

**AGREEMENT FOR CONSTRUCTION  
WATER MAIN REPLACEMENT PROJECT FOR G ST. & 16<sup>TH</sup> ST., SPARKS, NV**

TMWA Capital Project No.: 10-0001-045  
Public Works Project Number: PWP-WA-2017-049

**THIS AGREEMENT FOR CONSTRUCTION** (the "Agreement"), made and entered into this 24<sup>th</sup> day of January, 2017, by and between **Peek Brothers Construction, Inc., P.O. Box 2608, Fernley, Nevada 89408**, a general contractor licensed by the State of Nevada (Nevada Contractor's License No. 0077037) (hereinafter referred to as "Contractor"), and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 (hereinafter referred to as "Owner").

**RECITALS**

**WHEREAS**, Owner intends to construct the Project and is engaging Contractor to perform certain labor, supervision and services and to provide certain equipment, goods and materials for the Project as described herein.

**WHEREAS**, Owner has engaged Contractor based on Contractor's representations that it (i) is experienced in the type of work for which it is being engaged; (ii) is duly licensed and qualified in the State of Nevada to perform the type of work for which it is being engaged; (iii) is qualified, willing and able to perform the work for the Project; and (iv) has the expertise and capability to perform the work which will meet Owner's objectives and which will comply with all applicable laws and ordinances.

**WHEREAS**, Contractor acknowledges it has reviewed and familiarized itself with this Agreement, including the documents enumerated in Article 1, and agrees to be bound by the terms and conditions contained therein.

NOW, THEREFORE, for good and valuable consideration, receipt of which is acknowledged, TMWA and the Contractor agree as follows:

1. **CONTRACT DOCUMENTS.** The "Contract Documents" consist solely of the Bidding Documents, Bonds, this Agreement, the General Conditions, Supplementary Conditions, Technical Specifications, Addenda issued prior to execution, Amendments issued after execution, Drawings entitled Water Main Replacement Project for G St & 16<sup>th</sup> St., Sparks, NV, prepared by CFA, and any other documents listed below:

None.

These documents form the entire contract and are as fully a part of the Agreement as if attached to this Agreement or repeated herein. Contractor represents and agrees it has carefully examined and understands this Agreement and the Contract Documents.

2. **SCOPE OF WORK.** The Contractor shall furnish all work, labor, services, supplies, materials, equipment, tools, traffic control operations, transportation, supervision, appliances, appurtenances and incidentals required for the prompt and efficient completion of the project described as the installation of approximately 1,150 LF of 6" diameter water main to replace existing 4" cast iron water mains. This shall include all excavation, bedding, backfill and pavement patching necessary to complete the work. Additional improvements, as shown on the Drawings and noted in the Specifications shall be required ("Project") as described in the Contract Documents and in accordance with the contract provisions, Plans, and Specifications, together with all work incidental or reasonably inferable which is necessary to produce the results intended by the Contract Documents (collectively, the "Work"). Contractor shall be responsible for the supervision and coordination of the Work, including the construction means, methods, techniques, sequences and procedures utilized, unless the Contract Documents specifically provide otherwise. The Contractor represents and warrants that it has fully investigated the nature, locality and site of the Work and the conditions and

difficulties under which it is to be performed, and that it enters into this Agreement on the basis of its own examination, investigation and evaluation of all such matters and is in no way relying upon any opinions or representations of the Owner, or any of their respective officers, agents, servants, or employees with respect thereto.

3. **TIME OF COMPLETION.** All times stated in the Contract Documents, including interim milestones and those for the delivery and installation of materials and equipment, are of the essence of this Agreement

3.1 **Commencement of Work.** Contractor shall promptly commence and diligently prosecute the Work to be performed under this Agreement on the date fixed in a Notice to Proceed and shall perform the Work diligently, expeditiously and with adequate resources so as to complete the Work on time.

3.2 **Completion of Work.** Contractor shall achieve Substantial Completion by **Ninety-Four (94) calendar days from the date of the Notice to Proceed** and shall achieve 100 percent completion by **One Hundred Eight (108) calendar days from the date of the Notice to Proceed**. In addition, the Contractor shall achieve any critical intermediate project milestone dates as identified and defined in Article 7 of the Supplementary Conditions. Contractor shall reschedule or resequence the Work, to the extent possible, to avoid or minimize any delay to the contract time. Contractor agrees it included adequate costs in the Contract Sum to provide sufficient levels of labor and equipment (including overtime if required) to insure that the specified dates are met. The contract time set forth herein assumes **two ((2) weather delay days** will occur during construction of the Project, and the Contract time will not be extended unless weather delay days exceed the days specified above. Should the Contractor fail to complete the Work in the time agreed upon, the Contractor will be subject to liquidated damages as provided herein.

3.3 **Liquidated Damages.** Owner and Contractor recognize time is of the essence and Owner will suffer extensive damages if the Work is not completed within the time specified above, the exact amount of which is difficult to ascertain as of the effective date of this Agreement. Accordingly, if Contractor fails to achieve Substantial Completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$1,000.00 (One Thousand Dollars)** per day commencing on the expiration of the time specified above and continuing until the actual date of Substantial Completion is achieved; and if Contractor fails to achieve 100 percent completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$500.00 (Five Hundred Dollars)** per day commencing on the expiration of the time specified above and continuing until the actual date of 100 percent completion. Owner may deduct liquidated damages from any unpaid amounts then or thereafter due the Contractor under this Agreement. If TMWA terminates the Contractor for default, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work together with any increased cost occasioned by TMWA in completing the Work.

3.4 **Construction Schedule.** Contractor shall, not less than ten (10) calendar days after execution of this Agreement by TMWA, prepare and submit a proposed Construction Schedule to TMWA for review and acceptance in accordance with the General Conditions.

4. **CONTRACT SUM.**

4.1 **Construction Contract Price.** Owner shall pay the Contractor, as full and complete compensation for Contractor's timely performance of all the Work in accordance with the Contract Documents and to the satisfaction of Owner, the lump sum amount of: **Two Hundred Twenty-Six Thousand Seven Hundred Fifty-Five (\$226,755.00) Dollars** (the "**Contract Sum**"). The amount set forth above includes the aggregate amount of all allowances and unit price items to be furnished or installed.

## 5. PAYMENTS.

5.1 Progress Payments. The Owner will pay the Contractor progress payments and the final payment in accordance with the provisions set forth in the Specifications computed from the actual quantities of work performed and accepted, and the materials furnished, at the unit and lump sum prices shown in the Proposal, as bid in conformance with the Contract Documents defined hereinafter. Owner will retain from such estimated value of the work done the amounts specified in the General Conditions. Owner shall pay to Contractor, at the end of each quarter this Agreement is in effect, interest for the quarter on the amount withheld at a rate to be determined by Owner in accordance with NRS 338.515. Except with respect to any payment withheld pursuant to NRS 338.525, the amount of payments withheld as provided herein shall be retained for a period of 30 days from the date of project Completion and acceptance. Contractor shall pay the subcontractors progress payments and pay interest on amounts retained from said progress payments in accordance with the provisions of NRS 338.510 through NRS 338.535.

5.2 Acceptance and Final Payment. As soon as practical following the completion of all phases of the Work, the Contractor shall make request by letter to Owner for a final inspection and acceptance of the Work, and if, in Owner's opinion, all provisions of the Contract Documents and Agreement have been satisfied, Owner will cause a Notice of Completion to be completed by the Project Representative and sent to the Labor Commissioner. Final payment, constituting the entire unpaid balance of the contract sum, shall be made by Owner to Contractor when the obligations in the Contract Documents have been fully performed by Contractor except for Contractor's responsibility to satisfy requirements, if any, which necessarily survive final payment; and the Notice of Completion has been sent to the Labor Commissioner and no prevailing wage disputes are under investigation by TMWA or pending before the Labor Commissioner. Final payment shall be made by Owner not more than 30 calendar days following the Notice of Completion, as specified in the General Conditions. Final payment is further subject to Owner's prior receipt from Contractor of all as-built drawings, certifications, prevailing wages, maintenance manuals, operating instructions, written guarantees, warranties, and bonds relating to the Work, and assignments of all guarantees and warranties from subcontractors, vendors, suppliers, or manufacturers, all as required by the Contract Documents. Acceptance of final payment by the Contractor shall constitute a full waiver and release by the Contractor of all claims against Owner arising out of or relating to this Agreement.

## 6. PREVAILING WAGE.

Contractor will pay, and will require all subcontractors to pay, unless otherwise exempt there from, all employees on said work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, as contained in or referenced by the Contract Document provisions for this Work. Pursuant to NRS 338.060, Contractor shall forfeit to the Owner, as a penalty, not less than \$20 or more than \$50 for each calendar day and portion thereof that each workman employed on the public work: (a) is paid less than the designated rate for work done under the contract by the Contractor or any subcontractor under him (b) is not reported to the public body awarding as required pursuant to NRS 338.070. In the performance of this Agreement, not more than eight (8) hours shall constitute a day's work, and the Contractor shall not require more than (8) hours of labor in a day from any person employed by him hereunder. Contractor shall keep accurate records showing the name, occupation and actual per diem wages and benefits paid to each workman employed by him in connection with this project. The records shall be certified in LCP Tracker and open to inspection by Owner, its officers and agents and at all reasonable hours. Contractor shall inquire, and shall require each subcontractor to inquire, of each worker employed in connection with the public work whether the worker wishes to voluntarily specify his or her gender and ethnicity, and shall record and maintain such responses in accordance with NRS 338.070.

## 7. INSURANCE.

The Contractor shall purchase and maintain prior to performing any Work on the Project, at its sole expense, from a company or companies authorized to do business in the State of Nevada, insurance policies containing the types of coverages and minimum limits of liability described in the General Conditions protecting from claims which

may arise out of or result from the performance or non-performance of services under this Agreement by the Contractor or by anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable, including without limitation subcontractors, independent contractors, and agents. Contractor shall procure and maintain at a minimum the insurance as required in the General Conditions, and shall require all subcontractors to procure and maintain at a minimum the insurance as required in the General Conditions, including but not limited to industrial insurance as required by the Nevada Industrial Insurance Act and the Nevada Occupational Diseases Act. Contractor or his subcontractor(s) failure to pay premiums will automatically authorize Owner to, at its option, terminate this Agreement or withhold amounts from funds due the Contractor and make insurance premium payments on behalf of the Contractor and/or his subcontractors. Contractor shall provide Owner insurance certificates no later than 10 days after the date of the Notice of Award, and Contractor's failure to timely provide insurance certificates shall not result in any extensions to the contract time.

#### **8. PERFORMANCE AND PAYMENT BONDS.**

The Contractor shall, prior to the execution of the Agreement, furnish two bonds on the forms bound herein approved by the Owner, one in the amount of One Hundred Percent (100%) of the Contract Sum, to guarantee the faithful performance of the work, and one in the amount of One Hundred Percent (100%) of the Contract Price to guarantee payment of all claims for labor and materials furnished. This Contractor shall not begin work until such bonds are supplied to and approved by the Owner. Contractor shall provide Owner contract bonds no later than 10 days after the date of the Notice of Award, and Contractor's failure to timely provide bonds shall not result in any extensions to the contract time.

#### **9. NONDISCRIMINATION.**

In accordance with NRS 338.125, in connection with the performance of work under this Agreement, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex or age. Such agreements shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Any violation of such provision by the Contractor shall constitute a material breach of the Agreement. Further, Contractor agrees to insert this nondiscrimination provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

#### **10. PREFERENCES.**

10.1 Veteran's Preference. Contractor agrees to give preference as provided in NRS 338.130. If this provision is not complied with, the Agreement shall be void, and any failure or refusal to comply with this provision shall render the Agreement void.

10.2 Bidder Preference. To the extent Contractor has sought and qualified for a bidding preference and this project has a value of over \$250,000 pursuant to Nevada Revised Statutes Chapter 338, Contractor acknowledges and agrees that the following requirements shall be adhered to, documented and maintained for the duration of the Project, collectively, and not on any specific day:

a. At least 50 percent of the workers employed on the Project (including subcontractors) must hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;

b. All vehicles used primarily for the public work will be (a) registered and (where applicable) partially apportioned to Nevada; or (b) registered in Nevada.

c. If applying to receive a preference in bidding pursuant to NRS 338.1727, at least 50 percent of the design professionals who work on the Project (including sub-contractors) hold a valid driver's license or

identification card issued by the Nevada Department of Motor Vehicles; and

d. The Contractor and any subcontractor engaged on the public work shall maintain and make available for inspection within Nevada all payroll records related to the Project.

Contractor recognizes and accepts that failure to comply with any requirements herein shall entitle Owner to a penalty in the amount set by statute. In addition, the Contractor recognizes and accepts that failure to comply with any requirements herein may result in loss of certification for a preference in bidding for 5 years and/or ability to bid on any contracts for public works for one year pursuant to NRS Chapter 338.

#### **11. WARRANTY.**

In addition to any other warranties provided by law or in the General conditions, Contractor warrants the Work under this Agreement to be free from all defects for a period of one year from the date of final acceptance by Owner. Any defects found during this period shall be repaired by the Contractor at no cost to Owner in accordance with the requirements of the Contract Documents.

#### **12. INDEMNIFICATION/HOLD HARMLESS.**

Owner has established specific indemnification requirements which are fully set forth in the General Conditions, which Contractor has examined, understands and agrees to perform.

#### **13. MISCELLANEOUS.**

13.1 Termination. In addition to other provisions set forth in the Contract Documents, Owner has the right to terminate the Agreement without cause at any time upon giving Contractor seven days notice in writing. In the event the Agreement is terminated by Owner in accordance with this provision, Owner agrees to pay Contractor for all work satisfactorily completed and for materials installed prior to the date of termination to the extent otherwise due under this Agreement.

13.2. Governing Law. This Agreement shall be governed by, interpreted under and construed and enforced in accordance with the laws of the State of Nevada, with venue in the County of Washoe. Each party acknowledges and agrees that the laws of the State of Nevada and the selection of venue were freely chosen.

13.3 Compliance with Laws. Pursuant to NRS 338.153, Contractor shall comply, and shall insure each subcontractor and other person who provides labor, equipment, materials, supplies or services for the Project complies, with the requirements of all applicable state and local laws, including without limitation, any applicable licensing requirements and requirements for the payment of sales and use taxes on equipment, materials and supplies provided for the Project.

13.4 Confidentiality. Contractor acknowledges and agrees the Drawings and Technical Specifications reveal critical infrastructure of facilities used for storing, transporting or transmitting water as contemplated by Nevada's Homeland Security Act, and that the disclosure or release of the Drawings and Technical Specifications to any unauthorized person would create a substantial likelihood of compromising, jeopardizing or otherwise threatening the public health, safety or welfare. Contractor shall not, and shall ensure its Subcontractors, employees and agents shall not, knowingly disclose such documents or information or assist, solicit or conspire with another person to disclose such documents or information Contract Documents without the express prior written consent of Owner.

13.5 Attorneys' Fees. If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and

all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

13.6 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought

13.7 Entire Agreement. This Agreement, including the exhibits and schedules hereto, contains the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

13.8 Severability. If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and, provided that the fundamental terms and conditions of this Agreement (including, without limitation, remain legal and enforceable, the remainder of this Agreement shall remain operative and binding on the Parties.

IN WITNESS WHEREOF, Owner and Contractor hereby enter into this agreement as of the date and year first written above.

"Owner"

TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority

By: Mark Force  
General Manager

Date: 1/25/17

STATE OF Nevada )  
County of Lyon ) ss

Travis Peek states under penalty of perjury that he/she is the Contractor, or authorized agent of the Contractor, by whom the aforesaid described Work is to be performed; that he/she has read the foregoing Contract and understands and agrees to the terms, conditions, and requirements thereof.

**CONTRACTOR:**

By: Travis Peek  
Title: President  
Firm: Peek Brothers Construction, Inc.  
Address: P.O. Box 2608  
City/State & Zip: Fernley, Nevada 89408  
Telephone: 775 835-6472  
Fax: 775 835-0893  
E-mail: travis@peekbrothers.net

[Signature]  
(Signature Of Contractor)

DATED this 24<sup>th</sup> day of January, 2017.

**ATTEST:**

On this 24<sup>th</sup> day of January, in the year 2017, before me, Brandi R Barnett, /Notary Public, personally appeared or personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he (she) executed it.  
WITNESS my hand and official seal.

[Signature]  
Notary's Signature

L.S.





## PERFORMANCE BOND

Bond# 2217931

**WHEREAS**, Contractor has by written agreement dated 11/24, 2017 entered into a contract with Truckee Meadows Water Authority for **PWP Bid #WA-2017-049** and titled "**Water Main Replacement Project for G St & 16<sup>th</sup> St., Sparks, NV,**" in accordance with drawings and specifications prepared by Truckee Meadows Water Authority and which contract is by reference made a part hereof, and is hereinafter referred to as the Agreement.

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS**, that the undersigned, as Principal, hereinafter called Contractor, and North American Specialty Insurance Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Two Hundred Twenty-Six Thousand Seven Hundred Fifty-Five Dollars (\$ 226,755.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada.

**THE CONDITION OF THIS OBLIGATION IS SUCH** that, if Contractor shall fail to promptly and faithfully perform said Agreement, or Contractor shall be, and is declared by Truckee Meadows Water Authority to be in default under the Agreement, Truckee Meadows Water Authority having performed Truckee Meadows Water Authority's obligations thereunder, the Surety may promptly remedy the default or shall promptly:

- 1) Complete the Agreement in accordance with its terms and conditions; or
- 2) Obtain a bid or bids for completing the Agreement in accordance with its terms and conditions, and upon determination by Truckee Meadows Water Authority and the Surety jointly of the lowest responsive, responsible bidder, arrange for a contract between such bidder and Truckee Meadows Water Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by Truckee Meadows Water Authority to Contractor under the Agreement and any amendments thereto, less the amount properly paid by Truckee Meadows Water Authority to Contractor. No right of action shall accrue on this bond to or for the use of any person or corporation other than Truckee Meadows Water Authority or successors of Truckee Meadows Water Authority.

If Contractor shall fully, promptly and faithfully perform all Contractor's obligations under the Agreement, then this obligation shall be null and void; otherwise it shall remain in full force and effect. The Surety hereby waives notice of any alteration or extension of time made by Truckee Meadows Water Authority and its obligation is not affected by any such alteration or extension provided the same is within the scope of the contract.

**PERFORMANCE BOND**Continued for PWP BID #WA-2017-049 and titled "Water Main Replacement Project for G St & 16<sup>th</sup> St., Sparks, NV"BY: 

(signature of Principle)

TITLE: President

L.S.

FIRM: Peek Brothers Construction, Inc.

Address: P.O. Box 2608

City, State, Zip: Fernley, NV 89408

Phone: 775 835-6472

Printed Principal's Name: Travis PeekAttest by: Brandi R. Barnett

(signature of Notary)

Subscribed and Sworn before me this 24<sup>th</sup> day of January, 2017.Notary public for the State of Nevada County of Lyon**CLAIMS UNDER THIS BOND  
MAY BE ADDRESSED TO:****Agent Information**

<b>Name of Surety</b> North American Specialty Insurance Company	<b>Name of Licensed Agent</b> NV Phoenix Surety & Insurance Agency, Inc. License # 10449
<b>Address</b> 6405 Quantum Lane	<b>Address</b> 1499 SE Tech Center Place Suite 280
<b>City</b> Las Vegas	<b>City</b> Vancouver
<b>State/Zip Code</b> Nevada 89130	<b>State/Zip Code</b> Washington 98683
<b>Name</b> Shalina Williams <u>Shalina Williams</u>	<b>Agent's Name</b> Robert W. Lagler <u>Robert W. Lagler</u>
<b>Title</b> Attorney-in-Fact	<b>Agent's Title</b> President
<b>Telephone</b> 360-892-5840	<b>Agent's Telephone</b> 360-892-5840

Surety's Acknowledgment: Attached

Agent's Acknowledgment: Attached

By: Heather BeelerBy: Heather Beeler**NOTICE:**

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached.

**NAS SURETY GROUP**

**NORTH AMERICAN SPECIALTY INSURANCE COMPANY  
WASHINGTON INTERNATIONAL INSURANCE COMPANY**

**GENERAL POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

ROBERT W. LAGLER,

ASHLEY PASSER and SHALINA WILLIAMS

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9<sup>th</sup> of May, 2012:

"RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature]  
Steven P. Anderson, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company



By [Signature]  
Michael A. Ito, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 6th day of January, 2017.

**North American Specialty Insurance Company  
Washington International Insurance Company**

State of Illinois  
County of Cook

ss:

On this 6th day of January, 2017, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature]  
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 16th day of January, 2017.

[Signature]  
Jeffrey Goldberg, Vice President & Assistant Secretary of  
Washington International Insurance Company & North American Specialty Insurance Company

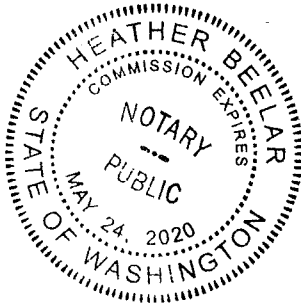
ACKNOWLEDGMENT BY SURETY

STATE OF Washington }  
County of Clark } ss.

On this 16th day of January, 2017, before me personally  
appeared Shalina Williams, known to, me to be the Attorney-in-Fact of  
North American Specialty Insurance Company, the corporation

that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and  
year in this certificate first above written.



Heather Beelar  
Notary Public in the State of Washington  
County of Clark

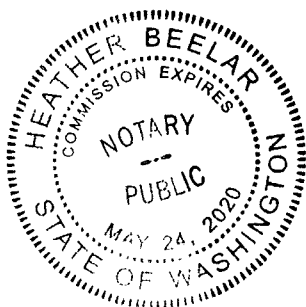
ACKNOWLEDGMENT BY SURETY

STATE OF Washington }  
County of Clark } ss.

On this 16th day of January, 2017, before me personally  
appeared Shalina Williams, known to, me to be the Attorney-in-Fact of  
North American Specialty Insurance Company

\_\_\_\_\_, the corporation  
that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and  
year in this certificate first above written.



Heather Beelar  
Notary Public in the State of Washington  
County of Clark



## LABOR AND MATERIAL PAYMENT BOND

Bond# 2217931

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NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned, as Principal, hereinafter called Contractor, and North American Specialty Insurance Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Two Hundred Twenty-Six Thousand Seven Hundred Fifty-Five Dollars (\$ 226,755.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada

THE CONDITION OF THIS OBLIGATION IS SUCH that, if Contractor, its heirs, executors, administrators, successors or assigns shall fail to pay for any materials, provision, supplies, implements or machinery used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, together with interest at the rate of twelve percent per annum, or for amounts due under the unemployment compensation law with respect to such work or labor, as required by the provisions of NRS 612, and Surety shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract not to exceed the sum specified in this Bond, subject, however, to the following conditions:

- 1) A claimant is defined as one having a direct contract with the Contractor or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service, or rental of equipment directly applicable to the Contract.
- 2) The above-named Principal and Surety hereby jointly and severally agree with Truckee Meadows Water Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. Truckee Meadows Water Authority shall not be liable for the payment of any costs or expenses of any such suit.
- 3) No suit or action shall be commenced hereunder by any claimant:
  - a) Unless claimant, other than one having a direct contract with the Contractor, shall have given written notice to any two of the following: the Contractor, Truckee Meadows Water Authority, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served or served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal at any place the Principal maintains an office or conducts its business.
  - b) After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.
  - c) Other than in a court of competent jurisdiction for the county or district in which the construction contract was to be performed.

**LABOR AND MATERIAL PAYMENT BOND**Continued for PWP Bid #WA-2017-049 and titled "Water Main Replacement Project for G St & 16<sup>th</sup> St., Sparks, NV"

- 4) The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

BY: 

(signature of Principle)

TITLE: President

L.S.

FIRM: Peek Brothers Construction, Inc.

Address: P.O. Box 2608

City, State, Zip: Fernley, NV 89408

Phone: 775 835-6472

Printed Principal's Name: Travis PeekAttest by: Brandi R Barnett

(signature of Notary)

Subscribed and Sworn before me this 24<sup>th</sup> day of January, 2017.Notary public for the State of Nevada County of Clark**CLAIMS UNDER THIS BOND  
MAY BE ADDRESSED TO:****Licensed Agent Information**

Name of Surety North American Specialty Insurance Company	Name of Licensed Agent NV Phoenix Surety & Insurance Agency, Inc. License # 10449
Address 6405 Quantum Lane	Address 1499 SE Tech Center Place, Suite 280
City Las Vegas	City Vancouver
State/Zip Code Nevada 89130	State/Zip Code Washington 98683
Name Shalina Williams <u>Shalina Williams</u>	Agent's Name Robert W. Lagler <u>Robert W. Lagler</u>
Title Attorney-in-Fact	Agent's Title President
Telephone 360-892-5840	Agent's Telephone 360-892-5840

Surety's Acknowledgment: Attached

Licensed Agent's Acknowledgment: Attached

By: Heather BeelarBy: Heather Beelar**NOTICE:**

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached.

**NAS SURETY GROUP**

**NORTH AMERICAN SPECIALTY INSURANCE COMPANY  
WASHINGTON INTERNATIONAL INSURANCE COMPANY**

**GENERAL POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

ROBERT W. LAGLER,

ASHLEY PASSER and SHALINA WILLIAMS

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9<sup>th</sup> of May, 2012:

"RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By

Steven P. Anderson, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company



By

Michael A. Ito, Senior Vice President of Washington International Insurance Company  
& Senior Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 6th day of January, 2017.

**North American Specialty Insurance Company  
Washington International Insurance Company**

State of Illinois  
County of Cook

ss:

On this 6th day of January, 2017, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



M. Kenny  
M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 16th day of January, 2017.

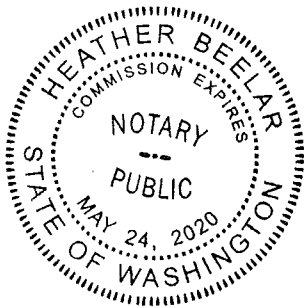
Jeffrey Goldberg  
Jeffrey Goldberg, Vice President & Assistant Secretary of  
Washington International Insurance Company & North American Specialty Insurance Company

ACKNOWLEDGMENT BY SURETY

STATE OF Washington }  
County of Clark } ss.

On this 16th day of January, 2017, before me personally  
appeared Robert W. Lagler, known to, me to be the Attorney-in-Fact of  
North American Specialty Insurance Company, the corporation  
that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and  
year in this certificate first above written.



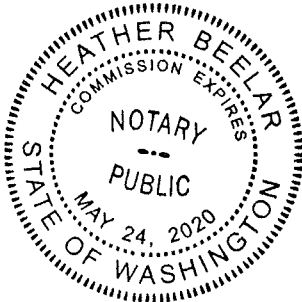
Heather Beelar  
Notary Public in the State of Washington  
County of Clark

ACKNOWLEDGMENT BY SURETY

STATE OF Washington }  
County of Clark } ss.

On this 16th day of January, 2017, before me personally  
appeared Robert W. Lagler, known to, me to be the Attorney-in-Fact of  
North American Specialty Insurance Company, the corporation  
that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and  
year in this certificate first above written.



Heather Beelar  
Notary Public in the State of Washington  
County of Clark





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/18/2017

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

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

<b>PRODUCER</b> L/P Insurance Services, Inc. 300 East 2nd Street Suite 1300 Reno NV 89501	<b>CONTACT NAME:</b> Katherine Milke <b>PHONE (A/C, No, Ext):</b> (775) 336-0829 <b>FAX (A/C, No):</b> (775) 336-0830 <b>E-MAIL ADDRESS:</b> katie.milke@lpins.net												
<b>INSURER(S) AFFORDING COVERAGE</b>													
<b>INSURED</b> Peek Brothers Construction, Inc., DBA: Peek Brothers P.O. Box 2608 Fernley NV 89408	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">INSURER A: State National Insurance Company</td> <td style="width: 20%;">NAIC # 12831</td> </tr> <tr> <td>INSURER B: Travelers Property &amp; Casualty Co of</td> <td>25674</td> </tr> <tr> <td>INSURER C: Argonaut Insurance Company</td> <td>19801</td> </tr> <tr> <td>INSURER D: Navigators Specialty Insurance Co</td> <td>36056</td> </tr> <tr> <td>INSURER E: The Hanover Insurance Company</td> <td>22292</td> </tr> <tr> <td colspan="2">INSURER F:</td> </tr> </table>	INSURER A: State National Insurance Company	NAIC # 12831	INSURER B: Travelers Property & Casualty Co of	25674	INSURER C: Argonaut Insurance Company	19801	INSURER D: Navigators Specialty Insurance Co	36056	INSURER E: The Hanover Insurance Company	22292	INSURER F:	
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INSURER C: Argonaut Insurance Company	19801												
INSURER D: Navigators Specialty Insurance Co	36056												
INSURER E: The Hanover Insurance Company	22292												
INSURER F:													

**COVERAGES** **CERTIFICATE NUMBER:** 16/17 GL, Auto, WC, IM, UMB **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>		Best Rating: A VIII			EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		XNDP0170301	6/17/2016	6/17/2017	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input checked="" type="checkbox"/> <b>Explosion, Collapse,</b>					MED EXP (Any one person) \$ 5,000
	<input checked="" type="checkbox"/> <b>Underground (XCU)</b>					PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE \$ 2,000,000
<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		PRODUCTS - COMP/OP AGG \$ 2,000,000				
	OTHER:					Employee Benefits \$ 1,000,000
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b>		Best Rating: A VIII			COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO		XNDA0170301	6/17/2016	6/17/2017	BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
						Uninsured motorist combined \$ 1,000,000
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR	Best Rating: A++ XV			EACH OCCURRENCE \$ 2,000,000
	<input type="checkbox"/> <b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE	ZUP81M3481416NF	6/17/2016	6/17/2017	AGGREGATE \$ 2,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>		Best Rating: A XIII			<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	WC928158373244	6/17/2016	6/17/2017	E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	<b>Contractors Pollution</b>		SF16ECP307646IC	06/17/2016	06/17/2017	Aggregate 2,000,000
E	<b>Inland Marine</b>		IH4A95451200	6/17/2016	6/17/2017	Scheduled Equipment 1,140,289

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
 Project: Water Main Replacement Project For G Street and 16th Street TMWA Capital Project # 10-0001-045  
 PWP # WA-2017-049. When Named Insured's operations are performed for [Certificate Holder] pursuant to a valid written contract or agreement executed by Named Insured prior to loss. In accordance with the policies listed above: Additional Insured Status is determined by attached GL Form #GL9007(06/07), #CG2010(04/13) & #CG2037(04/13), Auto Form #AA9908(04/09); Waiver of Subrogation Status is determined by GL Form GL9007(06/07), Auto Form AA9908(04/09), Workers Compensation Form #WC000313(04/84); Primary and Non-Contributory Status is determined by GL Form IL1201(11/85). Per project aggregate GL9007(06/07).

<b>CERTIFICATE HOLDER</b> <div style="text-align: center; margin-top: 20px;"> <b>TMWA</b>                  1355 Capital Blvd.                  Reno, NV 89520             </div>	<b>CANCELLATION</b> <p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <hr/> <b>AUTHORIZED REPRESENTATIVE</b> Katherine Milke/PAM
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## COMMENTS/REMARKS

Pollution Additional insured/waiver of subrogation pursuant to a valid written contract or agreement executed by Named Insured prior to loss form#NAV ECP-O TLKT II (03/13)



## CONTRACTORS POLLUTION LIABILITY TOOLKIT II

Various provisions in this policy restrict coverage. This policy contains multiple coverages. Some coverages in this policy contain claims-made insuring agreements that apply only when a claim is first made against an insured and reported to us during the **policy period**.

For providing general notice of a **claim** or **loss**, please refer to SECTION V. RIGHTS AND DUTIES OF INSURED AND US. Special reporting requirements apply to any coverage for **emergency response costs**. Read the entire policy carefully to determine your rights and 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, and any other person or organization qualifying as a **named insured** under this policy. The words we, us and our refer to the company, listed in the Declarations, providing this insurance.

The word insured means any person or organization qualifying as such under SECTION II. WHO IS AN INSURED. Words and phrases other than headings that appear in **bold type** have special meaning. Refer to SECTION VII. DEFINITIONS for the meaning.

In consideration of the premiums paid and upon our reliance on the statements made in the application to this policy, including any supporting documentation or information submitted in connection with the application, and in accordance with all the terms, conditions, exclusions and limitations contained in this policy, we agree to provide coverage to the insured as follows:

### SECTION I. COVERAGES AND COVERAGE EXCLUSIONS

#### 1. Insuring Agreements

The following coverages apply only if scheduled with limits in the Declarations:

##### A. Operations Pollution Liability

1. We will pay on behalf of the insured the **loss** the insured becomes legally obligated to pay because of a **pollution incident** that takes place in the **coverage territory**, is caused by **your work**, and results in:
  - a. a **claim** for **bodily injury**, **property damage** or **environmental damage** if such injury or damage takes place during the **policy period**; or
  - b. **emergency response costs** you incur responding to **environmental damage**.
2. Any progressive or indivisible **bodily injury**, **property damage** or **environmental damage**, including any continuation, change or resumption of such injury or damage, which occurs over a period of days, weeks, months or longer caused by continuous or repeated exposure to the same, related or continuous **pollution incident** shall be deemed to have occurred only once and only:
  - a. on the date of first exposure to such **pollution incident**; or
  - b. during the policy period of the first policy issued to you by us or our affiliate providing substantially the same coverage as provided by this policy for **bodily injury**, **property damage** or **environmental damage** that takes place during the **policy period**, but only if:

No coverage will be afforded subsequent to the one hundred and twentieth (120<sup>th</sup>) day after you acquire or form any new organization unless and until such organization is specifically endorsed onto the policy by us. The first named insured may request that any such newly acquired or formed organization be added to the policy; however, in our sole discretion, additional underwriting information and premium may be required. If we consent to adding any newly acquired or formed organization, the first named insured is responsible to pay any additional premium when due.

4. Any person or organization that has at least a majority ownership or controlling interest in you is an insured, but only with respect to **bodily injury, property damage, environmental damage, or emergency response costs** arising out of **your work** and solely with respect to their financial control of you.
5. Any person or organization, including your clients for whom you perform **your work**, whom you agree to include as an insured in an **insured contract** is an insured, but only with respect to a **pollution incident** arising out of **your work** and only:
  - a. if the contract or agreement is executed and effective prior to the date any **pollution incident** to which this policy applies first began; and
  - b. for the lesser of the:
    - (1) minimum limits required by the contract, agreement or permit; or
    - (2) applicable limits of liability in this policy.

No person, organization or entity is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a **Named Insured** in the Declarations.

### SECTION III. LIMITS OF LIABILITY; DEDUCTIBLE

1. The limits of liability shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. **claims made or suits brought;**
  - b. **persons or organizations making claims or bringing suits;**
  - c. **insureds;**
  - d. **pollution incidents; or**
  - e. **crisis management events.**

#### 2. Related or Continuous Pollution Incidents

All of the same, related or continuous **pollution incident(s)**, will be treated as one **pollution incident**, and subject to one Each Incident Limit and one deductible as described in paragraphs 3. and 8. below, respectively.

#### 3. Each Incident Limit

Subject to paragraphs 4. and 5. below, the Each Incident Limit shown in Item 3. of the Declarations is the most we will pay under this policy for all **loss** arising out of any one **pollution incident**.

#### 4. Coverage Section Aggregate Limit

Subject to paragraph 5. below, the Coverage Section Aggregate Limit shown in Item 3. of the Declarations is the most we will pay for all **loss** under the applicable coverage section.

#### 5. Policy Aggregate Limit

The Policy Aggregate Limit shown in Item 3. of the Declarations is the most we will pay for all **loss** covered under this policy.

## 23. Subrogation

In the event of any payment under this insurance by us, we shall be subrogated to all the insured's rights of recovery against any person or organization. No insured shall do anything after the payment of **loss** by us to prejudice such rights. The insured agrees to cooperate with us and to execute and deliver all instruments and papers and do whatever else is necessary to enforce such rights. At our request, the insured will bring **suit** or transfer those rights to us and help us enforce them.

With respect to Coverage 1.A. Operations Pollution Liability, we agree to waive our right of subrogation against any of your clients but only if and to the extent you had a written contract with your client agreeing to waive such rights prior to the **pollution incident** giving rise to **loss** hereunder began.

## 24. Transfer of Defense Duties

If we conclude that any applicable limit of liability of this policy has been, or soon will be, exhausted by the payment of **loss**, we will so notify the **first named insured** in writing as soon as possible. In the event that there are ongoing legal proceedings with respect to any **claims** against an insured, and any applicable limit of liability of this policy has been exhausted by the payment of **loss**, we will advise you that our duty to defend has ended and that we will no longer handle the defense of any ongoing **claims** or new **claims** against an insured. Thereafter, we will initiate and cooperate in the transfer of control of the defense of all **claims** to any appropriate insured. The exhaustion of any applicable limit of liability by the payment of **loss** will not be affected by our failure to comply with any of the provisions of this section, nor will we be obligated by operation of any rights or duties in this paragraph to defend or continue to defend any **claim** or pay any **loss** after any applicable limit of liability of this policy is exhausted.

## 25. Voluntary Payments / Consent

Other than **emergency response costs** or **crisis management events**, no insured shall, except at its own cost:

- a. voluntarily make any payment, assume any obligation, or incur any expense to which this policy applies without our prior written consent; or
- b. admit liability, offer to settle, or agree to any settlement in connection with any **claim** or **suit** without our prior written consent. When our written consent to a settlement is requested, you must promptly provide us with all information and particulars we may reasonably request, including, but not limited to, information which an insured may deem immaterial, in order to reach an informed decision as to such consent. Any **loss** or other costs, charges or expenses resulting from any admission of liability or agreement to settle incurred prior to our consent shall not be covered hereunder.

## 26. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the **first named insured** written notice of the nonrenewal not less than ninety (90) days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION V. RIGHTS AND DUTIES OF INSURED AND US

### 1. Claim Reporting

As a condition precedent to coverage under the policy, if an insured receives a **claim** or becomes aware of a **pollution incident** or **crisis management event** which may give rise to **loss** under this policy, the insured must notify us as soon as practicable utilizing any of the following methods:

- a. electronic mail to our San Francisco Claims Office at [SFCLAIMS@navg.com](mailto:SFCLAIMS@navg.com); or

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**Schedule**

Blanket Waiver of Subrogation  
Any & All Nevada Projects

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Date: 06/17/2016      Policy No. WC 928158373244      Endorsement No.

Policy Effective Date: 06/17/2016 to 06/17/2017      Premium \$

Insured: Peek Brothers Construction, Inc.

DBA: Peek Brothers Construction

Carrier Name / Code: Argonaut Midwest Insurance Company

WC 00 03 13

Countersigned by \_\_\_\_\_

(Ed. 4-84)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## GENERAL LIABILITY COVERAGE EXTENSION ENDORSEMENT

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, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **Section II - Who Is An Insured**. Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V - Definitions**.

The following is a summary of the limits additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

### SCHEDULE

Blanket Additional Insured When Required by Contract	Included
Broadened Definition of Mobile Equipment	Included
Damage to Premises Rented to You	Broadened Perils
Liberalization	Included
Medical Payments	Increased to \$10,000 per person (unless excluded)
Non-Owned Aircraft	If rented or loaned with a paid crew
Non-Owned Watercraft	Increased to 51 feet long
Notice of Occurrence	Included
Per Location and Per Project Aggregates	Included
Property Damage to "Customers' Goods"	Up to \$10,000 per "occurrence"
Property Damage to Borrowed Equipment	Up to \$10,000 per "occurrence"
Revised Exclusion for Expected or Intended Injury	Included
Supplementary Payments	
Bail Bonds	Up to \$2,500
Loss of Earnings	Up to \$300 a day
Unintentional Failure to Disclose Hazards	Included
Waiver of Transfer of Rights of Recovery	Included

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Unless specifically stated in this endorsement, all other terms, conditions and exclusions of the policy remain unchanged.

**Changes to SECTION I - COVERAGES**

**DAMAGE TO PREMISES RENTED TO YOU**

- A. SECTION I - COVERAGE A., 2. Exclusions** is amended to delete the last paragraph and is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III - LIMITS OF INSURANCE**.

- 6.** Subject to **5.** above, the higher of \$300,000 or the Damage to Premises Rented to You Limit shown in the Declarations is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

**NON-OWNED WATERCRAFT AND NON-OWNED AIRCRAFT RENTED OR LOANED TO YOU WITH A CREW**

Exclusion **g. Aircraft, Auto or Watercraft**, paragraph **(2)** is deleted in its entirety and replaced with the following:

- (2)** A watercraft you do not own that is:  
**(a)** Less than 51 feet long; and  
**(b)** Not being used to carry persons or property for a charge.

The following is added to **g. Aircraft, Auto or Watercraft**:

- (6)** An aircraft not owned by any insured that is rented or loaned to you, provided that:
- 1.** The pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
  - 2.** It is rented with a trained, paid crew; and
  - 3.** It does not transport persons or cargo for a charge.

If other insurance applies to a loss because of "property damage" to non-owned watercraft or aircraft as described in **(2) (a)** and **(b)** or **(6)** above, the insurance provided by this Coverage Form does not apply whether the other insurance is primary, excess, contingent, or issued on any other basis.

## Changes to SECTION I - COVERAGE A - EXCLUSIONS

### EXPECTED OR INTENDED INJURY

Exclusion 2. a. is deleted in its entirety and replaced by the following:

**a. Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

### PROPERTY DAMAGE - BORROWED EQUIPMENT

- A. 2. Exclusions, j. Damage to Property, (4) Personal Property in the care, custody or control of the insured;**

does not apply to "property damage" to borrowed equipment while that equipment:

1. is not being used to perform operations; and
2. is away from an insured's premises.

- B.** The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.

- C. SECTION III - LIMITS OF INSURANCE** is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to borrowed equipment is \$10,000 per "occurrence".

### PROPERTY DAMAGE - "CUSTOMERS' GOODS"

- A.** Paragraphs (3), (4) and (6) of **Exclusion j.** of **SECTION I - COVERAGES, COVERAGE A** does not apply to "property damage" to "customers' goods" while on your premises.

- B.** The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary excess, contingent or on any other basis.

- C. SECTION III - LIMITS OF INSURANCE** is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to customers' goods is \$10,000 per "occurrence".

## Changes to SECTION II - WHO IS AN INSURED

### ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

A. **Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

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.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - b. Supervisory, inspection, architectural or engineering activities.
2. "Bodily injury" or "property damage" occurring after:
  - a. 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
  - b. 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.

## Changes to SECTION III - LIMITS OF INSURANCE

### MEDICAL PAYMENTS

The following applies only if Medical Payments Coverage is not excluded from the policy to which this endorsement is attached:

Paragraph 7. is deleted in its entirety and replaced by the following:

7. Subject to paragraph 5, the Medical Expense Limit is equal to the Medical Expense Limit stated in the Declarations, subject to a minimum of \$10,000 and is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

#### PER LOCATION AND PER PROJECT AGGREGATES

**SECTION III - LIMITS OF INSURANCE**, is amended to add the following:

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which can be attributed only to operations at a covered "location" or covered construction project:
1. A separate Per Location or Per Project General Aggregate Limit applies to each covered "location" or covered construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Per Location or Per Project General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C**, regardless of the number of:
    - a. insureds;
    - b. claims made or "suits" brought; or
    - c. persons or organizations making claims or bringing "suits".
  3. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the Per Location or Per Project General Aggregate Limit for each covered "location" or covered project for which payment is made. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other covered "location" or covered project's general aggregate.
  4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Per Location or Per Project General Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which cannot be attributed only to ongoing operations at a covered "location" or covered project:
1. Any payments made under **Coverage A** for damages or under **Coverage C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Per Location or Per Project General Aggregate Limit.
- C. When coverage for liability arising out of the products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per Location or Per Project General Aggregate Limit.
- D. **Definition**

For the purposes of the Per Location and Per Project Aggregates, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

- E. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- F. The provision of **Limits of Insurance (Section III)** not otherwise modified by this endorsement shall continue to apply as stipulated.

## **Changes to SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

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

Item 8. **Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We agree to waive any right of recovery we may have against any person or organization with whom you have agreed by contract prior to an "occurrence" to waive such rights because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". The waiver applies only to the person or organization with whom you have agreed in a contract prior to an "occurrence" to waive such rights.

### **NOTICE OF OCCURRENCE**

The following is added to paragraph 2. **Duties In The Event of Occurrence, Offense Claims or Suit:**

Your rights under the Coverage Part will not be prejudiced if you fail to give us notice of an "occurrence, offense, claim or "suit" and that failure is solely due to your reasonable belief that the "bodily injury" or "property damage" is not covered under this Coverage Part. However, you shall give written notice of this "occurrence" offense, claim or "suit" to us as soon as you are aware that this insurance may apply to such "occurrence" offense, claim or "suit".

### **UNINTENTIONAL FAILURE TO DISCLOSE ALL HAZARDS**

**SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS**, is amended to include the following:

- 10. Based on our reliance on your representations as to existing hazards, if you unintentionally fail to disclose all such hazards prior to the beginning of the policy period of the Coverage Part, we shall not deny coverage under this coverage Part because of such failure.

### **LIBERALIZATION**

**SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS**, is amended to include the following:

- 11. 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.

## Changes to SECTION V - DEFINITIONS

**12. Mobile Equipment**, paragraph f. (1) is amended to add the following:

This shall not apply to self-propelled vehicles of less than 1000 pounds gross vehicle weight.

The following definition is added:

**23. "Customers' goods"** means tangible personal property belonging to your customers and left with you for storage, service or repair. "Customers goods" does not include:

- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities; or
- b. Animals; or
- c. Contraband, or property in the course of illegal transportation or trade; or
- d. Personal property while airborne or waterborne; or
- e. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance; or
- f. Vehicles or self-propelled machines (including aircraft or watercraft) that are licensed for use on public roads.

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines, other than autos, you hold for sale; or
- (2) Rowboats or canoes out of water at the described premises;

- g. The following property while outside of buildings:
  - (1) Grain, hay straw or other crops;
  - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than trees, shrubs or plants held for sale).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGES

Policy Change  
Number

<b>POLICY NUMBER</b> XNDP0170301	<b>POLICY CHANGES EFFECTIVE</b> 06/17/2016	<b>COMPANY</b> State National Insurance Company
<b>NAMED INSURED</b> -Peck Brothers Construction, Inc.		<b>AUTHORIZED REPRESENTATIVE</b> KDC Associates, LLC.
<b>COVERAGE PARTS AFFECTED</b>  COMMERCIAL GENERAL LIABILITY COVERAGE PART CG 00 10		
<b>CHANGES</b>  <b>ADDITIONAL INSURED – PRIMARY AND NONCONTRIBUTORY</b>  This endorsement modifies insurance provided under the following:  COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG 00 01 Schedule  This policy provides any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.  The insurance provided by this policy to the person or organization shown in the Schedule and named as an additional insured is primary insurance. We will not seek contribution from any other insurance available to that additional insured.		

Authorized Representative Signature

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COMMERCIAL AUTOMOBILE COVERAGE EXTENSION ENDORSEMENT**

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, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **Section II - Who Is An Insured**. Other words and phrases that appear in quotation marks have special meaning. **Refer to Section V - Definitions**.

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

**Schedule**

Blanket Waiver of Transfer of Rights of Recovery	Included
Broadened Definition of <b>Who Is An Insured</b>	Included
Loss of Use Expenses	Up to \$50 a day / \$750 Maximum
Revised Deductible for Glass Damage	Included
Supplementary Payments	
Bail Bonds	Up to \$2,500
Loss of Earnings	Up to \$300 a day
Transportation Expenses	Up to \$50 a day / \$1,500 Maximum
Unintentional Failure to Disclose	Included
Auto Loan/Lease Gap Coverage	Included

This endorsement modifies insurance provide under the following:

**BUSINESS AUTO COVERAGE FORM**

Unless specifically stated in this endorsement, all other terms, conditions and exclusions of the policy remain unchanged.

**Changes to SECTION II – LIABILITY COVERAGE**

**A. Coverage, 1. Who Is An Insured** is amended to add the following:

- d. Any organization you newly acquire or form during the policy period provided you own 50% or more of the business entity. However, coverage under this provision:
  - (1) Does not apply if the organization you acquire or form is an "insured" under another liability policy or would be an insured under such a policy but for its termination or the exhaustion of its limits of insurance;
  - (2) Does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - (3) Is afforded only for the first 90 days after you acquire or form the organization or until the end of the policy period, whichever comes first.
- e. Any person or organization to whom you become obligated to include as an additional insured under this policy, as a result of a written contract or written agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of use of a covered "auto". However, the insurance provided will not exceed the lesser of:
  - (1) The coverage and/or limits of this policy, or
  - (2) The coverage and/or limits required by said contract or agreement.
- f. An employee of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

**A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, (2) and (4)** are deleted in their entirety and replaced with the following:

- (2) Up to \$2,500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$300 a day because of time off from work.

**SECTION III – PHYSICAL DAMAGE COVERAGE** is amended to add the following:

**A. Coverage, 4. Coverage Extensions, a. Transportation Expenses** is deleted in its entirety and replaced with the following:

**a. Transportation Expenses**

We will pay up to \$50 per day, to a maximum of \$1,500, 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".

**A. Coverage, 4. Coverage Extensions, b. Loss Of Use Expenses** is deleted in its entirety and replaced with the following:

**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 \$50 per day, to a maximum of \$750.

**D. Deductible** is deleted in its entirety and replaced with the following:

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

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

- A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us** is deleted in its entirety and replaced with the following:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident", provided that the "accident" arises out of operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

- A. General Conditions, 2. Concealment, Misrepresentation Or Fraud** is amended by adding the following:

**2. Concealment, Misrepresentation Or Fraud**

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

**Auto Loan/Lease Gap Coverage** is added as follows:

For those businesses not listed as "auto" dealerships in the Declarations, the following provisions apply:

If a long term leased "auto", under an original lease agreement, is a covered "auto" under this Coverage Form and the lessor of the covered "auto" is named as an additional insured under this policy, in the event of a total loss to the leased covered "auto", we will pay any unpaid amount due on the lease or loan, less the amount paid under the **Physical Damage Coverage** Section of the policy; and less any:

- a. Overdue lease/loan payments at the time of the "loss";
- b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
- c. Security deposits not returned by the lessor;
- d. Costs for extended warranties, credit Life Insurance, Health Accident or Disability Insurance purchased with the loan or lease; and
- e. Carry-over balances from previous loans or leases.

**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
BLANKET AS REQUIRED BY WRITTEN CONTRACT	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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

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

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

However:

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

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

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.

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

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

This endorsement modifies insurance provided under the following:

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

### **SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s)</b>	<b>Location And Description Of Completed Operations</b>
BLANKET WHEN REQUIRED BY WRITTEN CONTRACT	ALL
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

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

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

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

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

whichever is less.

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

