

**AGREEMENT FOR SERVICES**  
(NRS 332 Service Providers)

THIS AGREEMENT FOR SERVICES ("Agreement") is made this 5 day of July, 2018, by and between **Arrowscape LLC, 18124 Wedge Pkwy. #1061, Reno NV 89511** (hereinafter referred to as "Contractor") and Truckee Meadows Water Authority (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 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 Attachment "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 until either party gives notice as provided for in Section 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, 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. TERM.** This Agreement shall commence on July 1, 2018, and shall terminate upon the completion of the Services Three Hundred Sixty-Five (365) days from the Notice to Proceed on or about June 30, 2019, unless sooner terminated by either party as specified in Section 6. Upon mutual consent of both parties, the parties may extend this contract for four (4) additional, one-year (1) periods. Contract prices may only increase/decrease once per year at contract renewal as described in the attached addendum and upon mutual consent of both parties.

**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 Attachment "A" 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 ensue.

**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.

**12. 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.



**13. 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

**14. 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.

**15. 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.

**16. 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.

**17. 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.

**18. MISCELLANEOUS.**

**18.1 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.

**18.2 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.

**18.3 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.

**18.4 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.

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

**18.6 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.

**18.8 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.

**18.9 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.

**18.10 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.

**18.11 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.

The signature page follows this page.

***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: Arrowscape LLC  
Address: 18124 Wedge Pkwy., #1061, Reno  
NV 89511  
Cont: Bob Mack  
Phone: 775-853-7041  
FAX:  
E-mail: bobmack@arrowscape.net

By: [Signature]

Printed Name: Bob J. Mack

Title: owner/manager

Dated: 7/3/18

Business License #: NV20071097992

Expires: 5/31/19

This agreement was requested:

By: Brent Eisert

**TMWA**

TRUCKEE MEADOWS WATER  
AUTHORITY

By: [Signature]

Its: GM

Dated: 7/10/18

Correspondence Address:

TMWA

P.O. Box 30013

Reno, NV 89520-30013

Attention: Laura Rader, CPPB

Purchasing and Contracts Administrator.

Ph: 775-834-8208

Fax: 775-834-8153

**ATTACHMENT "A"**

**NRS 332**

**CONTRACT SUM and SCOPE OF WORK**

**CONTRACT SUM: Three Hundred Thirty-Nine Thousand Six Hundred Thirty Six (\$339,636.00) Dollars**

**Scope of Work**

In general, labor, material, equipment, and incidentals required for the landscape, maintenance and general cleanup of TMWA properties including but not limited to TMWA's Corporate Office, Water Treatment Plants, Tanks, Pump Stations, fire breaks, etc. TMWA's properties are located throughout the Truckee Meadows with Facilities as far North as Fish Springs (Doyle, California) to the South end of Washoe Valley and Verdi to Wadsworth Project direction and control will be provided by TMWA.

|   |           |                 | Bidder No. 1       |          |
|---|-----------|-----------------|--------------------|----------|
|   |           |                 | Arrowscape, LLC    |          |
| Bonding Provided  |           |                 | Yes                |          |
| Bidder Acknowledges Receipt of Addendums  |           |                 | Yes                |          |
| Affadivit of Preferential Bidders Status / Bidder's Preference Certificate  |           |                 | N/A < \$250,000.00 |          |
| Description   | Scheduled |                 |                    | Total    |
|   | Value     | Unit            |                    | Price    |
| TMWA Corporate Office: On the entire property inside & outside of fence limits, clean up all trash and loose debris. Manicure/prune trees and shrubs. Maintain Decomposed Granite (DG), rock areas as well as all landscaped areas free of weeds and debris. Rake, wet and drum roll DG areas. Spray herbicide on all DG and landscape rocked areas as well as open areas on North & East sides of warehouse. Clean debris from beneath all trees and shrubs. On non-paved areas North and East of the warehouse, whip to bare ground. Report irrigation and fence issues/problems. | 1         | Lump Sum/ Month | lump sum           | 3,870.00 |
| TMWA Glendale Water Treatment Plant: On the entire property inside of fence limits and outside of fence at entry, clean up all trash and loose debris. Manicure/prune trees and shrubs. Maintain Gravel Mulch, rock areas along paved entry driveway. Whip all other areas to bare ground and maintain those areas free of weeds. Keep site free of noxious weeds. Clean debris from beneath all trees and shrubs. Report irrigation and fence issues/problems.   | 1         | Lump Sum/ Month | lump sum           | 3,744.00 |

|  |   |                 | Bidder No. 1    |          |
|--|---|-----------------|-----------------|----------|
|  |   |                 | Arrowscape, LLC |          |
| TMWA Chalk Bluff Water Treatment Plant: On the entire property inside of fence limits and outside of fence at entry, clean up all trash and loose debris. Manicure/prune trees and shrubs. Along paved roads, whip vegetation to bare ground and maintain those areas as well as around various trees free of weeds to 10 ft. outside of pavement or tree drip line. Clean debris from beneath all trees and shrubs. Keep site free of noxious weeds. At all onsite power poles, whip a 30 ft. radius to bare ground. Report irrigation and fence issues/problems. | 1 | Lump Sum/ Month | lump sum        | 4,212.00 |
| TMWA Longley Water Treatment Plant: On the entire property inside of fence limits, clean up all trash and loose debris. Manicure/prune trees and shrubs. Whip weed vegetation to bare ground in all other areas and maintain those areas free of weeds. Spray herbicide on whipped areas. Report irrigation and fence issues/problems.   | 1 | Lump Sum/ Month | lump sum        | 408.35   |
| TWMA Hunter Creek Reservoir: Maintain landscape areas around ponds, control vegetation on earthen berms, manicure and prune trees, keep grounds free of trash and debris.  | 1 | Lump Sum/ Month | lump sum        | 1,380.00 |
| Highland Reservoir: Maintain frontage property, keep property clean of trash and debris, manicure and prune shrubs and trees, control vegetation, maintain fire breaks.  | 1 | Lump Sum/ Month | lump sum        | 1,380.00 |
| Highland Canal Maintenance: Perform cutting, mowing, brushing, weeding, weed removal, and chipping as described for each section of canal in the scope of work.  | 1 | Lump Sum/ Acre  | lump sum        | 4,920.00 |

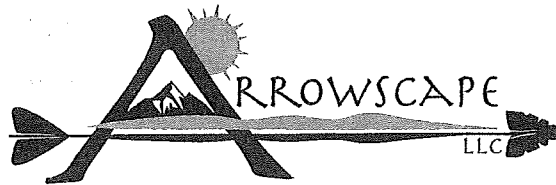
TMWA Bid No.: 2018-020

**Bid Tabulation Report**  
**LANDSCAPE MAINTENANCE**

Bids Opened: June 27, 2018

|   |  |  |  |
|---|--|--|--|
|   |  |  | Bidder No. 1   |
|   |  |  | <b>Arrowscape, LLC</b>                                     |
| <b>Total Monthly Bid Price</b>                                  |  |  | <b>14,994.35 not including Highland Canal</b>              |
| <b>Annual Amount</b>  |  |  | 179,932.20 w/o Canal,<br>\$339,636 with the Highland Canal |
| Total Bid Price Written in Words? y/n                           |  |  | Yes  |
| Bidder Information Provided, including disclosure of Principals |  |  | Yes  |
| Licensing Information Provided                                  |  |  | Yes  |
| Referenced Provided   |  |  | Yes  |
| Debarment & Safety Information Provided                         |  |  | Yes  |
| Subcontractors Listed, if applicable                            |  |  | N/A  |
| Workplan and Staffing Provided                                  |  |  | Yes  |
| Proposal Summary Executed                                       |  |  | Yes  |





June 28, 2018

Truckee Meadows Water Authority  
c/o Brent Eisert, Jon Kiessling, and Lara Rader  
1355 Capital Blvd.  
Reno, NV 89520

Dear Truckee Meadows Water Authority:

Please take a moment to review this addendum to the proposal we provided on June 27, 2018 for your Request for Proposal 2018-020.

This supplemental material supersedes any prior language detailing the annual increase of pricing and is as follows:

*The base price for each section listed in this contract may be adjusted upward on an annual basis no later than one month before the contract anniversary/renewal date:*

- **Renewal year 1 (Fiscal Year 2019-2020): Shall reflect no increase.**
- **Renewal years 2-4 (Fiscal Years 2020-21, 2021-22, and 2022-23): Shall be negotiated annually and mutually agreed upon no later than one month before the contract anniversary date with a maximum of 4% increase per annum.**

Should you find this contract addendum be satisfactory, please sign below and return a signed copy to Arrowscape, LLC at your earliest convenience.

Best regards,

Bob Mack  
Owner/manager  
Arrowscape, LLC  
NV License: 0077224  
bobmack@arrowscape.net  
direct/text – 775.691.6693

Truckee Meadows Water Authority Representative

Printed Name

7-3-18

Date

## PERFORMANCE BOND

---

**WHEREAS**, Contractor has by written agreement dated July 3, 20 18 entered into a contract with Truckee Meadows Water Authority for **TMWA Bid No. 2018-020** and titled "**Landscape Maintenance**" in accordance with drawings and specifications prepared by Truckee Meadows Water Authority and which contract is by reference made a part hereof, and is hereinafter referred to as the Agreement.

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS**, that the undersigned, as Principal, hereinafter called Contractor, and Western Surety Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Three Hundred Thirty-Nine Thousand Six Hundred Thirty Six Dollars (\$ 339,636.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada.

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

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

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

## PERFORMANCE BOND

Continued for TMWA Bid No. 2018-020 and titled "Landscape Maintenance"

BY: 1/4

(signature of Principle)

TITLE: owner / manager

L.S.

FIRM: Arrowscape, LLC

Address: 18124 Wedge Pkwy #1061

City, State, Zip: Reno NV 89511

Phone: 775-853-7041

Printed Principal's Name: Robert J. Mack

Attest by: Beckie L. Richter

(signature of Notary)

Subscribed and Sworn before me this 9<sup>th</sup> day of July, 2018.

Notary public for the State of Nevada

### CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

### Agent Information

Name of Surety  
Western Surety Company

Name of Licensed Agent  
Christie Elliott

Address PO Box 957289

Address 3301 S Virginia St

City St Louis

City Reno

State/Zip Code MO 63195-7289

State/Zip Code NV 89502

Name Christie Soledad Elliott

Agent's Name A and H Insurance, Inc.

Title Attorney In Fact

Agent's Title Account Executive

Telephone 775-829-2600

Agent's Telephone 775-829-2600

Surety's Acknowledgment:

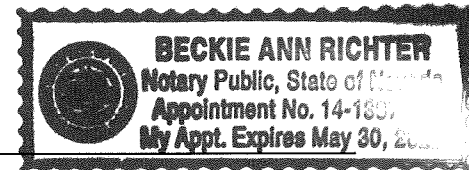
By: CJS

Agent's Acknowledgment:

By: CJS

### NOTICE:

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached. **THE SUCCESSFUL CONTRACTOR WILL BE REQUIRED TO PROVIDE A PERFORMANCE BOND EACH YEAR AT CONTRACT RENEWAL, PRIOR TO ISSUANCE OF A PURCHASE ORDER.**



## LABOR AND MATERIAL PAYMENT BOND

**WHEREAS**, Contractor has by written agreement dated July 3, 2018 entered into a contract with Truckee Meadows Water Authority for **TMWA Bid No. 2018-020** and titled "**Landscape Maintenance**" in accordance with drawings and specifications prepared by Truckee Meadows Water Authority and which contract is by reference made a part hereof, and is hereinafter referred to as the Agreement.

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS**, that the undersigned, as Principal, hereinafter called Contractor, and Western Surety Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Three Hundred Thirty-Nine Thousand Six Hundred Thirty-Six Dollars (\$ 339,636.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada

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

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

## LABOR AND MATERIAL PAYMENT BOND

Continued for TMWA Bid No. 2018-020 and titled "Landscape Maintenance"

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

BY:

(signature of Principle)

TITLE:

L.S.

FIRM: Arrowscape, LLC

Address: 18124 Wedge Pkwy #1061

City, State, Zip: Reno NV 89511

Phone: 775-853-7041

Printed Principal's Name:

Attest by:


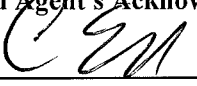
(signature of Notary)

Subscribed and Sworn before me this 9<sup>th</sup> day of July, 2018.

Notary public for the State of

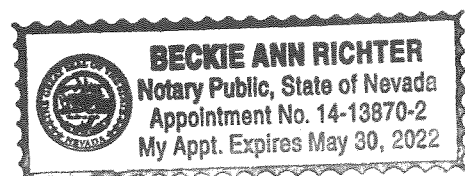
### CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

### Licensed Agent Information

|   |  |
|---|--|
| Name of Surety<br>Western Surety Company  | Name of Licensed Agent<br>Christie Elliott   |
| Address PO Box 957289   | Address 3301 S Virginia St   |
| City St Louis   | City Reno  |
| State/Zip Code MO 63195   | State/Zip Code NV 89502  |
| Name Christie Soledad Elliott   | Agent's Name A and H Insurance, Inc.   |
| Title Attorney In Fact  | Agent's Title Account Executive  |
| Telephone 775-829-2600  | Agent's Telephone 775-829-2600   |
| Surety's Acknowledgment:<br>By:  | Licensed Agent's Acknowledgment:<br>By:  |

### NOTICE:

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached.  
**THE SUCCESSFUL CONTRACTOR WILL BE REQUIRED TO PROVIDE A LABOR AND MATERIAL PAYMENT BOND EACH YEAR AT CONTRACT RENEWAL, PRIOR TO ISSUANCE OF A PURCHASE ORDER.**



# Western Surety Company

## POWER OF ATTORNEY - CERTIFIED COPY

Bond No. 63713647

Know All Men By These Presents, that WESTERN SURETY COMPANY, a corporation duly organized and existing under the laws of the State of South Dakota, and having its principal office in Sioux Falls, South Dakota (the "Company"), does by these presents make, constitute and appoint Christie Soledad Elliott

its true and lawful attorney(s)-in-fact, with full power and authority hereby conferred, to execute, acknowledge and deliver for and on its behalf as Surety, bonds for:

Principal: Arrowscape, LLC

Obligee: Truckee Meadows Water Authority

Amount: \$3,000,000.00

and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said attorney(s)-in-fact may do within the above stated limitations. Said appointment is made under and by authority of the following bylaw of Western Surety Company which remains in full force and effect.

"Section 7. All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

If Bond No. 63713647 is not issued on or before midnight of July 9th, 2019, all authority conferred in this Power of Attorney shall expire and terminate.

In Witness Whereof, Western Surety Company has caused these presents to be signed by its Vice President, Paul T. Bruflat, and its corporate seal to be affixed this 5th day of July, 2018.

STATE OF SOUTH DAKOTA  
COUNTY OF MINNEHAHA

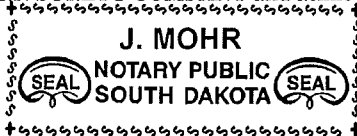
} ss

WESTERN SURETY COMPANY

*Paul T. Bruflat*

Paul T. Bruflat, Vice President

On this 5th day of July, in the year 2018, before me, a notary public, personally appeared Paul T. Bruflat, who being to me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of WESTERN SURETY COMPANY and acknowledged said instrument to be the voluntary act and deed of said corporation.



My Commission Expires June 23, 2021

I the undersigned officer of Western Surety Company, a stock corporation of the State of South Dakota, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable, and furthermore, that Section 7 of the bylaws of the Company as set forth in the Power of Attorney is now in force.

In testimony whereof, I have hereunto set my hand and seal of Western Surety Company this 5th day of July, 2018.

WESTERN SURETY COMPANY

*Paul T. Bruflat*

Paul T. Bruflat, Vice President

To validate bond authenticity, go to [www.cnasurety.com](http://www.cnasurety.com) > Owner/Obligee Services > Validate Bond Coverage.

## ALL-PURPOSE ACKNOWLEDGEMENT

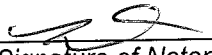
State of Nevada

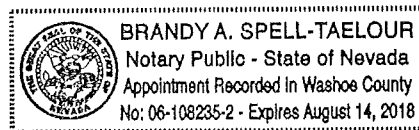
County of Washoe

On July 5, 2018 before me, Brandy Spell-Taelour  
(Notary)  
Notary Public, personally appeared, Christie Soledad Elliott  
Name(s) of Document 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/them  
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 of Notary



(Affix seal in the above blank space)



ARROLLC-01

CELLIOTT

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/17/2018

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

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

|  |                                       |                               |        |
|--|---------------------------------------|-------------------------------|--------|
| PRODUCER<br>A and H Insurance, Inc.<br>3301 South Virginia St.<br>Reno, NV 89502 | CONTACT NAME: Christie Elliott        |                               |        |
|  | PHONE (A/C, No, Ext): (775) 829-2600  | FAX (A/C, No): (775) 829-2607 |        |
|  | E-MAIL ADDRESS: celliott@aandhins.com |                               |        |
| INSURED<br><br>Arrowscape LLC<br>18124 Wedge Pkwy #1061<br>Reno, NV 89511-8134   | INSURER(S) AFFORDING COVERAGE         |                               | NAIC # |
|  | INSURER A: Ohio Security              |                               | 24082  |
|  | INSURER B: Ohio Casualty Insurance    |                               | 24074  |
|  | INSURER C: American Fire & Casualty   |                               | 24066  |
|  | INSURER D:                            |                               |        |
|  | INSURER E:                            |                               |        |
| INSURER F:   |                                       |                               |        |

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

| INSR LTR | TYPE OF INSURANCE   | 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<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: | X            | X        | BKS55524402   | 12/12/2017              | 12/12/2018              | EACH OCCURRENCE   | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | DAMAGE TO RENTED PREMISES (Ea occurrence)                                       | \$ 300,000   |
|          |   |              |          |               |                         |                         | MED EXP (Any one person)  | \$ 15,000    |
|          |   |              |          |               |                         |                         | PERSONAL & ADV INJURY   | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | GENERAL AGGREGATE   | \$ 2,000,000 |
|          | PRODUCTS - COM/OP AGG   | \$ 2,000,000 |          |               |                         |                         |   |              |
|          | EPL   | \$ 5,000     |          |               |                         |                         |   |              |
| A        | AUTOMOBILE LIABILITY<br><br>ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY  | X            | X        | BAS55524402   | 12/12/2017              | 12/12/2018              | COMBINED SINGLE LIMIT (Ea accident)   | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | BODILY INJURY (Per person)  | \$           |
|          |   |              |          |               |                         |                         | BODILY INJURY (Per accident)  | \$           |
|          |   |              |          |               |                         |                         | PROPERTY DAMAGE (Per accident)  | \$           |
|          |   |              |          |               |                         |                         |   | \$           |
| B        | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR<br><input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE<br>DED <input checked="" type="checkbox"/> RETENTION \$ 10,000   |              |          | USO55524402   | 12/12/2017              | 12/12/2018              | EACH OCCURRENCE   | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | AGGREGATE   | \$ 1,000,000 |
|          |   |              |          |               |                         |                         |   | \$           |
| C        | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N<br>If yes, describe under DESCRIPTION OF OPERATIONS below   | N/A          | X        | XWA55524402   | 12/16/2017              | 12/16/2018              | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER |              |
|          |   |              |          |               |                         |                         | E.L. EACH ACCIDENT  | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | E.L. DISEASE - EA EMPLOYEE  | \$ 1,000,000 |
|          |   |              |          |               |                         |                         | E.L. DISEASE - POLICY LIMIT   | \$ 1,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
As respects: Landscape Maintenance Contract TMWA, its officers, employees and immune Contractors are named as additional insured and waiver of subrogation is included.

|   |  |
|---|--|
| CERTIFICATE HOLDER  | CANCELLATION   |
| TMWA<br>Attn: Purchasing & Contracts<br>PO Box 30013<br>Reno, NV 89520-3013 | 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<br>  |



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

#### A. NON-OWNED AIRCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, exclusion g. Aircraft, Auto Or Watercraft does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

#### B. NON-OWNED WATERCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraph (2) of exclusion g. Aircraft, Auto Or Watercraft is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
  - (a) Less than 52 feet long; and
  - (b) Not being used to carry persons or property for a charge.

#### C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.
2. The following is added to Section IV - Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

#### D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:
  - a. The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (i) Premises rented to you for a period of 7 or fewer consecutive days; or
- (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.

- b. The last paragraph of subsection **2. Exclusions** is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance**.

2. Paragraph 6. under **Section III - Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to:

- a. Any one premise:

(1) While rented to you; or

(2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or

- b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision **D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)** - Paragraph 9.a. of **Definitions** is replaced with the following:

9.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, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

#### **E. MEDICAL PAYMENTS EXTENSION**

If **Coverage C Medical Payments** is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph 1. **Insuring Agreement** of **Section I - Coverage C - Medical Payments**, Subparagraph (b) of Paragraph a. is replaced by the following:

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

#### **F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. Under **Supplementary Payments - Coverages A and B**, Paragraph 1.b. is replaced by the following:

- b. Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

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

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

#### **G. ADDITIONAL INSURED - BY CONTRACT, AGREEMENT OR PERMIT**

1. Paragraph 2. under **Section II - Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:

- a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

- b. Premises or facilities rented by you or used by you; or
- c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
- (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;
  - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".
  - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away 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.

However:

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

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

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

With respect to Paragraph 1.b. above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. **Duties In the Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions**.

2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. **Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.
- b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
- c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

- (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- d. "Bodily injury" or "property damage" occurring after:

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

- e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

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

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

- a. Required by the contract or agreement; or
  - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

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

#### H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

- a. The following is added to Paragraph a. **Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

b. The following is added to Paragraph **b. Excess Insurance**:

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. **ADDITIONAL INSURED - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim or Suit**:

An additional insured under this endorsement will as soon as practicable:

- a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;
- b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and
- c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
- d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in **Section III - Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. **WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS/ MALPRACTICE**  
**WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES**

Paragraph **2.a.(1)** of **Section II - Who Is An Insured** is replaced with the following:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph (d)) does not apply.

Paragraphs (a) and (b) above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and

advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

**K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES**

Paragraph 3. of Section II - Who Is An Insured is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
  - d. Records and descriptions of operations must be maintained by the first Named Insured.

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 or qualifies as an insured under this provision.

**L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES**

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 6. Representations:

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

**M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 2. Duties In The Event of Occurrence, Offense, Claim Or Suit:

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of Section II - Who Is An Insured or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

**N. LIBERALIZATION CLAUSE**

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

**O. BODILY INJURY REDEFINED**

Under Section V - Definitions, Definition 3. is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

**P. EXTENDED PROPERTY DAMAGE**

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

**a. Expected Or Intended Injury**

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

**Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU**

Under **Section IV - Commercial General Liability Conditions**, the following is added to Condition **8. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against a person or organization 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" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.



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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  
AS REQUIRED BY WRITTEN  
CONTRACT

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 7/11/2018

Policy No. XWA55524402

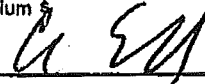
Endorsement No.

Insured Arrowscape LLC

Premium \$

Insurance Company American Fire & Casualty

Countersigned by



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

### BUSINESS AUTO COVERAGE FORM

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

#### COVERAGE INDEX

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##### PROVISION NUMBER

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SECTION II - LIABILITY COVERAGE is amended as follows:

#### 1. BROAD FORM INSURED

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

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

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

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

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

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

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

## 2. EMPLOYEES AS INSURED

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

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

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

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

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

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

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

## 4. SUPPLEMENTARY PAYMENTS

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

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

## 5. AMENDED FELLOW EMPLOYEE EXCLUSION

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

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

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

## 6. HIRED AUTO PHYSICAL DAMAGE

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

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

- a. You hire, rent or borrow; or

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

subject to the following limit and deductible:

- A. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:

- (1) \$50,000; or
- (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.

- B. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.

- C. Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

- D. Subject to a maximum of \$750 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.

- E. This coverage extension does not apply to:

- (1) Any "auto" that is hired, rented or borrowed with a driver; or
- (2) Any "auto" that is hired, rented or borrowed from your "employee".

For the purposes of this provision, SECTION V - DEFINITIONS is amended by adding the following:

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

## 7. TOWING AND LABOR

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

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

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

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

## 8. PHYSICAL DAMAGE- ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

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

## 9. RENTAL REIMBURSEMENT

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

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

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

## 10. EXTRA EXPENSE - BROADENED COVERAGE

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

## 11. PERSONAL EFFECTS COVERAGE

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

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

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

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

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

## 12. ACCIDENTAL AIRBAG DEPLOYMENT

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

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

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

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

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

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

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

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

#### 14. LOAN / LEASE GAP COVERAGE

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

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

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

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

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

#### B. ADDITIONAL CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**17. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

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

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

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

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

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

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

To the extent possible, notice to us should include:

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

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

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

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

**20. HIRED AUTO COVERAGE TERRITORY**

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

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

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

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

**21. BODILY INJURY REDEFINED**

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

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

**COMMON POLICY CONDITIONS**

**22. EXTENDED CANCELLATION CONDITION**

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

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