# AGREEMENT Division 00500

THIS AGREEMENT is made by and between COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and QUINCON INC., hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is the last date opposite the respective signatures below.

COUNTY and CONTRACTOR hereby agree as follows:

#### ARTICLE 1. SCOPE OF WORK

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which CONTRACTOR will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related Work. COUNTY has published a Construction Task Catalog® (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. CONTRACTOR will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The Scope of Work (SOW), for each Job Order will be explained to CONTRACTOR at a Joint Scope Meeting. COUNTY will provide a Request for Job Order Proposal and Detailed SOW to CONTRACTOR. CONTRACTOR will be required to review the Detailed SOW and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. COUNTY will review CONTRACTOR's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed-upon price will be fixed price for the performance of the Detailed SOW.

CONTRACTOR shall, within the time stipulated, perform the contract **checked below** as herein defined and shall furnish all Work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:

PROJECT NO.	JOC, BID NO.	FACILITIES	2019-01
<b>◯</b> PROJECT NO.	JOC, BID NO.	FACILITIES	2019-02
PROJECT NO.	JOC, BID NO.	<b>FACILITIES</b>	2019-03

#### ARTICLE 2. TIME FOR START AND COMPLETION

Contract Time commences upon the written execution of the Contract by COUNTY and shall end either one year from the date signed by COUNTY or upon the payment by COUNTY to CONTRACTOR of the maximum amount payable under this Agreement, whichever occurs earlier. COUNTY will not issue any new Job Orders after the expiration of this Agreement.

Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, CONTRACTOR and COUNTY agree that the terms of this Agreement shall continue in effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed (NTP) will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order NTP.

#### ARTICLE 3. ADJUSTMENT FACTORS

CONTRACTOR shall perform all Work required, necessary, proper for, or incidental to completing the Detailed SOW called for in each individual Job Order issued pursuant to this Contract for the Unit Prices set forth in the CTC. COUNTY shall pay CONTRATOR the Job Order Price for completion of Work in accordance with Contract Documents and the Detailed SOW described in each Job Order multiplied by the following Adjustment Factors:

## **ADJUSTMENT FACTORS**

The Minimum Contract Value is \$25,000. CONTRACTOR will receive Job Orders totaling at least \$25,000 during the Contract term. The Maximum Contract Value is \$4,949,291 for the JOC FACILITIES 2019-01 or 2019-02 or 2019-03. COUNTY does not guarantee CONTRACTOR will receive this volume of Work. COUNTY may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will CONTRACTOR be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until COUNTY has accepted the Work described in the Job Order by recordation of a Notice of Completion. CONTRACTOR will not be issued Job Orders which in total exceed the Maximum Contract Value.

ITEM	DESCRIPTION	ADJUSTMENT FACTORS			
1.	Normal Working Hours-General Facilities 7 a.m. to 5 p.m. Monday through Friday	1.1840			
2.	Other than Normal Working Hours—General Facilities Hours outside of Normal Working Hours including all day Saturday, Sunday, and COUNTY Holidays	1.1850			
3.	Normal Working Hours – Detention Facilities 7 a.m. to 5 p.m. Monday through Friday	1.1850			
4.	Other than Normal Working Hours-Detention Facilities Hours outside of Normal Working Hours including all day Saturday, Sunday, and COUNTY Holidays	1.1900			

#### ARTICLE 4. LIQUIDATED DAMAGES

COUNTY and CONTRACTOR recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, COUNTY and CONTRACTOR agree that liquidated damages for delay will be established by COUNTY for each Job Order. CONTRACTOR shall pay COUNTY the dollar amount stipulated in the Job

Order for each day that expires after the time specified therein for CONTRACTOR to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by COUNTY resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by COUNTY as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from COUNTY (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

# ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

#### ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT

The Contract entered into by this Agreement consists of the following Contract Documents, all of which are component parts of the Contract as if herein set out in full or attached hereto:

- Notice to Bidders
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Statement Concerning Employment of Undocumented Aliens
- Iran Contracting Certification
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate

- Division 00710 General Conditions,
   Bid Nos. FACILITIES 2019-01,
   FACILITIES 2019-02, FACILITIES 2019-03
- Project Specifications
- Construction Task Catalog<sup>®</sup>
- Technical Specifications
- Community Development Block Grant (CDBG) Standard Provisions and Requirements
- Federal Provisions-Caltrans Local Assistance Manual
- Federal Emergency Management Agency (FEMA) Standard Provisions and Requirements
- Monterey County Telecommunications Cabling and Pathway Systems Requirements
- As issued, Addenda Nos: 1

All of the above-named Contract Documents are intended to be complementary. Work required by one of the above-named Contract Documents and not by others shall be done as if required by all. IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

COUNTY OF MONTEREY	CONTRACTOR: QUINCON INC.
By:	By:
Name: Carl P. Holm, AICP	Name: Sose Quindana
Title: Resource Management Agency (RMA) Director	Title: President
Resource Management Agency (RMA) Director	(Per California Corporations Code Section 313, for Corporations, first
12-22	signatory should be Chair, President OR Vice President)
Date: (0) 30   2019	Date: 10-9-19
APPROVED AS TO FORM	
	& By: Name: Gorc Quindanc
CONTRACTS/PURCHASING	Name: Gore Windance
By:	Title: Treasurer
	(Per California Corporations Code Section 313, for Corporations, second signatory should be the Secretary, Assistant Secretary, Treasurer, Assistan Treasurer OR CFO)
Name: Mike Derr	Date: (0-8-19
Title: Contracts/Purchasing Officer	COMPANY ADDRESS:
Date:	1760 FREEMONT BLVD, SUITE B207
APPROVED AS TO FORM & LEGALITY	SEASIDE, CA 93955
OFFICE OF THE COUNTY COUNSEL-RISK MANAGEMENT	
Leslie J. Girard, Acting County Counsel-Risk Manager	
By: My Sur Perul	Contractor's License Type: A, B, C-27
Mary Grace Perry, Deputy County Counsel	License Number: 888545
Date:	<b>License Expiration Date:</b> 12/31/2020
APPROVED AS TO FISCAL TERMS	NOTE: CONTRACTORS ARE REQUIRED TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD.
COUNTY AUDITOR-CONTROLLER	ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE
Rupa Shah, Auditor Controller	LICENSE BOARD, P O BOX 26000, SACRAMENTO, CALIFORNIA 95826
By:	
Name: Gary Giboney	
V	INSTRUCTIONS: If bidder is a corporation, the full
Title: Chief Deputy Auditor-Controller	legal name of the corporation shall be set forth above together with the signatures of two (2) officers authorized
Date:	to sign per California Corporations Code Section 313 and
APPROVED AS TO INDEMNITY/INSURANCE PROVISIONS	the document shall bear the corporate seal; if bidder is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers; if bidder is a partnership,
OFFICE OF THE COUNTY COUNSEL, RISK MANAGEMENT,	the full name of the firm shall be set forth above together
Leslie J. Girard, Acting County Counsel Risk Manager	with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is
By:	an individual, his/her signature shall be placed above.
Leslie J. Girard, Acting County Counsel-Risk Manager	

# ADDENDUM NO. 1 TO JOB ORDER CONTRACT

This Addendum No. 1 to the Job Order Contract, Facilities 2019-02 between Monterey County and Quincon Inc. dated October 22, 2019, is to clarify the requirement to provide Builder's Risk insurance. Such insurance shall not be required at the time of execution of the Job Order Contract but shall be provided in form an amount acceptable to the County at the time a Job Order is issued.

DATED: 00 30, 2019

COUNTY OF MONTEREY

By

Carl Holm, AICP RMA Director

DATED: 10-23,2019

QUINCON INC.

Ву\_\_\_

Jose Quintana President



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 10/10/2019

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

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

PRODUCER			CONTACT Stephanie Ortiz CISR							
James G Parker Insurance Associates				PHONE (A/C, No, Ext): (559) 222-7722 FAX (A/C, No): (559) 222-1724						
License #0554959			E-MAIL Sortiz@jgparker.com							
P O Box 3947			ADDRESS.							
Fresno CA 93650			INSURER(S) AFFORDING COVERAGE INSURER A: Colony Insurance Company				39993			
INSURED			INSURER B: Ohio Security Insurance Company				24082			
Quincon Inc				INSURE	Ob!- O	sualty Insurance	. ,	-	24074	
PO Box 1029			2 4			,			24074	
				INSURER D:						
Grover Beach			CA 93483	INSURE						
COVERAGES CER	TIFIC	ATE	NUMBER: 19-20 GL BA I	INSURE M EXC			REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF						RED NAMED A	ROVE FOR THE POLICY DEDIC			
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<sub>A</sub>			40001000445504				MED EXP (Any one person) \$			
^	Y		103GL002445501		06/29/2019	06/29/2020	PERSONAL & ADV INJURY \$	1,00	0,000	
GEN'L AGGREGATE LIMIT APPLIES PER:				100			GENERAL AGGREGATE \$	2,00	0,000	
POLICY DECT LOC							PRODUCTS - COMP/OP AGG \$	2,00	0,000	
OTHER:							\$			
AUTOMOBILE LIABILITY							COMBINED SINGLE LIMIT (Ea accident) \$	1,00	0,000	
ANY AUTO  R OWNED SCHEDULED							BODILY INJURY (Per person) \$			
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							\$			
UMBRELLA LIAB X OCCUR							EACH OCCURRENCE \$	4,00	0,000	
A X EXCESS LIAB CLAIMS-MADE			XS173513	06/29/2019	06/29/2019 06/29/2	06/29/2020	AGGREGATE \$	4,00	0,000	
DED RETENTION \$			Academic reserves and				\$			
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY							PER OTH- STATUTE ER			
ANY PROPRIETOR/PARTNER/EXECUTIVE	ANY PROPRIETOR/PARTNER/EXECUTIVE (1/N)			E.L. EACH ACCIDENT S						
OFFICER/MEMBER EXCLUDED? (Mandatory in NH)			j." N				E.L. DISEASE - EA EMPLOYEE \$			
If yes, describe under DESCRIPTION OF OPERATIONS below							E.L. DISEASE - POLICY LIMIT S			
Contractors Equipment							Deductible \$1,000		Schedule	
C Rented/ Leased Equipment			BMO58917635		06/29/2019	06/29/2020	Deductible \$1,000	\$100	,000	
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLE	S (AC	ORD 10	01, Additional Remarks Schedule. r	may be at	tached if more so	ace is required)	L. L			
Job: Facilities 2019-02 The County of Monterey, its officer, agents, and employees are included as Additional Insured as per form CG2010 0413, CG2001 0413, CA8810 0113 attached. Auto Primary with form CA88660513 to follow. **Supersedes and replaces certificate previously issued on 10/08/19										
CERTIFICATE HOLDER C			CANCELLATION							
Monterey County RMA - Dept of 1441 Schilling PI S 2nd Floor	Public	c Work	ks	SHO	JLD ANY OF TI EXPIRATION D	ATE THEREOF	SCRIBED POLICIES BE CANCE 7, NOTICE WILL BE DELIVERED 7 PROVISIONS.	ELLED ) IN	BEFORE	

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James & Parker

Salinas

CA 93901-4527

AUTHORIZED REPRESENTATIVE



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/08/2019 THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER. IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s). PRODUCER CONTACT Stephanie Ortiz CISR James G Parker Insurance Associates PHONE (A/C, No, Ext): (559) 222-7722 E-MAIL ADDRESS: sortiz@jgparker.com (559) 222-1724 License #0554959 P O Box 3947 INSURER(S) AFFORDING COVERAGE NAIC# Fresno CA 93650 State Compensation Ins Fund INSURER A: 35076 INSURED INSURER B : Quincon Inc INSURER C: P O Box 1029 INSURER D : INSURER E Grover Beach CA 93483 INSURER F COVERAGES CERTIFICATE NUMBER: 19-20 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. ADDL SUBR INSD WVD TYPE OF INSURANCE POLICY NUMBER LIMITS COMMERCIAL GENERAL LIABILITY EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) CLAIMS-MADE OCCUR MED EXP (Any one person) PERSONAL & ADV INJURY GEN'L AGGREGATE LIMIT APPLIES PER **GENERAL AGGREGATE** PRO-JECT POLICY PRODUCTS - COMP/OP AGG OTHER AUTOMOBILE LIABILITY COMBINED SINGLE LIMIT s ANY AUTO BODILY INJURY (Per person) OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY BODILY INJURY (Per accident) 5 PROPERTY DAMAGE s \$ UMBRELLA LIAB OCCUR EACH OCCURRENCE **EXCESS LIAB** CLAIMS-MADE AGGREGATE s DED RETENTION S
WORKERS COMPENSATION X PER STATUTE AND EMPLOYERS' LIABILITY AND EMPLOYERS' LIABILITY
ANY PROPRIETOR/PARTNER/EXECUTIVE
OFFICER/MEMBER EXCLUDED?
(Mandatory in NH)
If yes, describe under
DESCRIPTION OF OPERATIONS below s 1,000,000 E.L. EACH ACCIDENT 9154308-2019 N/A 03/01/2019 03/01/2020 s 1,000,000 E.L. DISEASE - EA EMPLOYEE s 1,000,000 E.L. DISEASE - POLICY LIMIT DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Job: Facilities 2019-02 CERTIFICATE HOLDER CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN Monterey County RMA - Dept of Public Works ACCORDANCE WITH THE POLICY PROVISIONS. 1441 Schilling PI S 2nd Floor AUTHORIZED REPRESENTATIVE Tanos & Parker Salinas CA 93901-4527

POLICY NUMBER: 103GL002445501

COMMERCIAL GENERAL LIABILITY CG 20 10 04 13

# 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				
All persons or organizations as required by written contract with the Named Insured	As designated in written contract with the Named Insured				
Information required to complete this Schedule, if not show	wn 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.

#### However:

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

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:

- 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.

- C. With respect to the insurance afforded to these additional insureds, the following is added to Section III Limits Of Insurance:
  - If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
  - 1. Required by the contract or agreement; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

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

COMMERCIAL GENERAL LIABILITY CG 20 01 04 13

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

# PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

#### **Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

#### 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**

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SUBJECT	PROVISION	NUMBER
ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT		3
ACCIDENTAL AIRBAG DEPLOYMENT		12
AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS		19
AMENDED FELLOW EMPLOYEE EXCLUSION		5
AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE		13
BROAD FORM INSURED		1
BODILY INJURY REDEFINED		22
EMPLOYEES AS INSUREDS (including employee hired auto)		2
EXTENDED CANCELLATION CONDITION		23
EXTRA EXPENSE - BROADENED COVERAGE		10
GLASS REPAIR - WAIVER OF DEDUCTIBLE		15
HIRED AUTO PHYSICAL DAMAGE (including employee hired auto and loss of use)		6
HIRED AUTO COVERAGE TERRITORY		20
LOAN / LEASE GAP		14
PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)		16
PERSONAL EFFECTS COVERAGE		11
PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE		8
RENTAL REIMBURSEMENT		9
SUPPLEMENTARY PAYMENTS		4
TOWING AND LABOR		7
TWO OR MORE DEDUCTIBLES		17
UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS		18
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US		20

#### 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. EMPLOYEES AS INSUREDS

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

ø

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

b. Your "employee" hires or rents under a written contract or agreement in that "employee's"

- (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:

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 stplen 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:

- 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 "Bailoon 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

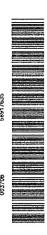
This coverage applies only to the original loan for which the covered "auto" that incurred the loss serves as collateral, or lease written on the covered "auto" that incurred the loss.

C. SECTION V - DEFINTIONS 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.

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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 - DEFINTIONS, 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.

#### COMMMON 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.