the purpose of securing business. For breach or violation of this warranty, the COUNTY has the right to annul

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this contract without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE VII RETENTION OF RECORDS

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; the CONTRACTOR, subcontractors, and the COUNTY shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract, including but not limited to the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under the contract. The state, the State Auditor, the COUNTY, FHWA, or any duly authorized representative of the federal government shall have access to any books, records, and documents of the CONTRACTOR that are pertinent to the contract for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.

Subcontracts in excess of \$25,000 shall contain this provision.

ARTICLE VIII DISPUTES

- A. Any dispute, other than audit, concerning a question of fact arising under this contract that is not disposed of by agreement shall be decided by the COUNTY's Director of Public Works, who may consider written or verbal information submitted by the CONTRACTOR.
- B. Not later than 30 days after completion of all deliverables necessary to complete the plans, specifications and estimate, the CONTRACTOR may request review by the COUNTY Board of Supervisors of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute, nor its consideration by the committee will excuse the CONTRACTOR from full and timely performance in accordance with the terms of this contract.

ARTICLE IX SUBCONTRACTING

- A. The CONTRACTOR shall perform the work contemplated with resources available within its own organization; and no portion of the work pertinent to this contract shall be subcontracted without written authorization by the COUNTY's Project Manager, except that, which is expressly identified in the Executed Proposal.
- B. Any subcontract in excess of \$25,000 entered into as a result of this contract, shall contain all the provisions stipulated in this contract to be applicable to subcontractors.
- C. Any substitution of subcontractors must be approved in writing by the COUNTY's Project Manger.

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ARTICLE X INSPECTION OF WORK

The CONTRACTOR and any subcontractors shall permit the COUNTY, the State and the FHWA, if Federal participating funds are used in this contract, to review and inspect the project activities at all reasonable times during the performance period of this contract including review and inspection on a daily basis.

ARTICLE XI SAFETY

- A. The CONTRACTOR shall comply with OSHA regulations applicable to CONTRACTOR regarding necessary safety equipment or procedures. The CONTRACTOR shall comply with safety instructions issued by the COUNTY Safety Officer and other COUNTY representatives. CONTRACTOR personnel shall wear hard hats and safety vests at all times while working on the construction project site.
- B. Pursuant to the authority contained in Section 591 of the Vehicle Code, the COUNTY has determined that within such areas as are within the limits of the project and are open to public traffic, the CONTRACTOR shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. The CONTRACTOR shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.
- C. Any subcontract, entered into as a result of this contract, shall contain all of the provisions of this Article.

ARTICLE XII OWNERSHIP OF DATA

- A. Ownership and title to all documents, including but not limited to reports, estimates, tracings, plans, specifications, and maps, prepared, or obtained under the terms of the agreement are automatically vested in the COUNTY. Such documents are to be delivered to and become the property of the COUNTY; no further agreement will be necessary to transfer ownership to the COUNTY.
- B. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under the terms of the agreement shall be made available upon request to the COUNTY without restriction or limitation on their use.
- C. Applicable patent rights provisions described in 41 CFR 1-9.1 regarding rights to inventions apply to this agreement as appropriate.
- D. Any subcontract in excess of \$25,000 entered into as a result of this contract, shall contain all of the provisions of this Article.

ARTICLE XIII DEBARMENT AND SUSPENSION CERTIFICATION

- A. The CONTRACTOR's signature affixed herein on this contract, shall constitute a certification under penalty of perjury under the laws of the State of California, that the CONTRACTOR has complied with Title 49, Code of Federal Regulations, Part 29,

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Debarment and Suspension Certificate, which certifies that he/she or any person associated therewith in the capacity of owner, partner, director, officer, or manager, is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years; does not have a proposed debarment pending; and has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years. Any exceptions to this certification must be disclosed to the COUNTY.

- B. Exceptions will not necessarily result in denial of recommendation for award; but will be considered in determining CONTRACTOR responsibility. Disclosures must indicate to whom exceptions apply, initiating agency, and dates of action.

ARTICLE XIV STATE PREVAILING WAGE RATES

- A. The CONTRACTOR shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1775; and all Federal, State, and local laws and ordinances applicable to the work.
- B. Any subcontract entered into as a result of this contract, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair or maintenance of public works, shall contain all of the provisions of this Article.

ARTICLE XV PROHIBITION OF EXPENDING COUNTY STATE OR FEDERAL FUNDS FOR LOBBYING

This article applies to all contracts where federal funding will exceed \$100,000.

- A. The CONTRACTOR certifies by signing this contract, to the best of his or her knowledge and belief, that:
1. No State, Federal or County appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any State or Federal contract, the making of any State or Federal grant, the making of any State or Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any State or Federal contract, grant, loan, or cooperative agreement.
 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit

EXHIBIT B-1 - FEDERAL PROVISIONS
CALTRANS LOCAL ASSISTANCE PROCEDURES MANUAL

Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- C. The CONTRACTOR also agrees by signing this document that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000, and that all such subrecipients shall certify and disclose accordingly.

**EXHIBIT B-1 - FEDERAL PROVISIONS
CALTRANS LOCAL ASSISTANCE PROCEDURES MANUAL**

CERTIFICATION OF LOCAL AGENCY.

I HEREBY CERTIFY that I am the Senior Civil Engineer of Monterey County, and that the consulting firm of Wood Rodgers, Inc., or its representative has not been required (except as herein expressly stated), directly or indirectly, as an express or implied condition in connection with obtaining or carrying out this Agreement to:

- (a) employ, retain, agree to employ or retain, any firm or person, or
- (b) pay or agree to pay, to any firm, person or organization, any fee, contribution, donation, or consideration of any kind.

I acknowledge that this Certificate is to be made available to the California Department of Transportation (Caltrans) in connection with this Agreement involving participation of federal-aid highway funds, and is subject to applicable state and federal laws, both criminal and civil.

9/23/09

Date


Signature

Client#: 2085

WOODRODGE1

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 10/2/09
PRODUCER Dealey, Renton & Associates P. O. Box 12675 Oakland, CA 94604-2675 510 465-3090		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 Wood Rodgers, Inc. 3301 C Street, Bldg 100B Sacramento, CA 95816-3342		
		INSURERS AFFORDING COVERAGE
		NAIC #
		INSURER A: The Travelers Indemnity Co of CT
		INSURER B: Travelers Property Casualty Co of Am
		INSURER C: American Automobile Ins. Co.
		INSURER D: XL Specialty Insurance Co.
		INSURER E:

COVERAGES

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 ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRG-JEOT <input checked="" type="checkbox"/> LOG	6805350L903 GENERAL LIAB EXCLUDES CLAIMS ARISING OUT OF THE PERFORMANCE OF PROFESSIONAL SERVICES.	10/01/09	10/01/10	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A		AUTOMOBILE LIABILITY <input checked="" 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	BA5367L055	10/01/09	10/01/10	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ GARAGE LIABILITY <input type="checkbox"/> ANY AUTO AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$0	CUP7348Y112	10/01/09	10/01/10	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$ \$ \$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WZP80977867	10/01/09	10/01/10	<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
D		OTHER Professional Liability	DPR9616978	10/01/09	10/01/10	\$5,000,000 per claim \$7,000,000 annl aggr.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

All Operations of the Named Insured.
(see attached endorsement)

CERTIFICATE HOLDER

County of Monterey
Resource Management Agency
Attn: Dalla M. Mariscal
168 West Alisal Street, 2nd Floor
Salinas, CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~SEND BY MAIL~~ 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~AND THE INSURER'S OBLIGATION SHALL BE LIMITED TO THE AMOUNT OF PREMIUMS PAID BY THE POLICYHOLDER TO THE INSURER.~~

AUTHORIZED REPRESENTATIVE

POLICY NUMBER: 6805350L903

COMMERCIAL GENERAL LIABILITY

ISSUE DATE: 10/2/2009

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

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

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S): The County of Monterey, its agents, officers and employees

PROJECT/LOCATION OF COVERED OPERATIONS: All Operations of the Named Insured

PROVISIONS

A. The following is added to WHO IS AN INSURED (Section II):

The person or organization shown in the Schedule above is an additional insured on this Coverage Part, but only with respect to liability for bodily injury, 'property damage' or 'personal injury' caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations;
- b. In connection with premises owned by or rented to you; or
- c. In connection with your work and included within the "products-completed operations hazard."

Such person or organization does not qualify as an additional insured for "bodily injury", "property damage" or "personal injury" for which that person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- d. This insurance does not apply to the rendering of or failure to render any "professional services".
 - e. The limits of insurance afforded to the additional insured shall be the limits which you agreed in that 'contract or agreement requiring insurance' to provide for that additional insured, or the limits shown in the Declarations for this Coverage Part, whichever are less. This endorsement does not increase the limits of insurance stated in the LIMITS OF INSURANCE (Section III) for this Coverage Part.
- B. The following is added to Paragraph a. of 4. Other Insurance in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):
However, if you specifically agree in a contract or agreement requiring insurance that, for the additional insured shown in the Schedule, the insurance provided to that additional insured under this

COMMERCIAL GENERAL LIABILITY

Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have entered into that "contract or agreement requiring insurance" for such additional insured. But this insurance still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when the additional insured is also an additional insured under any other insurance.

- C. The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

We waive any rights of recovery we may have against the additional insured shown in the Schedule above because of payments we make for "bodily injury", "property damage" or "personal

injury" arising out of "your work" on or for the project, or at the location, shown in the Schedule above, performed by you, or on your behalf, under a "contract or agreement requiring insurance" with that additional insured. We waive these rights only where you have agreed to do so as part of the "contract or agreement requiring insurance" with that additional insured entered into by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

- D. The following definition is added to DEFINITIONS (Section V):

"Contract or agreement requiring insurance" means that part of any contract or agreement under which you are required to include the person or organization shown in the Schedule as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs, and the "personal injury" is caused by an offense committed:

- a. After you have entered into that contract or agreement;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

POLICY NUMBER: BA5367L055

BUSINESS AUTOMOBILE LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY
DESIGNATED INSURED ENDORSEMENT (CA 20 48)

Name of Person(s) or Organization(s)

County of Monterey
Resource Management Agency
Attn: Dalia M. Mariscal
168 West Alisal Street, 2nd Floor
Salinas, CA 93901

BUSINESS AUTO COVERAGE

Each person or organization indicated above is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in SECTION II of the Coverage Form.

Schedule continued: The County of Monterey, its agents, officers and employees



One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189
ARCHITECTS PLAN
COMMON POLICY DECLARATIONS
ISSUE DATE: 10/01/09
POLICY NUMBER: BA-5367L055-09-GRP

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS:
WOOD RODGERS INC.
3301 C ST BLDG 100B
SACRAMENTO, CA 95816

2. POLICY PERIOD: From 10/01/09 to 10/01/10 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS
Premises Bldg.
Loc. No. No. Occupancy Address

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
COMMERCIAL AUTOMOBILE COV PART DECLARATIONS CA TO 01 02 07 TIL

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:
Policy Policy No. Insuring Company

DIRECT BILL
7. PREMIUM SUMMARY:
Provisional Premium
Due at Inception
Due at Each

NAME AND ADDRESS OF AGENT OR BROKER:
DEALEY RENTON & ASSOC (CGW76)
P O BOX 12675
OAKLAND, CA 946042675

COUNTERSIGNED BY:

Authorized Representative

DATE: 10/2/09

TRAVELERS J

POLICY NUMBER: BA-5367L055-09-GRP

EFFECTIVE DATE: 10-01-09

ISSUE DATE: 10-01-09

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 02 11 89	COMMON POLICY DECLARATIONS
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T0 01 01 07	COMMON POLICY CONDITIONS

COMMERCIAL AUTOMOBILE

CA T0 01 02 07	BUSINESS AUTO COV PART ITEMS 1, 2
CA T0 02 11 06	BUSINESS AUTO COV PART DEC- ITEM 3
CA T0 03 02 07	BUSINESS AUTO COV PART ITEMS 4, 5
CA T0 30 11 06	BUSINESS AUTO/TRUCK COV PART-SUPPL SCHD
CA T0 31 11 07	TABLE OF CONTENTS-BUSINESS AUTO COV FORM
CA 00 01 03 06	BUSINESS AUTO POLICY
CA T4 00 01 04	AMENDATORY ENDORSEMENT
CA 01 36 10 01	NEVADA CHANGES
CA 01 43 05 07	CALIFORNIA CHANGES
CA 03 05 02 97	CA CHANGES-WAIVER OF COLLISION DED
CA 04 24 04 06	CALIFORNIA AUTO MED PAY COV
CA 20 48 02 99	DESIGNATED INSURED
CA 21 27 06 08	NEVADA UM COVERAGE
CA 21 54 03 06	CALIFORNIA UM COVERAGE-BI
CA 99 03 03 06	AUTO MED PAY COVERAGE
CA 99 16 12 93	HIRED AUTOS SPECIF AS COV AUTOS YOU OWN
CA T3 40 08 08	BLANKET WAIVER OF SUBROGATION
CA T3 04 01 87	AMENDED TITLE-AUTO COVERAGE PARTS

INTERLINE ENDORSEMENTS

IL 00 21 09 08	NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 10 09 07	NV CHANGES-CONCEALMENT, MISREP OR FRAUD
IL 02 51 09 07	NV CHANGES-CANCELLATION & NONRENEWAL
IL 02 70 09 08	CA CHANGES-CANCELLATION & NON-RENEWAL

POLICYHOLDER NOTICES

PN CA 36 09 05	CA AUTO BODY REPAIR CONS BILL OF RIGHTS
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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.
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 Paragraph 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 ac-

cepted 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 gov-

ernmental 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 Paragraph 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:

1. A land motor vehicle, "trailer" or semitrailer 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";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are ac-

cepted 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 Paragraph 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.

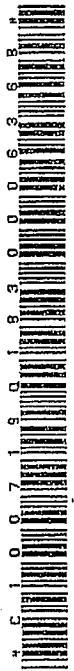
I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.

"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 Paragraph 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 Paragraph 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.



COMMERCIAL AUTO

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.