

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase
Order #

PO-003249

Delivery must be made within
doors of specified destination.

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Truckee Meadows Water Authority
Accounts Payable
PO Box 30013
Reno NV 89520-3013

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A&K Earthmovers Inc
12251 Truckee Canyon Court
Sparks NV 89434

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Truckee Meadows Water Authority
1355 Capital Blvd
Reno NV 89502

Requester Contact Name			Requester Contact Phone Number			Vendor Number	
						000515	
Date Ordered	Date Requested	Freight Method/Terms					
11/3/2017	8/31/2018						
Line #	Description/Part No.		Qty	UOM	Unit Price	Discount Amount	Extended Price
1	Donner Lake Emergency Outlet Cleanout - NRS 332 Bid - TMWABid No. 2018-002 - Awarded to responsive and responsible bidder - TMWA Representative B. Hauck and J. Esparza (Cont - NRS 332 Public Bid) 1-7051-11-1110 - Requestor J Esparza and B Hauck Contract Services		1274000.00	usd	1.00		\$1,274,000.00

Truckee Meadows Water Authority's Terms and Conditions shall govern this and all related transactions, review them at
http://tmwa.com/docs/po_terms_and_conditions.doc

This Purchase Order number must be indicated on all invoices, cartons and packing slips.

PO Total

\$1,274,000.00

AGREEMENT FOR SERVICES
(NRS 332 Service Providers)
DONNER LAKE EMERGENCY OUTLET CLEANOUT
TMWA Bid No.: 2018-002

November, 20*17*, **THIS AGREEMENT FOR SERVICES** (the "Agreement"), made and entered into this *3rd* day of *November*, 20*17*, by and between A & K EARTH MOVERS, INC., 5515 Windmill Drive, Fallon, Nevada 89406, a general contractor licensed by the State of Nevada (Nevada Contractor's License No. 24548) and State of California (California Contractor's License No. 339463) (hereinafter referred to as "Contractor"), and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 (hereinafter referred to as "TMWA").

RECITALS

WHEREAS, TMWA is authorized to engage the services of persons as independent contractor pursuant to NRS Chapter 332; and

WHEREAS, Contractor has represented it is duly qualified and licensed in the State of Nevada and Washoe County and State of California, Nevada County for the purposes of performing the Scope of Work herein;

WHEREAS, TMWA wishes to retain Contractor to perform certain services for TMWA and Contractor is willing to perform these services in accordance with the terms and provisions of this Agreement

1. **DEFINITIONS.** "TMWA" means the Truckee Meadows Water Authority, its directors, officers, employees and immune contractors (other than Contractor) as defined in NRS 41.0307.

2. **SCOPE OF WORK**

2.1. **Description of Work.** Contractor shall provide and perform the services set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference for and on behalf of TMWA (collectively the "Services") during the term of the Agreement.

2.2. **Competence to Perform Services.** Contractor represents that it and/or the persons it may employ possess all skills and training necessary to perform the Services described herein and required hereunder. Contractor shall perform the Services faithfully, diligently, in a timely and professional manner, and to the best of its ability, and in such a manner as is customarily performed by a person who is in the business of providing such services in similar circumstances. Contractor represents that neither the execution and delivery of this Agreement, nor the rendering of services by the Contractor hereunder, will violate the provisions of, or constitute a default under, any other contract or agreement to which the Contractor is a party or by which the Contractor is bound, or which would preclude the Contractor from performing the services required of the Contractor hereunder, or which would impose any liability or obligation upon TMWA for accepting such services. Contractor shall be responsible for the professional quality and technical accuracy of all Services furnished by Contractor to TMWA.

2.3 **Time of Completion.** This contract continues to Substantial Completion and 100%/Final Completion as detailed in Section 4 of this Agreement, or until either party gives notice as provided for in Sections 6 of this Agreement.

2.4 **Permits and Regulations.** Before commencing with the performance of any work under this Agreement, the Contractor shall obtain all necessary permits and licenses as may be necessary. Before and

during the progress of work under this Agreement, the Contractor shall give all notice and comply with all the laws, ordinances, rules and regulations of every kind and nature now or hereafter in effect promulgated by any Federal, State of Nevada and California, County, or other Governmental Authority, relating to the performance of work under this Agreement. If the Contractor performs any work that is contrary to any such law, ordinance, rule or regulation, he shall bear all the costs arising therefrom. Contractor agrees to obtain all appropriate business licenses and provide a copy to TMWA prior to commencing work.

3. **TMWA RESPONSIBILITIES.** TMWA shall:

- a. Make available to the Contractor all technical data that is in TMWA's possession, reasonably required by the Contractor relating to the Contractor's Services.
- b. Provide access to and make all provisions for the Contractor to enter upon public and private lands, to the fullest extent permitted by law, as reasonably required for the Contractor to perform the Services under this Agreement.
- c. Examine all reports, correspondence, and other documents presented by the Contractor upon request of TMWA, and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the work of the Contractor.

4. **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

4.1 **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.

4.2 **Completion of Work.** Contractor shall achieve Substantial Completion by **Thirty-Five (35) calendar days from the date of the Notice to Proceed** with an additional **Ten (10) calendar days** to remove all equipment, complete any restoration/mitigation work, clean and vacate the Park property with Liquidated Damages to apply for every day the Contractor has not removed all equipment and restored the site beyond the combined **Forty-Five (45) calendar days** from the issuance of the Notice to Proceed and shall achieve 100 percent completion by **One Hundred Ninety-Six (196) 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 **three (3) 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.

4.3 **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 **\$2,450.00 (Two Thousand Four Hundred Fifty Dollars)** per day commencing on the expiration of the time specified above and continuing until the actual date of Substantial Completion. Liquidated damages shall also be applied for every day that the Contractor has not removed equipment and restored the property past the 10 calendar days provided after the Substantial Completion dates provided above 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 **\$2,450.00 (Two Thousand Four Hundred Fifty 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.

4.4 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.

This Agreement shall commence on the date first written above and continues to Substantial Completion and 100%/Final Completion as detailed in Section 4.2 of this Agreement, or until either party gives notice as provided for in Sections 6 of this Agreement.

5. COMPENSATION.

5.1 Amount. As compensation for all of Contractor's Services hereunder, TMWA agrees to pay Contractor compensation based upon time and materials and the attached fee schedule or compensation based upon a lump sum amount as provided for in the attached Scope of Work(s) hereinafter called the "**Contract Sum**". The Contract Sum represents full and adequate compensation for the completed work, and includes the furnishing of all materials, and all labor, equipment, tools, and appliances, and all expenses, direct or indirect, connected with the proper execution of the work

5.2 Payment. Payment by TMWA for services rendered by Contractor shall be due within thirty days upon receipt of invoices. If payment is not made in a timely manner, Contractor may, in the event TMWA fails to cure the deficiency after seven days written notice from Contractor, suspend the services under this Agreement until Contractor has been paid in full. TMWA does not agree to and will not reimburse Contractor for expenses unless specifically provided otherwise in this Agreement.

5.3 Funding Out Clause. TMWA reasonably believes that funds can be obtained sufficiently to make all payments during the term of this agreement. If the TMWA does not allocate funds to continue the function performed by the Contractor obtained under this Agreement, this Agreement shall be terminated when appropriated funds expire.

6. TERMINATION.

6.1 Termination Without Cause. This Agreement may be terminated by TMWA without cause upon ten (10) days written notice to Contractor. If this Agreement is so terminated, Contractor shall be paid for all services satisfactorily rendered and expenses incurred to the date of receipt of notice of termination.

6.2 Cause Termination for Default or Breach. A default or breach may be declared with or without termination. This Agreement may be terminated immediately by either party upon written notice of default or breach to the other party as follows:

- (i). If Contractor fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Agreement within the time requirements specified in this Agreement or within any granted extension of those time requirements; or
- (ii). If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Agreement is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

(iii). If Contractor becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

(iv). If TMWA materially breaches any material duty under this Agreement and any such breach impairs Contractor's ability to perform; or

(v). If it is found by TMWA that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of the State of Nevada with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract.

6.3. Opportunity to Cure. Termination upon a declared default or breach may be exercised only after service of formal written notice as specified in Section 6.2, and the subsequent failure of the defaulting party within 15 calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.

6.4 Winding Up Affairs Upon Termination. In the event of termination of this Agreement for any reason, the parties agree that the provisions of this paragraph survive termination:

(i). The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Agreement. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

(ii). Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by TMWA;

(iii). Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Agreement if so requested by TMWA;

(iv). Contractor shall promptly deliver to TMWA possession all proprietary information in accordance with Section 16.

7. INSPECTION & AUDIT.

7.1 Books and Records. Contractor agrees to keep and maintain under general accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to TMWA, the State of Nevada or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

7.2. Inspection & Audit. Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), papers, including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by TMWA Auditor, or its contracted examiners, representatives of Washoe County, or any of their authorized representatives. Such records shall include, but not be limited to, those records necessary to evaluate and verify direct and indirect costs (including overhead allocations) as they may

apply to costs associated with this Agreement. Contractor shall require all subcontractors, insurance agents, and material suppliers to comply with the provisions of this Section. Contractor will cooperate fully and will cause all of Contractor's subcontractors to cooperate fully in furnishing or in making available to TMWA from time to time all such information, materials and data whenever requested. All subcontracts shall reflect requirements of this paragraph.

7.2.1 Recovery of Costs. If an audit inspection or examination in accordance with this section, discloses overcharges of any nature by the Contractor to TMWA in excess of one-half of one percent (0.5%) of the total contract billings, the reasonable actual cost of TMWA's audit shall be reimbursed to TMWA by the Contractor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices and/or records shall be made within a reasonable amount of time (not to exceed 90 days) from presentation of TMWA's findings to Contractor.

7.3 Period of Retention. All books, records, reports, and statements relevant to this Agreement must be retained a minimum three years. The retention period runs from the date of payment for the relevant goods or services by TMWA, or from the date of termination of the Agreement, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensure.

8. INDEPENDENT CONTRACTOR. Contractor is associated with TMWA only for the purposes and to the extent specified in this Agreement, and in respect to performance of the contracted services pursuant to this Agreement, Contractor is and shall be an independent contractor and, subject only to the terms of this Agreement, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for TMWA whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and TMWA shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of TMWA; (4) participation or contributions by either Contractor or TMWA to the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; (6) unemployment compensation coverage provided by TMWA. Contractor shall indemnify and hold TMWA harmless from, and defend TMWA against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, or representatives shall be considered employees, agents, or representatives of TMWA. TMWA and Contractor shall evaluate the nature of services and term negotiated in order to determine "independent contractor" status and shall monitor the work relationship throughout the term of the Agreement to ensure that the independent contractor relationship remains as such.

9. INDEMNIFICATION BY CONTRACTOR. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend, not excluding TMWA's right to participate, TMWA from and against any and all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising in whole or in part out of any alleged negligent or willful acts or omissions of Contractor, its officers, employees and agents, excepting therefrom any liability arising out of the sole negligence of TMWA.

10. LIMITED LIABILITY. TMWA will not waive and intends to assert available NRS chapter 41 liability limitations and other liability limitations available at law in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in this Agreement or any incorporated attachments. Damages for any TMWA breach shall never exceed the amount of funds appropriated for payment under this Agreement, but not yet paid to Contractor,

for the fiscal year budget in existence at the time of the breach. Contract damages for any Contractor breach shall not exceed 150% of the contract maximum "not to exceed" value. Contractor's tort liability shall not be limited. Neither party shall be responsible for the negligent acts of the other party in the performance of this Agreement.

11. INSURANCE.

11.1 By Contractor. Unless expressly waived in writing by TMWA, Contractor, as an independent contractor and not an employee of TMWA, must obtain and maintain policies of insurance in amounts specified in this Section 11 and pay all taxes and fees incident hereunto. TMWA shall have no liability except as specified in this Agreement. Contractor shall, at Contractor's sole expense, procure, maintain and keep in force the following insurance conforming to the minimum requirements specified below. Unless specifically specified herein or otherwise agreed to by TMWA, the required insurance shall be in effect prior to the commencement of work by Contractor.

11.2 Form of Coverage. Any insurance or self-insurance available to TMWA shall be excess of and non-contributing with any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by TMWA, Contractor shall provide TMWA with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by the Agreement, an insurer or surety shall fail to comply with the requirements of this Agreement, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify TMWA and immediately replace such insurance or bond with an insurer meeting the requirements.

11.2.1. Additional Insured: By endorsement to all liability policies, except Worker's Compensation and Professional Liability, evidenced by Contractor, TMWA, its officers, employees and immune Contractors as defined in NRS 41.0307, if any, shall be named as additional insureds for all liability arising from the Agreement.

11.2.2. Waiver of Subrogation: Each liability insurance policy shall provide that the insurance company waives all right of recovery by way of subrogation against TMWA, its officers, employees and immune contractors in connection with damage covered by any policy.

11.2.3. Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by TMWA. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000 per occurrence, unless otherwise approved by TMWA.

11.2.4. Approved Insurer: Each insurance policy shall be (i) issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to TMWA and having agents in Nevada upon whom service of process may be made, and (ii) currently rated by A.M. Best as "A-VII" or better.

11.3 Policies Required.

11.3.1 Workers' Compensation and Employer's Liability Insurance. Contractor shall provide proof of worker's compensation insurance as required by NRS 616B.627 or proof that compliance with the provisions of Nevada Revised Statutes, Chapters 616A-D and all other related chapters is not required.

11.3.2 Commercial General Liability Insurance. Contractor shall procure and maintain, during the term of this Agreement, occurrence comprehensive general liability insurance for limits of not less than One Million Dollars (\$1,000,000) for bodily injury and property damages, per occurrence, Two Million Dollars (\$2,000,000) products and completed operations aggregate, and Two Million Dollars (\$2,000,000) general aggregate. Coverage shall be on an occurrence basis and shall cover liability arising from premises, operations, independent contractors, completed operations, personal injury, products, civil lawsuits, Title VII actions and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

11.3.4 Professional Liability/Errors & Omissions Insurance. Not Required for Contractor Construction Contracts. Contractor shall procure and maintain, during the term of this Agreement, professional liability/errors and omissions insurance in the amount of not less than One Million Dollars (\$1,000,000) per claim. The policy shall have a retroactive date prior to commencement of the performance of this Agreement and a discovery period at least three (3) years after the later of termination or the date of substantial completion of the project.

11.3.5 Business Automobile Liability Insurance. Contractor shall procure and maintain, during the term of this Agreement, business automobile liability insurance in the amount of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage. Coverage shall be for "any auto", including owned, non-owned and hired vehicles.

11.4 Evidence of Insurance. Prior to the start of any Work, Contractor must provide the following documents to TMWA, Attention: Purchasing & Contracts, P.O. Box 30013, Reno, NV 89520-3013:

11.4.1 Certificate of Insurance. Contractor must provide a Certificate of Insurance form to TMWA to evidence the insurance policies and coverage required of Contractor.

11.4.2 Additional Insured Endorsements. An original Additional Insured Endorsement, signed by an authorized insurance company representative, must be submitted to TMWA, by attachment to the Certificate of Insurance, to evidence the endorsement of TMWA as additional insured.

11.4.3 Policy Cancellation Endorsement. Except for ten days notice for non-payment of premium, each insurance policy shall be endorsed to specify that without thirty (30) days prior written notice to TMWA, the policy shall not be cancelled, non-renewal or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mailed to the address specified above. A copy of this signed endorsement must be attached to the Certificate of Insurance.

Compliance with the insurance requirements of this Agreement shall not limit the liability of Contractor or its sub-contractors, employees or agents to TMWA or others, and shall be in addition to and not in lieu of any other remedy available to TMWA under this Agreement or otherwise. TMWA reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

11. 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.

12. 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.

13. GOVERNMENT OBLIGATIONS. Contractor shall be responsible for all applicable federal, state, and local government obligations. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS Chapter 361. Contractor warrants that it has a valid business license. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Agreement. TMWA may set-off against consideration due any delinquent government obligation.

14. ACCEPTANCE BY TMWA. It is expressly understood and agreed that all work done by the Contractor shall be subject to inspection and acceptance by TMWA and approval of work shall not forfeit the right of TMWA to require correction, and nothing contained herein shall relieve the Contractor of the responsibility of the work required under the terms of this Contract until all work has been completed and accepted by TMWA

15. NOTICE. All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party as indicated on Page 12 of this agreement.

16. TMWA OWNERSHIP OF PROPRIETARY INFORMATION. Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under the Agreement), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Agreement shall be the exclusive property of TMWA and all such materials shall be delivered into TMWA possession by Contractor upon completion, termination, or cancellation of this Agreement. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Agreement without the prior written consent of TMWA. Notwithstanding the foregoing, TMWA shall have no proprietary interest in any materials licensed for use by TMWA that are subject to patent, trademark or copyright protection.

17. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. TMWA will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may clearly label individual documents as a "trade secret" or "confidential" provided that Contractor thereby agrees to indemnify and defend TMWA for honoring such a designation. The failure to so label any document that is released by TMWA shall constitute a complete waiver of any and all claims for damages caused by any

release of the records. If a public records request for a labeled document is received by TMWA, TMWA will notify Contractor of the request and delay access to the material until seven working days after notification to Contractor. Within that time delay, it will be the duty of Contractor to act in protection of its labeled record. Failure to so act shall constitute a complete waiver.

18. CONFIDENTIALITY. Contractor shall keep confidential all information, in whatever form, produced, prepared, observed or received by Contractor to the extent that such information is confidential by law or otherwise required by this Agreement.

19. MISCELLANEOUS.

19.1 Force Majeure. Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Agreement after the intervening cause ceases.

19.2 Remedies. Except as otherwise provided for by law or this Agreement, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs.

19.3 Waiver of Breach. Failure to declare a breach or the actual waiver of any particular breach of the Agreement or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

19.4 Severability. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.

19.5 Assignment. Contractor shall neither assign, transfer nor delegate any rights, obligations or duties under this Agreement without the prior written consent of TMWA.

19.6 Proper Authority. Each party represents that all required authorizations have been obtained to execute this grant and for the compliance with each and every term hereof. Each person signing this Agreement warrants and represents to the other party that he or she has actual authority to execute this Agreement on behalf of the party for whom he or she is signing.

19.8 Arbitration. Any controversy of claim arising out of or relating to this Agreement, or the breach thereof, provided both parties agree, may be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrators(s) may be entered in any court having jurisdiction thereof.

19.9 Jurisdiction. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. Contractor consents to the jurisdiction of the Nevada district courts for enforcement of this Agreement. In the event the arbitration award is challenged, or the controversy proceeds to litigation instead of arbitration, any action or proceedings seeking to do so must be brought in the courts of the State of Nevada, County of Washoe, or if a party can acquire subject-matter jurisdiction, in the United States District Court for the District of Nevada. Each of the

parties consents to the personal jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein.

19.10 No Unfair Employment Practices. In connection with the performance of work under this Agreement, Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation or age. Such Agreement 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. Contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials. Any violation of these provisions by Contractor shall constitute a material breach of contract. As used in this Article, sexual orientation means having or being perceived as having an orientation for heterosexuality, homosexuality or bi-sexuality.

19.11 Entire Contract and Modification. This Agreement and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Agreement specifically displays a mutual intent to amend a particular part of this Agreement, general conflicts in language between any such attachment and this Agreement shall be construed consistent with the terms of this Agreement. Unless otherwise expressly authorized by the terms of this Agreement, no modification or amendment to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby. All required insurance must be provided before this agreement is fully executed. This agreement becomes effective once all parties have signed.

CONTRACTOR

Company Name: A:K EARTH MOVERS, INC.
Address: 515 WINDMILL DR., FALLON, NV
Cont: SCOTT R. HIATT
Phone: (775) 825-1636
FAX: (775) 825-6171
E-mail: SHIATT@AKEMOVERS.COM
By: [Signature]
Printed Name: SCOTT R. HIATT
Title: VICE-PRESIDENT
Dated: 10/27/2017
Business License #: NV19651001305
Expires: 9/30/2018

This agreement was requested:

By: Bill Hancock

TMWA

TRUCKEE MEADOWS WATER
AUTHORITY

By: [Signature]

Its: GM

Dated: 11/3/17

Correspondence Address:

TMWA

P.O. Box 30013

Reno, NV 89520-30013

Attention: Maria I. Dufur

Purchasing and Contracts Administrator.

Ph: 775-834-8056

Fax: 775-834-8153

EXHIBIT A

NRS 332

CONTRACT SUM AND SCOPE OF WORK

CONTRACT SUM: One Million Two Hundred Seventy-Four Dollars (\$1,274,000.00)

SCOPE OF WORK:

The Work consists of the removal of sediment and debris from the outlet channel exiting Donner Lake. Material is to be removed from the channel and disposed of per the requirements of the bid documents. It is estimated that approximately 14,000 cubic yards of material will be removed from the channel. Additional work in support of the sediment and debris removal includes, but is not limited to, installing a temporary water-filled cofferdam, dewatering the channel and excavated material, installing a temporary bridge structure, and an optional allowance for asphalt roadway repair.

BOND NUMBER: CA2177305
TMWA Bid No. 2018-002

PERFORMANCE BOND

IMPORTANT: SURETY COMPANIES EXECUTING BONDS MUST BE LICENSED TO ISSUE SURETY BY THE STATE OF NEVADA INSURANCE DIVISION PURSUANT TO NEVADA REVISED STATUTE 683A AND ISSUED BY AN APPOINTED PRODUCER OF INSURANCE PURSUANT TO NEVADA REVISED STATUTE 683A, AND IF APPLICABLE, BY THE STATE OF CALIFORNIA. INDIVIDUAL SURETY BONDS ARE NOT ACCEPTABLE.

KNOW ALL MEN BY THESE PRESENTS,

That A & K Earth Movers, Inc., as Principal Contractor, and
Great American Insurance Company, as Surety, are

held and firmly bound unto Truckee Meadows Water Authority, hereinafter called Owner, in the sum of

One Million, Two Hundred Seventy-Four Thousand Dollars and 00/100 dollars, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Contractor has been recommended for award and shall enter into the contract with said Owner to perform all work required under the Bidding Schedule(s) TMWA BID NO. 2018-002 of the Owner's specifications, entitled **Donner Lake Emergency Outlet Cleanout**

NOW THEREFORE, if said Contractor shall perform all the requirements of said contract required to be performed on their part, at the times and in the manner specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

PROVIDED, that any change order(s), alterations in the work to be done or the materials to be furnished, which may be made pursuant to the terms of said contract, shall not in any way release said Contractor or said Surety thereunder, nor shall any extensions of time granted under the provisions of said contract release either said Contractor or said Surety, and notice of such change order(s), alterations or extensions of the contract is hereby waived by said Surety.

SIGNED this 3rd day of November, 20 17 (SEAL AND NOTARY ACKNOWLEDGEMENT OF SURETY)

Surety: <u>Great American Insurance Company</u>	Principal Contractor: <u>A & K Earth Movers, Inc.</u>
<u>Andrea Marie Cantlon Attorney-In-Fact</u>	<u>SCOTT R. HIATT, VICE-PRES.</u>
(Appointed Agent Name)	(Authorized Representative and Title)
By: <u>Andrea Marie Cantlon</u>	By: <u>[Signature]</u>
(Signature)	(Signature)
<u>3091721 Nevada</u>	<u>24548 - NEVADA</u>
(License Number and Issuing State)	(License Number and Issuing State)
Address: <u>420 East South Temple #330</u>	Address: <u>12251 Truckee Canyon Ct.</u>
<u>Salt Lake City, UT 84111</u>	<u>Sparks, NV 89434</u>
Telephone: <u>775-336-1987</u>	Telephone: <u>775-997-7221</u>

ISSUING COMPANY MUST HOLD CERTIFICATES OF AUTHORITY AS ACCEPTABLE SURETY ON FEDERAL BONDS AND AS ACCEPTABLE REINSURING COMPANY WITH LISTING IN THE DEPARTMENT OF TREASURY, FISCAL SERVICE, (DEPARTMENT OF CIRCULAR "570," CURRENT REVISIONS.)

BOND NUMBER: CA2177305

TMWA Bid No.: 2018-002

LABOR AND MATERIAL PAYMENT BOND

IMPORTANT: SURETY COMPANIES EXECUTING BONDS MUST BE LICENSED TO ISSUE SURETY BY THE STATE OF NEVADA INSURANCE DIVISION PURSUANT TO NEVADA REVISED STATUTE 683A AND ISSUED BY AN APPOINTED PRODUCER OF INSURANCE PURSUANT TO NEVADA REVISED STATUTE 683, AND IF APPLICABLE, UNDER CALIFORNIA LAW. INDIVIDUAL SURETY BONDS ARE NOT ACCEPTABLE.

KNOW ALL MEN BY THESE PRESENTS,

That A & K Earth Movers, Inc., as Contractor, and Great American Insurance Companies, as Surety, are held and firmly bound unto TRUCKEE MEADOWS WATER AUTHORITY, hereinafter called Owner, in the sum of

One Million, Two Hundred Seventy-Four Thousand Dollars and 00/100 dollars, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Contractor has been recommended for award and shall enter into the contract with said Owner to perform all work required under the Bidding Schedule(s), **TMWA BID NO. 2018-002, Donner Lake Emergency Outlet Cleanout.**

NOW THEREFORE, if said Contractor, or subcontractors, fails to pay for any materials, equipment, or other supplies, or for rental of same, used in connection with the performance of work contracted to be done, or for amounts due under applicable State law for any work or labor thereon, said Surety will pay for the same in an amount not exceeding the sum specified above and, in the event suit is brought upon this bond, a reasonable attorney's fee to be fixed by the court. This bond shall insure to the benefit of any persons, companies or corporations entitled to file claims under applicable State law.

PROVIDED, that any change order(s), alterations in the work to be done or the materials to be furnished, which may be made pursuant to the terms of said Contract, shall not in any way release either said Contractor or said Surety thereunder, nor shall any extensions of time granted under the provisions of said Contract release either said Contractor or said Surety, and notice of such change order(s), alterations or extensions of the Contract is hereby waived by said Surety.

SIGNED this 3rd day of November, 20 17 (SEAL AND NOTARY ACKNOWLEDGEMENT OF SURETY)

Surety: <u>Great American Insurance Company</u>	Principal Contractor: <u>A & K Earth Movers, Inc.</u>
<u>Andrea Marie Cantlon Attorney-In-Fact</u> (Appointed Agent Name)	<u>SCOTT R. HIATT, VICE PRESIDENT</u> (Authorized Representative and Title)
By: <u>Andrea Marie Cantlon</u> (Signature)	By: <u>[Signature]</u> (Signature)
<u>3091721 Nevada</u> (License Number and Issuing State)	<u>24548. NEVADA</u> (License Number and Issuing State)
Address: <u>420 East South Temple #330</u> <u>Salt Lake City, UT 84111</u>	Address: <u>12251 Truckee Canyon Ct.</u> <u>Sparks, NV 89434</u>
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STATE OF Nevada

COUNTY OF Washoe

On 11/03/2017, before me, Sherie M. Cloutier
(here insert name of notary)

personally appeared Andrea M Cantlon
(name(s) of Signer(s))

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Sherie M. Cloutier (SEAL)



This area for Official Notarial Seal

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☒ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

GREAT AMERICAN INSURANCE COMPANY®

Administrative Office: 301 E 4TH STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by
this power of attorney is not more than FIVE

No. 0 14972

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below, each individually if more than one is named, its true and lawful attorney-in-fact, for it and in its name, place and stead to execute on behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
LORI JONES	PATRICIA OWENS	ALL
NICK ROSSI	RENO,	\$100,000,000.00
TERI WOOD	NEVADA	

This Power of Attorney revokes all previous powers issued on behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 24TH day of AUGUST, 2015
GREAT AMERICAN INSURANCE COMPANY



Atty L C. B.
Assistant Secretary

David C. Kitchen
Divisional Senior Vice President

STATE OF OHIO, COUNTY OF HAMILTON - ss:

DAVID C. KITCHIN (877-377-2405)

On this 24TH day of AUGUST, 2015, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is a Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.



Susan A. Kohorst
Notary Public, State of Ohio
My Commission Expires 05-18-2020

Susan A. Kohorst

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated June 9, 2008.

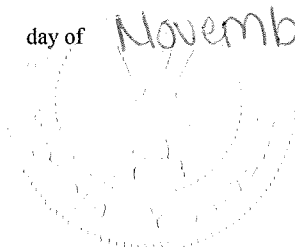
RESOLVED: That the Divisional President, the several Divisional Senior Vice Presidents, Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract of suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

CERTIFICATION

I, STEPHEN C. BERAHA, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of June 9, 2008 have not been revoked and are now in full force and effect.

Signed and sealed this 3rd day of November, 2017.



Atty L C. B.
Assistant Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/31/2017

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).

PRODUCER L/P Insurance Services, Inc. 300 East 2nd Street Suite 1300 Reno NV 89501		CONTACT NAME: Mary Hearron PHONE (A/C, No, Ext): (775) 996-6000 E-MAIL ADDRESS: mary.hearron@lpins.net FAX (A/C, No): (775) 473-9288															
INSURED A & K Earth Movers Inc. P O Box 1059 Fallon NV 89407		<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: Valley Forge Insurance Co</td><td>20508</td></tr><tr><td>INSURER B: Phoenix Insurance Co</td><td>25623</td></tr><tr><td>INSURER C: Starr Indemnity & Liability Corp</td><td></td></tr><tr><td>INSURER D: Argonaut Midwest Insurance Co</td><td>19828</td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Valley Forge Insurance Co	20508	INSURER B: Phoenix Insurance Co	25623	INSURER C: Starr Indemnity & Liability Corp		INSURER D: Argonaut Midwest Insurance Co	19828	INSURER E:		INSURER F:	
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COVERAGES

CERTIFICATE NUMBER: CL17103175185

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY		Best Rating: A XV			EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		6013810031	6/30/2017	6/30/2018	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
						MED EXP (Any one person) \$ 15,000
						PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					PRODUCTS - COMP/OP AGG \$ 2,000,000
	OTHER:					Employee Benefits \$ 1,000,000
B	AUTOMOBILE LIABILITY		Best Rating: A++ xv			COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO		DT8103F249748PHX17	1/1/2017	1/1/2018	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) \$
						Blanket Waiver- Business Aut \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB		Best Rating: A X			EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE	1000023779	6/30/2017	6/30/2018	AGGREGATE \$ 3,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		Best Rating: A XII			<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	WC928228479244	1/1/2017	1/1/2018	E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Contrators Pollution		Best Rating: A XV	6/30/2017	6/30/2018	Pollution Aggregate \$2,000,000
			6013810031			Pollution Per Occurrence \$1,000,000

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

RE: Donner Lake Emergency Outlet Cleanout, Donner Lake, Truckee CA.

When Named Insured's operations are performed for TMWA, its officers, agents, employees, agents, and immune contractors; 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 #CNA75079XX 1/15, Auto Form #CAT353 02/15; Waiver of Subrogation Status is determined by GL Form #CNA74705XX 1/15, Auto Form #CAT353 02/15, Workers Compensation Form #WC000313 00-01, Excess Form #XS-233 10/08 ; Primary and Non-Contributory Status is determined by GL Form #CNA750797XX 1/15 & Excess Form

CERTIFICATE HOLDER

CANCELLATION

<p>mdufur@tmwa.com</p> <p>Truckee Meadows Water Authority 1355 Capital Blvd Reno, NV 89502</p>	<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> <p>AUTHORIZED REPRESENTATIVE</p> <p>Shawna Murph / SHAWNA <i>Shawna Murph</i></p>
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COMMENTS/REMARKS

XS-373 4/11. Pollution coverage is determined by #CNA74849XX 4-15, attached.

Additional Named Insureds

Other Named Insureds

Hiatt Enterprises, Inc.	Additional Named Insured
Hiatt Family Trust	Trust, Additional Named Insured
Hiatt Land and Development Company, Ltd.	Limited partnership, Additional Named Insured
K. Bart Hiatt, Individually	Individual, Additional Named Insured
Michael Hiatt, Individually	Individual, Additional Named Insured
Scott Hiatt, Individually	Individual, Additional Named Insured
Truckee Canyon Properties, LLC	Limited Liability Company, Additional Insured
Truckee Canyon Water Company, LLC	Limited Liability Company, Additional Named Insured



CNA PARAMOUNT

**Additional Coverage Limited Pollution Liability
Coverage – Worksites – Earth Movers Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE		
Limited Pollution Liability Aggregate Limit	\$2,000,000	
Each Limited Pollution Incident Limit	\$1,000,000	
Pollution Deductible Amount	\$5,000	Each Limited Pollution Incident

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

It is understood and agreed as follows:

I. Under COVERAGES, the following additional coverage is added:**LIMITED POLLUTION INCIDENT COVERAGE****1. Insuring Agreements**

Subject to the Limited Pollution Liability Limits and the Pollution Deductible Amount, the Insurer will pay those sums the Insured becomes legally obligated to pay as damages because of **bodily injury** or **property damage** that directly results from a **limited pollution incident** within the **coverage territory**, provided that:

- the first emission, discharge, release or escape of the **pollutants** from which such **bodily injury** or **property damage** arises is demonstrable as having occurred during the **policy period**; and
- such **bodily injury** or **property damage** does not qualify for coverage under **Coverage A – Bodily Injury and Property Damage Liability**, whether or not any **Coverage A** limits remain; and
- such **limited pollution incident** happens on or from a **worksite**. For the purpose of this provision, a **limited pollution incident** that results directly from the excavation or transportation of **contaminated soil** at or from a **worksite** by or behalf of the **Named Insured** will be considered accidental if neither the **Named Insured**, nor anyone working on the **Named Insured's** behalf, knew the soil was contaminated.

The Insurer will have the right and duty to defend any **suit** seeking those **damages**, even if the allegations of the **suit** are groundless, false or fraudulent. The Insurer may at its discretion investigate any **limited pollution incident** and settle any **claim** that may result. But:

- (1) The Insurer's right and duty to defend end when the Insurer has used up the applicable limit of insurance in the payment of judgments or settlements; and
- (2) The Insurer has no duty to defend **suits** seeking **damages** not covered by this insurance.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**, which hereby also apply to **LIMITED POLLUTION INCIDENT COVERAGE**.

2. Exclusions

- A. Under Coverage A – Bodily Injury And Property Damage Liability**, the paragraph entitled **Exclusions** hereby also applies to **LIMITED POLLUTION INCIDENT COVERAGE** subject to the following changes, which apply only with respect to the coverage provided by this endorsement:

1. the following exclusions are deleted:
 - a. the exclusions entitled **Pollution, Electronic Data and War**;

CNA74849XX (4-15)

Page 1 of 6

VALLEY FORGE INSURANCE COMPANY

Insured Name: A & K EARTH MOVERS INC.

Policy No: 6013810031

Endorsement No: 3

Effective Date: 06/30/2017

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30020003160138 100312394



**Additional Coverage Limited Pollution Liability
Coverage – Worksites – Earth Movers Endorsement**

- b. exclusions attached by endorsement to exclude fungi, microbes, or silica; and
- c. the endorsement entitled **Respirable dust Exclusion Endorsement**, if attached to this policy.

2. the following entitled exclusions:

- **Damage To Property**
- **Damage to Your Product;**
- **Damage to Your Work;**
- **Damage to Impaired Property or Property Not Physically Injured;**
- **Recall of Products, Work Or Impaired Property,**

are deleted and replaced by the following:

This insurance does not apply to:

- **Damage To Property**

Property Damage to:

- (1) property at any time owned, rented, or occupied by the **Named Insured**, including any costs or expenses incurred by the **Named Insured**, or by any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) premises the **Named Insured** sells, gives away or abandons if the **property damage** arises out of any part of those premises;
- (3) property loaned to an **Insured**;
- (4) personal property in the care, custody or control of an **Insured**; or

- **Products or Completed Operations**

bodily injury or property damage included within the **products-completed operations hazard**.

B. With respect only to the coverage provided by this endorsement, the following additional exclusions apply:

This insurance does not apply to:

- **Acid Rain**

bodily injury or property damage arising out of acid rain.

- **Cleanup or Monitoring Costs**

any loss, cost or expense arising out of any:

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

But this exclusion does not apply to liability for **damages** for **property damage** that is otherwise covered by this **LIMITED POLLUTION INCIDENT COVERAGE**.

**Additional Coverage Limited Pollution Liability
Coverage – Worksites – Earth Movers Endorsement**

- **Failure to Comply With Environmental Statutes**

bodily injury or property damage arising out of a **limited pollution incident** which results from, or is directly or indirectly attributable to, failure to comply with any applicable statute, regulation, ordinance, directive or order relating to the protection of the environment and promulgated by any governmental body, provided that failure to comply is a willful or deliberate act or omission of:

(1) the Insured; or

(2) the **Named Insured** or any of the **Named Insured's** executive officers (if a corporation), members or managers (if a limited liability corporation), or members or partners (if a joint venture or partnership).

- **Natural Resources**

any loss, cost or expense arising out of any request, demand, order or **suit** by a designated natural resource trustee or other person vested with the authority under any federal or state statute to make such claims, that any **Insured** or others assess, replace, restore or rehabilitate natural resources, or in any way provide compensation for **property damage** to natural resources due to the effects of **pollutants**.

- **Offshore Facilities And Deepwater Ports**

bodily injury or property damage arising out of the ownership or operation of any offshore facility as defined in the Outer Continental Shelf Lands Act Amendment of 1978 or the Clean Water Act of 1977 as amended 1978 or any deepwater port as defined in the Deepwater Port Act of 1974 as amended or as may be amended.

- **Priority Clean-up Sites**

any loss, cost or expense arising out of any request, demand or order by a governmental authority that any **Insured** or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** at any site which is included on an EPA or state environmental agency priority clean-up list prior to the **limited pollution incident**.

- **Punitive Damages**

any punitive or exemplary **damages** nor the multiplied portion of multiplied **damages**. This exclusion does not apply if such exclusions are not permitted in the state where the **Named Insured** is domiciled.

- **Rolling Stock**

bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any rolling stock owned or operated by, or rented or loaned to, or loaded or unloaded by any **Insured**.

- **Waste Facilities**

(1) **bodily injury or property damage** arising out of a **limited pollution incident** at or from a **waste facility** which is a **worksite**.

(2) **bodily injury** at or from, or **property damage** to, a **waste facility** to which waste from the operations of an **Insured** are consigned.

- **Wells**

bodily injury or property damage arising out of the emission, discharge, release or escape of drilling fluid, oil, gas or other fluids from any oil, gas, mineral, water or geothermal well. This exclusion applies without regard to whether vehicle-mounted well servicing equipment contributed to causing the **limited pollution incident**.



**Additional Coverage Limited Pollution Liability
Coverage – Worksites – Earth Movers Endorsement**

II. Under **WHO IS AN INSURED**, and solely with respect to the coverages provided by this endorsement, the following changes apply:

A. paragraph 3. is amended to add the following paragraph d.:

d. **LIMITED POLLUTION INCIDENT COVERAGE** does not apply to:

(1) **bodily injury** or **property damage** that first occurred; nor

(2) **limited pollution incidents** that first commenced,

before the **Named Insured** acquired or formed the organization.

B. the following paragraph is added:

No person or organization qualifying as an **Insured** on any endorsement attached to this **Coverage Part** is an **Insured** with respect to **bodily injury** or **property damage** arising out of **limited pollution incidents** other than the **Named Insured** and the **Named Insured's employees**. However, with respect to such **bodily injury** or **property damage**, if the **Named Insured** is required under a written contract or written agreement to add a person or organization as an additional insured, then such person or organization is an **Insured** with respect to the coverage provided by the **LIMITED POLLUTION LIABILITY COVERAGE** endorsement, but:

a. only with respect to such person or organization's liability for acts or omissions of the **Named Insured**; and

b. only if such contract or agreement is currently in effect and was executed prior to the **limited pollution incident** that caused the **bodily injury** or **property damage**. Furthermore, and subject always to the terms and conditions of this **Coverage Part**, including the limits of insurance, the Insurer will not provide such person or organization with

(1) coverage broader than required by such contract or agreement; or

(2) a higher limit of insurance than required by such contract or agreement.

Any coverage granted by this provision shall apply only to the extent permissible by law.

III. **LIMITS OF INSURANCE** is amended as follows:

A. the following paragraphs are added:

The Limited Pollution Liability Aggregate Limit shown in the Schedule of the **LIMITED POLLUTION LIABILITY COVERAGE** endorsement is the most the Insurer will pay under **LIMITED POLLUTION LIABILITY COVERAGE** for the total of all **damages** because of **bodily injury** and **property damage** resulting from **limited pollution incidents**.

Subject to the Limited Pollution Liability Aggregate Limit described above, the Each Limited Pollution Incident Limit is the most the Insurer will pay under **LIMITED POLLUTION LIABILITY COVERAGE** for the total of all **damages** because of **bodily injury** and **property damage** resulting from any one **limited pollution incident**.

B. with respect only to **property damage** arising out of a **limited pollution incident** the following Deductible provision is added:

1. The Insurer's obligation under **LIMITED POLLUTION LIABILITY COVERAGE** to pay **damages** for **property damage** on the **Insured's** behalf applies only to the amount of **damages** in excess of any Pollution Deductible amount stated in the **LIMITED POLLUTION LIABILITY COVERAGE** endorsement as applicable to Each Limited Pollution Incident. Neither the Each Limited Pollution Incident Limit nor the Limited Pollution Liability Aggregate Limit will be reduced by the application of such deductible amount.

**Additional Coverage Limited Pollution Liability
Coverage – Worksites – Earth Movers Endorsement**

2. The terms of this insurance, including those with respect to:
- a. the Insurer's right and duty to defend any **suits** seeking those **damages**; and
 - b. the **Named Insured's** duties in the event of an **occurrence** or **claim**,
apply irrespective of the application of the deductible amount.
3. The Insurer may pay any part or all of the deductible amount to effect settlement of any **claim**, and, upon notification of the action taken, the **Named Insured** shall promptly reimburse the Insurer for such part of the deductible amount as the Insurer has paid.
- IV. Under **CONDITIONS**, and with respect only to the coverage provided by this endorsement, paragraph **a.** of the condition entitled **Duties In The Event of Pollution Incident, Claim or Suit** is deleted and replaced by the following:
- Duties In The Event of Pollution Incident, Claim or Suit.**
- a. The **Named Insured** must see to it that the Insurer is notified as soon as practicable of an **occurrence** or offense which may result in a **claim**. To the extent possible, notice should include:
 - (1) how, when, and where the **occurrence** or offense took place;
 - (2) the names and addresses of any injured persons and witnesses; and
 - (3) the nature and location of:
 - I. any injury or damage arising out of the **occurrence** or offense; and
 - II. any **limited pollution incident**, and of the **pollutants** that escaped or were emitted, discharged or released in the limited pollution incident.
- V. Solely with respect to the coverage granted by this Endorsement, and notwithstanding anything to the contrary in any endorsement attached to this **Coverage Part**, the section entitled **Definitions** is amended as follows,:
- A. the following definitions are added:

Above-ground means on or above:

- a. the surface of the land;
- b. the basement floor of any building; or
- c. any navigable or surface body of water.

Contaminated soil means any soil, dirt, mud, clay, silt, loam or earth which has been contaminated by **pollutants**.

Limited pollution incident means an accidental emission, discharge, release, or escape of **pollutants** that results in the injurious presence of **pollutants** in or upon land, the atmosphere, interior of a building or any water course, body of water or ground water. A series of emissions, discharges, releases or escapes of **pollutants** that are logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision will be deemed to be one **limited pollution incident**. All **bodily injury** and **property damage** resulting from one **limited pollution incident** shall be deemed to have occurred only at the commencement date of the **limited pollution incident**.

Waste facility means any site to which waste is delivered for storage, disposal, processing or treatment, whether or not such site is licensed by a governmental authority to perform such storage, disposal, processing or treatment.





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/26/2017

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).

PRODUCER L/P Insurance Services, Inc. 300 East 2nd Street Suite 1300 Reno NV 89501		CONTACT NAME: Mary Hearron PHONE (A/C, No, Ext): (775) 996-6000 FAX (A/C, No): (775) 473-9288 E-MAIL ADDRESS: mary.hearron@lpins.net	
INSURED A & K Earth Movers Inc. P O Box 1059 Fallon NV 89407		INSURER(S) AFFORDING COVERAGE INSURER A: Valley Forge Insurance Co NAIC # 20508 INSURER B: Phoenix Insurance Co 25623 INSURER C: Starr Indemnity & Liability Corp INSURER D: Argonaut Midwest Insurance Co 19828 INSURER E: Hanover Ins. Co. 22292 INSURER F:	

COVERAGES

CERTIFICATE NUMBER: CL1762069094

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			Best Rating: A XV			EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			6013810031	6/30/2017	6/30/2018	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
							MED EXP (Any one person) \$ 15,000
							PERSONAL & ADV INJURY \$ 1,000,000
	GENL AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
	OTHER:						\$
B	AUTOMOBILE LIABILITY			Best Rating: A++ XV			COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO			DT8103F249748PHX17	1/1/2017	1/1/2018	BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> SCHEDULED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
C	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			Best Rating: A X			EACH OCCURRENCE \$ 3,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			1000023779	6/30/2017	6/30/2018	AGGREGATE \$ 3,000,000
	DED <input type="checkbox"/> RETENTION \$						\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			Best Rating: A XII			<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A	WC928228479244	1/1/2017	1/1/2018	E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	Rented/Leased Equipment			RH4 A342175 03	6/30/2017	6/30/2018	Limit 1,000,000
E	Contractors Equipment			RH4 A342175 03	6/30/2017	6/30/2018	Liimit 12,910,484

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

RE: Donner Lake Emergency Outlet Cleanout

When Named Insured's operations are performed for TMWA, its officers, employees, and immune Contractors; 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 #CNA75079XX 1/15, Auto Form #CAT353 02/15; Waiver of Subrogation Status is determined by GL Form #CNA74705XX 1/15, Auto Form #CAT353 02/15, Workers Compensation Form #WC000313 00-01, Excess Form #XS-233 10/08; Primary and Non-Contributory Status is determined by GL Form #CNA750797XX 1/15 & Excess Form XS-373 4/11.

CERTIFICATE HOLDER

CANCELLATION

CERTIFICATE HOLDER mdufur@tmwa.com Truckee Meadows Water Authority 1355 Capital Blvd Reno, NV 89502	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Shawna Murph/SHAWNA <i>Shawna Murph</i>
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CNA PARAMOUNT

**Blanket Additional Insured - Owners, Lessees or
Contractors - with Products-Completed
Operations Coverage Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. The **WHO IS AN INSURED** section is amended to add as an **Insured** any person or organization whom the **Named Insured** is required by **written contract** to add as an additional insured on this **coverage part**, including any such person or organization, if any, specifically set forth on the Schedule attachment to this endorsement. However, such person or organization is an **Insured** only with respect to such person or organization's liability for:
- A. unless paragraph B. below applies,
 - 1. **bodily injury, property damage, or personal and advertising injury** caused in whole or in part by the acts or omissions by or on behalf of the **Named Insured** and in the performance of such **Named Insured's** ongoing operations as specified in such **written contract**; or
 - 2. **bodily injury or property damage** caused in whole or in part by **your work** and included in the **products-completed operations hazard**, and only if
 - a. the **written contract** requires the **Named Insured** to provide the additional insured such coverage; and
 - b. this **coverage part** provides such coverage.
 - B. **bodily injury, property damage, or personal and advertising injury** arising out of **your work** described in such **written contract**, but only if:
 - 1. this **coverage part** provides coverage for **bodily injury or property damage** included within the **products completed operations hazard**; and
 - 2. the **written contract** specifically requires the **Named Insured** to provide additional insured coverage under the 11-85 or 10-01 edition of CG2010 or the 10-01 edition of CG2037.
- II. Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A. coverage broader than required by the **written contract**; or
 - B. a higher limit of insurance than required by the **written contract**.
- III. The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage, or personal and advertising injury** arising out of:
- A. the rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
 - 1. the preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - 2. supervisory, inspection, architectural or engineering activities; or
 - B. any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **coverage part**.
- IV. Notwithstanding anything to the contrary in the section entitled **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance**, this insurance is excess of all other insurance available to the additional insured whether on a primary, excess, contingent or any other basis. However, if this insurance is required by **written**

CNA75079XX (1-15)

Page 1 of 2

VALLEY FORGE INSURANCE COMPANY

Insured Name: A & K EARTH MOVERS INC.

Policy No: 6013810031

Endorsement No: 4

Effective Date: 6/30/2017

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20020003-150138-10031-5983



**CNA PARAMOUNT****Blanket Additional Insured - Owners, Lessees or
Contractors - with Products-Completed
Operations Coverage Endorsement**

contract to be primary and non-contributory, this insurance will be primary and non-contributory relative solely to insurance on which the additional insured is a named insured.

V. Solely with respect to the insurance granted by this endorsement, the section entitled COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. except as provided in Paragraph IV. of this endorsement, agree to make available any other insurance the additional insured has for any loss covered under this **coverage part**;
3. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
4. tender the defense and indemnity of any **claim** to any other insurer or self insurer whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph (4) does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

VI. Solely with respect to the insurance granted by this endorsement, the section entitled DEFINITIONS is amended to add the following definition:

Written contract means a written contract or written agreement that requires the **Named Insured** to make a person or organization an additional insured on this **coverage part**, provided the contract or agreement:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
 1. the **bodily injury** or **property damage**; or
 2. the offense that caused the **personal and advertising injury**for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75079XX (1-15)

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VALLEY FORGE INSURANCE COMPANY

Insured Name: A & K EARTH MOVERS INC.

Policy No: 6013810031

Endorsement No: 4

Effective Date: 6/30/2017

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Contractors' General Liability Extension Endorsement

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement with respect to such provision do not apply.

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<input checked="" type="checkbox"/>	2. Additional Insured - Primary And Non-Contributory To Additional Insured's Insurance
	3. Bodily Injury - Expanded Definition
	4. Broad Knowledge of Occurrence/ Notice of Occurrence
	5. Broad Named Insured
	6. Broadened Liability Coverage For Damage To Your Product And Your Work
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	11. General Aggregate Limits of Insurance - Per Project
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	13. Incidental Health Care Malpractice Coverage
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	23. Supplementary Payments
	24. Unintentional Failure To Disclose Hazards
<input checked="" type="checkbox"/>	25. Waiver of Subrogation - Blanket
	26. Wrap-Up Extension: OCIP CCIP, or Consolidated (Wrap-Up) Insurance Programs



Contractors' General Liability Extension Endorsement

1. ADDITIONAL INSUREDS

- a. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization described in paragraphs A. through H. below whom a **Named Insured** is required to add as an additional insured on this **Coverage Part** under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this **Coverage Part**; and

(2) was executed prior to:

(a) the **bodily injury** or **property damage**; or

(b) the offense that caused the **personal and advertising injury**,

for which such additional insured seeks coverage.

- b. However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

(1) a higher limit of insurance than required by such contract or agreement; or

(2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph A. through H. below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law.

A. Controlling Interest

Any person or organization with a controlling interest in a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of:

1. such person or organization's financial control of a **Named Insured**; or

2. premises such person or organization owns, maintains or controls while a **Named Insured** leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

B. Co-owner of Insured Premises

A co-owner of a premises co-owned by a **Named Insured** and covered under this insurance but only with respect to such co-owner's liability for **bodily injury**, **property damage** or **personal and advertising injury** as co-owner of such premises.

C. Lessor of Equipment

Any person or organization from whom a **Named Insured** leases equipment, but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** caused, in whole or in part, by the **Named Insured's** maintenance, operation or use of such equipment, provided that the occurrence giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease.

D. Lessor of Land

Any person or organization from whom a **Named Insured** leases land but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of the ownership, maintenance or use of such land, provided that the occurrence giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the

CNA74705XX (1-15)

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Policy No: 6013810031

Endorsement No:

Effective Date: 6/30/2017

Insured Name: A & K Earth Movers, Inc.

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Contractors' General Liability Extension Endorsement

termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

E. Lessor of Premises

An owner or lessor of premises leased to the **Named Insured**, or such owner or lessor's real estate manager, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such part of the premises leased to the **Named Insured**, and provided that the occurrence giving rise to such **bodily injury or property damage**, or the offense giving rise to such **personal and advertising injury**, takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

F. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for **bodily injury, property damage or personal and advertising injury** arising out of the **Named Insured's** ownership, maintenance, or use of a premises by a **Named Insured**.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

G. State or Governmental Agency or Subdivision or Political Subdivisions – Permits

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for **bodily injury, property damage or personal and advertising injury** arising out of:

1. the following hazards in connection with premises a **Named Insured** owns, rents, or controls and to which this insurance applies:
 - a. the existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - b. the construction, erection, or removal of elevators; or
 - c. the ownership, maintenance or use of any elevators covered by this insurance; or
2. the permitted or authorized operations performed by a **Named Insured** or on a **Named Insured's** behalf.

The coverage granted by this paragraph does not apply to:

- a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the insurer will treat as a written contract any governmental permit that requires the **Named Insured** to add the governmental entity as an additional insured.

H. Trade Show Event Lessor

1. With respect to a **Named Insured's** participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the **Named Insured** is required to include as an additional insured, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused by:



Contractors' General Liability Extension Endorsement

- a. the **Named Insured's** acts or omissions; or
 - b. the acts or omissions of those acting on the **Named Insured's** behalf,
in the performance of the **Named Insured's** ongoing operations at the trade show event premises during the trade show event.
2. The coverage granted by this paragraph does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.
- 2. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE**
- The **Other Insurance** Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:
- If the **Named Insured** has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this Provision 2., the additional insured's own insurance means insurance on which the additional insured is a named insured. Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.
- 3. BODILY INJURY - EXPANDED DEFINITION**
- Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:
- Bodily injury** means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury sustained by that person at any time which results as a consequence of the physical injury, sickness or disease.
- 4. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE**
- Under **CONDITIONS**, the condition entitled **Duties in The Event of Occurrence, Offense, Claim or Suit** is amended to add the following provisions:
- A. BROAD KNOWLEDGE OF OCCURRENCE**
- The **Named Insured** must give the Insurer or the Insurer's authorized representative notice of an **occurrence**, offense or claim only when the **occurrence**, offense or claim is known to a natural person **Named Insured**, to a partner, executive officer, manager or member of a **Named Insured**, or an employee designated by any of the above to give such notice.
- B. NOTICE OF OCCURRENCE**
- The **Named Insured's** rights under this **Coverage Part** will not be prejudiced if the **Named Insured** fails to give the Insurer notice of an **occurrence**, offense or claim and that failure is solely due to the **Named Insured's** reasonable belief that the **bodily injury** or **property damage** is not covered under this **Coverage Part**. However, the **Named Insured** shall give written notice of such **occurrence**, offense or claim to the Insurer as soon as the **Named Insured** is aware that this insurance may apply to such **occurrence**, offense or claim.
- 5. BROAD NAMED INSURED**
- WHO IS AN INSURED** is amended to delete its Paragraph 3. in its entirety and replace it with the following:
3. Pursuant to the limitations described in Paragraph 4. below, any organization in which a **Named Insured** has management control:
- a. on the effective date of this **Coverage Part**; or



Contractors' General Liability Extension Endorsement

b. by reason of a **Named Insured** creating or acquiring the organization during the policy period, qualifies as a **Named Insured**, provided that there is no other similar liability insurance, whether primary, contributory, excess, contingent or otherwise, which provides coverage to such organization, or which would have provided coverage but for the exhaustion of its limit, and without regard to whether its coverage is broader or narrower than that provided by this insurance.

But this **BROAD NAMED INSURED** provision does not apply to:

- (a) any partnership, limited liability company or joint venture; or
- (b) any organization for which coverage is excluded by another endorsement attached to this **Coverage Part**.

For the purpose of this provision, management control means:

- A. owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation; or
 - B. having the right, pursuant to a written trust agreement, to protect, control the use of, encumber or transfer or sell property held by a trust.
4. With respect to organizations which qualify as **Named Insureds** by virtue of Paragraph 3. above, this insurance does not apply to:
- a. **bodily injury or property damage** that first occurred prior to the date of management control, or that first occurs after management control ceases; nor
 - b. **personal or advertising injury** caused by an offense that first occurred prior to the date of management control or that first occurs after management control ceases.
5. The insurance provided by this **Coverage Part** applies to **Named Insureds** when trading under their own names or under such other trading names or doing-business-as names (dba) as any **Named Insured** should choose to employ.
6. **BROADENED LIABILITY COVERAGE FOR DAMAGE TO YOUR PRODUCT AND YOUR WORK**
- A. Under **COVERAGES**, Coverage A – **Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusions k. and l. and replace them with the following:

This insurance does not apply to:

k. **Damage to Your Product**

Property damage to your product arising out of it, or any part of it except when caused by or resulting from:

- (1) fire;
- (2) smoke;
- (3) collapse; or
- (4) explosion.

l. **Damage to Your Work**

Property damage to your work arising out of it, or any part of it and included in the **products-completed operations hazard**.

This exclusion does not apply:



Contractors' General Liability Extension Endorsement

- (1) If the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor; or
- (2) If the cause of loss to the damaged work arises as a result of:
 - (a) fire;
 - (b) smoke;
 - (c) collapse; or
 - (d) explosion.

B. The following paragraph is added to LIMITS OF INSURANCE:

Subject to 5. above, \$100,000 is the most the Insurer will pay under Coverage A for the sum of damages arising out of any one occurrence because of property damage to your product and your work that is caused by fire, smoke, collapse or explosion and is included within the product-completed operations hazard. This sublimit does not apply to property damage to your work if the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor.

- C. This Broadened Liability Coverage For Damage To Your Product And Your Work Provision does not apply if an endorsement of the same name is attached to this policy.**

7. CONTRACTUAL LIABILITY – RAILROADS

With respect to operations performed within 50 feet of railroad property, the definition of insured contract is replaced by the following:

Insured Contract means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with permission of the owner is not an **Insured contract**;
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to the **Named Insured's** business (including an indemnification of a municipality in connection with work performed for a municipality) under which the **Named Insured** assumes the tort liability of another party to pay for bodily injury or property damage to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (2) Under which the **Insured**, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.



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8. ELECTRONIC DATA LIABILITY

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion p. **Electronic Data** and replace it with the following:

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data** that does not result from physical injury to tangible property.

However, unless Paragraph (1) above applies, this exclusion does not apply to **damages** because of **bodily injury**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relation expenses or any other loss, cost or expense incurred by the **Named Insured** or others arising out of that which is described in Paragraph (1) or (2) above.

- B. The following paragraph is added to **LIMITS OF INSURANCE**:

Subject to 5. above, \$100,000 is the most the Insurer will pay under **Coverage A** for all **damages** arising out of any one **occurrence** because of **property damage** that results from physical injury to tangible property and arises out of **electronic data**.

- C. The following definition is added to **DEFINITIONS**:

Electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- D. For the purpose of the coverage provided by this **ELECTRONIC DATA LIABILITY** Provision, the definition of **property damage** in **DEFINITIONS** is replaced by the following:

Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate **electronic data**, resulting from physical injury to tangible property. All such loss of **electronic data** shall be deemed to occur at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

- E. If Electronic Data Liability is provided at a higher limit by another endorsement attached to this policy, then the \$100,000 limit provided by this **ELECTRONIC DATA LIABILITY** Provision is part of, and not in addition to, that higher limit.

9. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

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Policy No: 6013810031
Endorsement No:
Effective Date: 6/30/2017

Insured Name: A & K Earth Movers, Inc.

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The estates, heirs, legal representatives and spouses of any natural person Insured shall also be insured under this policy; provided, however, coverage is afforded to such estates, heirs, legal representatives, and spouses only for claims arising solely out of their capacity or status as such and, in the case of a spouse, where such claim seeks damages from marital community property, jointly held property or property transferred from such natural person Insured to such spouse. No coverage is provided for any act, error or omission of an estate, heir, legal representative, or spouse outside the scope of such person's capacity or status as such, provided however that the spouse of a natural person Named Insured and the spouses of members or partners of joint venture or partnership Named Insureds are Insureds with respect to such spouses' acts, errors or omissions in the conduct of the Named Insured's business.

10. EXPECTED OR INTENDED INJURY – EXCEPTION FOR REASONABLE FORCE

Under COVERAGES, Coverage A – Bodily Injury and Property Damage Liability, the paragraph entitled Exclusions is amended to delete the exclusion entitled Expected or Intended Injury and replace it with the following:

This insurance does not apply to:

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.

11. GENERAL AGGREGATE LIMITS OF INSURANCE - PER PROJECT

A. For each construction project away from premises the Named Insured owns or rents, a separate Construction Project General Aggregate Limit, equal to the amount of the General Aggregate Limit shown in the Declarations, is the most the Insurer will pay for the sum of:

1. All damages under Coverage A, except damages because of bodily injury or property damage included in the products-completed operations hazard; and
2. All medical expenses under Coverage C,

that arise from occurrences or accidents which can be attributed solely to ongoing operations at that construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations, nor the Construction Project General Aggregate Limit of any other construction project.

B. All:

1. Damages under Coverage B, regardless of the number of locations or construction projects involved;
2. Damages under Coverage A, caused by occurrences which cannot be attributed solely to ongoing operations at a single construction project, except damages because of bodily injury or property damage included in the products-completed operations hazard; and
3. Medical expenses under Coverage C caused by accidents which cannot be attributed solely to ongoing operations at a single construction project,

will reduce the General Aggregate Limit shown in the Declarations.

C. The limits shown in the Declarations for Each Occurrence, for Damage To Premises Rented To You and for Medical Expense continue to apply, but will be subject to either the Construction Project General Aggregate Limit or the General Aggregate Limit shown in the Declarations, depending on whether the occurrence can be attributed solely to ongoing operations at a particular construction project.

D. 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 shown in the Declarations, regardless of the number of projects involved.



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- E. If a single construction project away from premises owned by or rented to the Insured has been 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 provisions of **LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

12. IN REM ACTIONS

A quasi in rem action against any vessel owned or operated by or for the **Named Insured**, or chartered by or for the **Named Insured**, will be treated in the same manner as though the action were in personam against the **Named Insured**.

13. INCIDENTAL HEALTH CARE MALPRACTICE COVERAGE

Solely with respect to **bodily injury** that arises out of a **health care incident**:

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Insuring Agreement** is amended to replace Paragraphs **1.b.(1)** and **1.b.(2)** with the following:

- b. This insurance applies to **bodily injury** provided that the professional health care services are incidental to the **Named Insured's** primary business purpose, and only if:

- (1) such **bodily injury** is caused by an occurrence that takes place in the coverage territory.
- (2) the **bodily injury** first occurs during the policy period. All **bodily injury** arising from an occurrence will be deemed to have occurred at the time of the first act, error, or omission that is part of the occurrence; and

- B. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to:

- i. add the following to the **Employers Liability** exclusion:

This exclusion applies only if the **bodily injury** arising from a **health care incident** is covered by other liability insurance available to the **Insured** (or which would have been available but for exhaustion of its limits).

- ii. delete the exclusion entitled **Contractual Liability** and replace it with the following:

This insurance does not apply to:

Contractual Liability

the **Insured's** actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees.

- iii. add the following additional exclusions:

This insurance does not apply to:

Discrimination

any actual or alleged discrimination, humiliation or harassment, including but not limited to claims based on an individual's race, creed, color, age, gender, national origin, religion, disability, marital status or sexual orientation.

Dishonesty or Crime

Any actual or alleged dishonest, criminal or malicious act, error or omission.

Medicare/Medicaid Fraud



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any actual or alleged violation of law with respect to Medicare, Medicaid, Tricare or any similar federal, state or local governmental program.

Services Excluded by Endorsement

Any health care incident for which coverage is excluded by endorsement.

C. DEFINITIONS is amended to:

I. add the following definitions:

Health care incident means an act, error or omission by the Named Insured's employees or volunteer workers in the rendering of:

- a. professional health care services on behalf of the Named Insured or
- b. Good Samaritan services rendered in an emergency and for which no payment is demanded or received.

Professional health care services means any health care services or the related furnishing of food, beverages, medical supplies or appliances by the following providers in their capacity as such but solely to the extent they are duly licensed as required:

- a. Physician;
- b. Nurse;
- c. Nurse practitioner;
- d. Emergency medical technician;
- e. Paramedic;
- f. Dentist;
- g. Physical therapist;
- h. Psychologist;
- i. Speech therapist;
- j. Other allied health professional; or

Professional health care services does not include any services rendered in connection with human clinical trials or product testing.

ii. delete the definition of **occurrence** and replace it with the following:

Occurrence means a **health care incident**. All acts, errors or omissions that are logically connected by any common fact, circumstance, situation, transaction, event, advice or decision will be considered to constitute a single **occurrence**;

iii. amend the definition of **Insured** to:

a. add the following:

- the Named Insured's employees are Insureds with respect to:

- (1) bodily injury to a co-employee while in the course of the co-employee's employment by the Named Insured or while performing duties related to the conduct of the Named Insured's business; and



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(2) **bodily injury** to a **volunteer worker** while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- the **Named Insured's** **volunteer workers** are **Insureds** with respect to:

(1) **bodily injury** to a **co-volunteer worker** while performing duties related to the conduct of the **Named Insured's** business; and

(2) **bodily injury** to an **employee** while in the course of the **employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- b. delete Subparagraphs (a), (b), (c) and (d) of Paragraph 2.a.(1) of **WHO IS AN INSURED**.

D. The **Other Insurance** condition is amended to delete Paragraph b.(1) in its entirety and replace it with the following:

Other Insurance

b. **Excess Insurance**

- (1) To the extent this insurance applies, it is excess over any other insurance, self insurance or risk transfer instrument, whether primary, excess, contingent or on any other basis, except for insurance purchased specifically by the **Named Insured** to be excess of this coverage.

14. JOINT VENTURES / PARTNERSHIP / LIMITED LIABILITY COMPANIES

WHO IS AN INSURED is amended to delete its last paragraph and replace it with the following:

No person or organization 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**, except that if the **Named Insured** was a joint venturer, partner, or member of a limited liability company and such joint venture, partnership or limited liability company terminated prior to or during the **policy period**, such **Named Insured** is an **Insured** with respect to its interest in such joint venture, partnership or limited liability company but only to the extent that:

- a. any offense giving rise to **personal and advertising injury** occurred prior to such termination date, and the **personal and advertising injury** arising out of such offense first occurred after such termination date;
- b. the **bodily injury** or **property damage** first occurred after such termination date; and
- c. there is no other valid and collectible insurance purchased specifically to insure the partnership, joint venture or limited liability company; and

If the joint venture, partnership or limited liability company is or was insured under a **consolidated (wrap-up) insurance program**, then such insurance will always be considered valid and collectible for the purpose of paragraph c. above. But this provision will not serve to exclude **bodily injury**, **property damage** or **personal and advertising injury** that would otherwise be covered under the **Contractors General Liability Extension Endorsement** provision entitled **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS**. Please see that provision for the definition of **consolidated (wrap-up) insurance program**.

15. LEGAL LIABILITY – DAMAGE TO PREMISES / ALIENATED PREMISES / PROPERTY IN THE NAMED INSURED'S CARE, CUSTODY OR CONTROL



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- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion J. **Damage to Property** in its entirety and replace it with the following:

This insurance does not apply to:

J. Damage to Property

Property damage to:

- (1) Property the **Named Insured** owns, rents, or occupies, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises the **Named Insured** sells, gives away or abandons, if the **property damage** arises out of any part of those premises;
- (3) Property loaned to the **Named Insured**;
- (4) Personal property in the care, custody or control of the **Insured**;
- (5) That particular part of real property on which the **Named Insured** or any contractors or subcontractors working directly or indirectly on the **Named Insured's** behalf are performing operations, if the **property damage** arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to **property damage** (other than damage by fire) to premises rented to the **Named Insured** or temporarily occupied by the **Named Insured** with the permission of the owner, nor to the contents of premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. A separate limit of insurance applies to **Damage To Premises Rented To You** as described in **LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are **your work**.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

Paragraphs (3) and (4) of this exclusion do not apply to **property damage** to:

- i. tools, or equipment the **Named Insured** borrows from others, nor
- ii. other personal property of others in the **Named Insured's** care, custody or control while being used in the **Named Insured's** operations away from any **Named Insured's** premises.

However, the coverage granted by this exception to Paragraphs (3) and (4) does not apply to:

- a. property at a job site awaiting or during such property's installation, fabrication, or erection;
- b. property that is **mobile equipment** leased by an **Insured**;
- c. property that is an **auto**, aircraft or watercraft;
- d. property in transit; or
- e. any portion of **property damage** for which the **Insured** has available other valid and collectible insurance, or would have such insurance but for exhaustion of its limits, or but for application of one of its exclusions.



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A separate limit of insurance and deductible apply to such property of others. See **LIMITS OF INSURANCE** as amended below.

- B. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete its last paragraph and replace it with the following:

Exclusions c. through n. do not apply to damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with permission of the owner, nor to damage to the contents of premises rented to a **Named Insured** for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in **LIMITS OF INSURANCE**.

- C. The following paragraph is added to **LIMITS OF INSURANCE**:

Subject to 5. above, \$25,000 is the most the Insurer will pay under **Coverage A** for damages arising out of any one occurrence because of the sum of all property damage to borrowed tools or equipment, and to other personal property of others in the **Named Insured's** care, custody or control, while being used in the **Named Insured's** operations away from any **Named Insured's** premises. The Insurer's obligation to pay such property damage does not apply until the amount of such property damage exceeds \$1,000. The Insurer has the right but not the duty to pay any portion of this \$1,000 in order to effect settlement. If the Insurer exercises that right, the **Named Insured** will promptly reimburse the Insurer for any such amount.

- D. Paragraph 6., **Damage To Premises Rented To You Limit**, of **LIMITS OF INSURANCE** is deleted and replaced by the following:

6. Subject to Paragraph 5. above, (the Each Occurrence Limit), the **Damage To Premises Rented To You Limit** is the most the Insurer will pay under **Coverage A** for damages because of property damage to any one premises while rented to the **Named Insured** or temporarily occupied by the **Named Insured** with the permission of the owner, including contents of such premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. The **Damage To Premises Rented To You Limit** is the greater of:

- a. \$500,000; or
- b. The **Damage To Premises Rented To You Limit** shown in the Declarations.

- E. Paragraph 4.b.(1)(a)(ii) of the **Other Insurance Condition** is deleted and replaced by the following:

- (ii) That is property insurance for premises rented to the **Named Insured**, for premises temporarily occupied by the **Named Insured** with the permission of the owner; or for personal property of others in the **Named Insured's** care, custody or control;

16. LIQUOR LIABILITY

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Liquor Liability**.

This **LIQUOR LIABILITY** provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

17. MEDICAL PAYMENTS

- A. **LIMITS OF INSURANCE** is amended to delete Paragraph 7. (the Medical Expense Limit) and replace it with the following:

7. Subject to Paragraph 5. above (the Each Occurrence Limit), the Medical Expense Limit is the most the Insurer will pay under **Coverage C – Medical Payments** for all medical expenses because of bodily injury sustained by any one person. The Medical Expense Limit is the greater of:

- (1) \$15,000 unless a different amount is shown here: \$N,NNN,NNN,NNN; or



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(2) the amount shown in the Declarations for Medical Expense Limit.

B. Under **COVERAGES**, the **Insuring Agreement of Coverage C – Medical Payments** is amended to replace Paragraph 1.a.(3)(b) with the following:

(b) The expenses are incurred and reported to the Insurer within three years of the date of the accident; and

18. NON-OWNED AIRCRAFT

Under **COVERAGES**, **Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended as follows:

The exclusion entitled **Aircraft, Auto or Watercraft** is amended to add the following:

This exclusion does not apply to an aircraft not owned by any **Named Insured**, 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. the aircraft is rented with a trained, paid crew to the **Named Insured**; and
3. the aircraft is not being used to carry persons or property for a charge.

19. NON-OWNED WATERCRAFT

Under **COVERAGES**, **Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete subparagraph (2) of the exclusion entitled **Aircraft, Auto or Watercraft**, and replace it with the following.

This exclusion does not apply to:

(2) a watercraft that is not owned by any **Named Insured**, provided the watercraft is:

- (a) less than 75 feet long; and
- (b) not being used to carry persons or property for a charge.

20. PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION

A. Under **DEFINITIONS**, the definition of **personal and advertising injury** is amended to add the following fort:

- Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

B. Under **COVERAGES**, **Coverage B – Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to:

1. delete the Exclusion entitled **Knowing Violation Of Rights Of Another** and replace it with the following:

This insurance does not apply to:

Knowing Violation of Rights of Another

Personal and advertising injury caused by or at the direction of the **Insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**. This exclusion shall not apply to discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is not done intentionally by or at the direction of:

- (a) the **Named Insured**; or



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(b) any executive officer, director, stockholder, partner, member or manager (if the Named Insured is a limited liability company) of the Named Insured.

2. add the following exclusions:

This insurance does not apply to:

Employment Related Discrimination

Discrimination or humiliation directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person by any Insured.

Premises Related Discrimination

discrimination or humiliation arising out of the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any Insured.

Notwithstanding the above, there is no coverage for fines or penalties levied or imposed by a governmental entity because of discrimination.

The coverage provided by this **PERSONAL AND ADVERTISING INJURY -DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization whose status as an Insured derives solely from

- Provision 1. **ADDITIONAL INSURED** of this endorsement; or
- attachment of an additional insured endorsement to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY -DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

21. PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY

A. Under **COVERAGES, Coverage B -Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Contractual Liability**.

B. Solely for the purpose of the coverage provided by this **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** provision, the following changes are made to the section entitled **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**:

1. Paragraph 2.d. is replaced by the following:

d. The allegations in the suit and the information the Insurer knows about the offense alleged in such suit are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;

2. The first unnumbered paragraph beneath Paragraph 2.f.(2)(b) is deleted and replaced by the following:

So long as the above conditions are met, attorneys fees incurred by the Insurer in the defense of that indemnitee, necessary litigation expenses incurred by the Insurer, and necessary litigation expenses incurred by the indemnitee at the Insurer's request will be paid as **defense costs**. Such payments will not be deemed to be damages for personal and advertising injury and will not reduce the limits of insurance.

C. This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply if **Coverage B -Personal and Advertising Injury Liability** is excluded by another endorsement attached to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.



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22. PROPERTY DAMAGE – ELEVATORS

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended such that the **Damage to Your Product** Exclusion and subparagraphs (3), (4) and (6) of the **Damage to Property** Exclusion do not apply to **property damage** that results from the use of elevators.
- B. Solely for the purpose of the coverage provided by this **PROPERTY DAMAGE – ELEVATORS** Provision, the **Other Insurance** conditions is amended to add the following paragraph:
- This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is Property insurance covering property of others damaged from the use of elevators.

23. SUPPLEMENTARY PAYMENTS

The section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended as follows:

- A. Paragraph 1.b. is amended to delete the \$250 limit shown for the cost of bail bonds and replace it with a \$5,000. limit; and
- B. Paragraph 1.d. is amended to delete the limit of \$250 shown for daily loss of earnings and replace it with a \$1,000. limit.

24. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If the **Named Insured** unintentionally fails to disclose all existing hazards at the inception date of the **Named Insured's Coverage Part**, the Insurer will not deny coverage under this **Coverage Part** because of such failure.

25. WAIVER OF SUBROGATION - BLANKET

Under **CONDITIONS**, the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

The Insurer waives any right of recovery the Insurer may have against any person or organization because of payments the Insurer makes for injury or damage arising out of:

1. the **Named Insured's** ongoing operations; or
2. **your work** included in the **products-completed operations hazard**.

However, this waiver applies only when the **Named Insured** has agreed in writing to waive such rights of recovery in a written contract or written agreement, and only if such contract or agreement:

1. is in effect or becomes effective during the term of this **Coverage Part**; and
2. was executed prior to the **bodily injury, property damage or personal and advertising injury** giving rise to the claim.

26. WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS

Note: The following provision does not apply to any public construction project in the state of Oklahoma, nor to any construction project in the state of Alaska, that is not permitted to be insured under a **consolidated (wrap-up) insurance program** by applicable state statute or regulation.

If the endorsement **EXCLUSION – CONSTRUCTION WRAP-UP** is attached to this policy, or another exclusionary endorsement pertaining to Owner Controlled Insurance Programs (O.C.I.P.) or Contractor Controlled Insurance Programs (C.C.I.P.) is attached, then the following changes apply:

- A. The following wording is added to the above-referenced endorsement:



Contractors' General Liability Extension Endorsement

With respect to a consolidated (wrap-up) insurance program project in which the Named Insured is or was involved, this exclusion does not apply to those sums the Named Insured become legally obligated to pay as damages because of:

1. Bodily injury, property damage, or personal or advertising injury that occurs during the Named Insured's ongoing operations at the project, or during such operations of anyone acting on the Named Insured's behalf; nor
2. Bodily injury or property damage included within the products-completed operations hazard that arises out of those portions of the project that are not residential structures.

B. Condition 4. Other Insurance is amended to add the following subparagraph 4.b.(1)(c):

This insurance is excess over:

- (c) Any of the other insurance whether primary, excess, contingent or any other basis that is insurance available to the Named Insured as a result of the Named Insured being a participant in a consolidated (wrap-up) insurance program, but only as respects the Named Insured's involvement in that consolidated (wrap-up) insurance program.

C. DEFINITIONS is amended to add the following definitions:

Consolidated (wrap-up) Insurance program means a construction, erection or demolition project for which the prime contractor/project manager or owner of the construction project has secured general liability insurance covering some or all of the contractors or subcontractors involved in the project, such as an Owner Controlled Insurance Program (O.C.I.P.) or Contractor Controlled Insurance Program (C.C.I.P.).

Residential structure means any structure where 30% or more of the square foot area is used or is intended to be used for human residency, including but not limited to:

1. single or multifamily housing, apartments, condominiums, townhouses, co-operatives or planned unit developments; and
2. the common areas and structures appurtenant to the structures in paragraph 1. (including pools, hot tubs, detached garages, guest houses or any similar structures).

However, when there is no individual ownership of units, residential structure does not include military housing, college/university housing or dormitories, long term care facilities, hotels or motels. Residential structure also does not include hospitals or prisons.

This **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this Coverage Part.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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
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: 01/01/2017 Policy No. WC 928228479244 Endorsement No.

Policy Effective Date: 01/01/2017 to 01/01/2018 Premium \$

Insured: A & K Earth Movers, Inc.

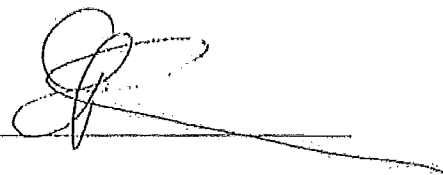
DBA:

Carrier Name / Code: Argonaut Midwest Insurance Company

WC 00 03 13

(Ed. 4-84)

Countersigned by





Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Other Insurance – Primary and Noncontributory for Additional Insured

Policy Number: **Effective Date:** 6/30/2017 at 12:01 A.M.
Named Insured: A & K EARTH MOVERS, INC.

This endorsement modifies insurance provided under the following.

EXCESS LIABILITY POLICY FORM

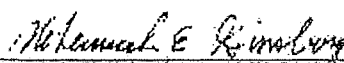
- A. Sub-paragraph 3. of Item I. Other Insurance under SECTION IV. CONDITIONS is replaced with the following:
3. Insurance held by a person(s) or organization(s) qualifying as an additional insured in "Underlying Insurance", but only when the written contract or agreement between you and the additional insured:
- a. Requires a specific limit of insurance than is in excess of the Underlying Limits of Insurance;
 - b. Requires that your insurance be primary and not contribute with that of the additional insured; and
 - c. Executed prior to the loss.

In such case as described in sub-paragraph 3. above, we shall not seek contribution from the additional insured's primary or excess insurance for which they are a named insured for amounts payable under this insurance.

All other terms, definitions, conditions and exclusions of this policy remain unchanged.

Signed for the Company as of the Effective Date above


Charles H. Dangelo, President


Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Waiver of Transfer of Rights of Recovery Against Others to Us

Policy Number:

Effective Date: 6/30/2017 at 12:01 A.M.

Named Insured: A & K EARTH MOVERS, INC.

SCHEDULE

Name Of Person Or Organization:

All as required by written contract.

SECTION IV. CONDITIONS, condition K. **Transfer of Rights of Recovery Against Others to Us** is amended to include the following:

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

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| A. BROAD FORM NAMED INSURED | H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT |
| B. BLANKET ADDITIONAL INSURED | I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT |
| C. EMPLOYEE HIRED AUTO | J. PERSONAL PROPERTY |
| D. EMPLOYEES AS INSURED | K. AIRBAGS |
| E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS | L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS |
| F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS | M. BLANKET WAIVER OF SUBROGATION |
| G. WAIVER OF DEDUCTIBLE – GLASS | N. UNINTENTIONAL ERRORS OR OMISSIONS |

PROVISIONS

A. BROAD FORM NAMED INSURED

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

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

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

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "Insured" for Covered Autos Liability Coverage, but only for damages to which

this insurance applies and only to the extent that person or organization qualifies as an "insured" under the **Who Is An Insured** provision contained in Section II.

C. EMPLOYEE HIRED AUTO

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

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

2. The following replaces Paragraph b. in B.5., **Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

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

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel

COMMERCIAL AUTO

permission, while performing duties related to the conduct of your business.

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

D. EMPLOYEES AS INSURED

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

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

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

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

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

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

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

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., **Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph D., **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

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.

J. PERSONAL PROPERTY

The following is added to Paragraph A.4., **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "Insured"; and

- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph B.3., **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or Insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

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 signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of SECTION IV – BUSINESS AUTO CONDITIONS:

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.

