

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

Purchase
Order #

PO-003979

Delivery must be made within
doors of specified destination.

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

**V
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Stonehouse Drilling and Construction LLC
7801 Lakeside Drive
Reno NV 89511

**S
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Truckee Meadows Water Authority
1355 Capital Blvd
Reno NV 89502

Requester Contact Name		Requester Contact Phone Number		Vendor Number		
				000873		
Date Ordered	Date Requested	Freight Method/Terms				
10/4/2018	11/30/2018					
Line #	Description/Part No.	Qty	UOM	Unit Price	Discount Amount	Extended Price
	American Flat Well Drilling - NRS 338 Public Bid - PWP#Wa-2018-253 - awarded to lowest responsive and responsible bidder - TMWA representative, Randy VanHoozer 775 834-8011 (PWP - NRS 338 Public Bid) 15-0057 - 1-7051-30-3010 - Requester R VanHoozer					
1	PWP Construction Projects	288129.00	usd	1.00		\$288,129.00
 Mark Foree General Manager						

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

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

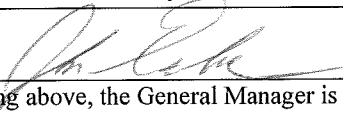
PO Total

\$288,129.00

Purchase Order Request Form (Revised September 10, 2008)

This form can be used for an original PO request

Or a change to an existing PO

Does This Request Modify an Existing PO? yes / no	
Vendor	Stonehouse Drilling and Construction, LLC
Vendor Contact Person	Bret Tompkins
Phone	775-432-2900
Vendor FAX #	
E-mail to Send PO	bret@shdrilling.com stephanie@shdrilling.com
Short Descriptive Title of Project	Well drilling and construction for American Flat Road IPR Feasibility Study
Reason For Purchase	Contractor will drill up to three groundwater wells
Completion or Delivery Date Expected for Project (Not PO) & Delivery Location	11/30/2018
TMWA Contact Person & Phone Number to Put on The PO	Randy Van Hoozer (775)834-8011
TMWA Account Code – New World	
If Capital Project: Please Provide Project Code	15-0057
Requested Dollar Amount or If For a Change to a PO, the Change Order Amount	\$ 288,129 <input checked="" type="checkbox"/> Time and Materials(attach a fee schedule) or <input type="checkbox"/> Lump Sum
If Different From Quote, Please Provide Why	
Will TMWA be Furnishing the Independent Contractor with Worker's Space / Workstation, Equipment, Tools, or Supplies?	Yes / No If yes to any of the questions on the left, please answer the following: 1. Does TMWA control/mandate the hours the independent contractor will work? <input type="checkbox"/> Yes <input type="checkbox"/> No 2. Does TMWA provide paid training to the contractor? <input type="checkbox"/> Yes <input type="checkbox"/> No 3. Is the independent contractor restricted from offering his/her services to the general public while engaged in this work relationship with TMWA? <input type="checkbox"/> Yes <input type="checkbox"/> No 4. Does the arrangement with the independent contractor contemplate continuing or reoccurring work (even if the services are season, part time or of short duration)? <input type="checkbox"/> Yes <input type="checkbox"/> No
Manager's signature	 Date signed: 10/3/2018

In addition to the manager signing above, the General Manager is required to sign all Contracts at \$25,000

Note: A purchase order is required for all purchases over \$2,500. If a Contractor, Consultant, or Service Company will be on TMWA property, an agreement is also required **at any dollar limit**. The Contractor, Consultant, or Service Company will be required to provide Insurance (See the Insurance requirements posted on the intranet for details) and a W-9 form (if they aren't in our financial system) prior to the PO being issued.

If your PO request is for Services and Supplies:

2 quotes are required if the price is over \$25,000
A formal bid is required for over \$50,000.

However, there are some exceptions to the quote and bidding rules. Please contact Purchasing to discuss your project if you think there is an exception to the bidding process.

If your PO request is construction related:

3 quotes are required for over \$25,000
A formal bid is required for over \$100,000

There is also an exception for emergency contracts in all categories.

Purchasing/Contracts in addition to releasing the formal bid, can help **you** get quotes for your larger projects. Also, agreements can be created to fit your yearly needs. If you need assistance for any purchase, please call 8056 for more information.

AGREEMENT FOR CONSTRUCTION

WELL DRILLING AND CONSTRUCTION FOR AMERICAN FLAT ROAD AREA IPR FEASIBILITY STUDY

TMWA Capital Project No.: 15-048
Public Works Project Number: PWP-WA-2018-253

THIS AGREEMENT FOR CONSTRUCTION (the "Agreement"), made and entered into this 1st day of October, 2018, by and between Stonehouse Drilling & Construction, LLC., 7801 Lakeside Drive, Reno, Nevada 89511, a general contractor licensed by the State of Nevada (Nevada Contractor's License No. 69994) (hereinafter referred to as "Contractor"), and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 (hereinafter referred to as "Owner").

RECITALS

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

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

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

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

1. **CONTRACT DOCUMENTS.** The "Contract Documents" consist solely of the Bidding Documents, Bonds, this Agreement, the General Conditions, Supplementary Conditions, Special Provisions, Technical Specifications, Addenda issued prior to execution, Amendments issued after execution, and any other documents listed below:

None.

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

2. **SCOPE OF WORK.** The Contractor shall furnish all work, labor, services, supplies, materials, equipment, tools, traffic control operations, transportation, supervision, appliances, appurtenances and incidentals required for the prompt and efficient completion of the project described as the drilling, constructing and testing of three (3) groundwater wells for measuring groundwater levels and collecting water quality samples on property located north of the Reno-Stead Airport ("Project") as described in the Contract Documents and in accordance with the contract provisions, Plans, and Specifications, together with all work incidental or reasonably inferable which is necessary to produce the results intended by the Contract Documents (collectively, the "Work"). Contractor shall be responsible for the supervision and coordination of the Work, including the construction means, methods, techniques, sequences and procedures utilized, unless the Contract Documents specifically provide otherwise. The Contractor represents and

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

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

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

3.2 **Completion of Work.** Contractor shall achieve Substantial Completion by **Twenty-Two (22) calendar days from the date of the Notice to Proceed** and shall achieve 100 percent completion by **Thirty-Two (32) calendar days from the date of the Notice to Proceed**. In addition, the Contractor shall achieve any critical intermediate project milestone dates as identified and defined in Article 7 of the Supplementary Conditions. Contractor shall reschedule or resequence the Work, to the extent possible, to avoid or minimize any delay to the contract time. Contractor agrees it included adequate costs in the Contract Sum to provide sufficient levels of labor and equipment (including overtime if required) to ensure that the specified dates are met. The contract time set forth herein assumes **zero (0) weather delay days** will occur during construction of the Project, and the Contract time will not be extended unless weather delay days exceed the days specified above. Should the Contractor fail to complete the Work in the time agreed upon, the Contractor will be subject to liquidated damages as provided herein.

3.3 **Liquidated Damages** Owner and Contractor recognize time is of the essence and Owner will suffer extensive damages if the Work is not completed within the time specified above, the exact amount of which is difficult to ascertain as of the effective date of this Agreement. Accordingly, if Contractor fails to achieve Substantial Completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$350.00 (Three Hundred Fifty Dollars)** per day commencing on the expiration of the time specified above and continuing until the actual date of Substantial Completion is achieved; and if Contractor fails to achieve 100 percent completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$250.00 (Two Hundred Fifty Dollars)** per day commencing on the expiration of the time specified above and continuing until the actual date of 100 percent completion. Owner may deduct liquidated damages from any unpaid amounts then or thereafter due the Contractor under this Agreement. If TMWA terminates the Contractor for default, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work together with any increased cost occasioned by TMWA in completing the Work.

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

4. **CONTRACT SUM.**

4.1 **Construction Contract Price.** Owner shall pay the Contractor, as full and complete compensation for Contractor's timely performance of all the Work in accordance with the Contract Documents and to the satisfaction of Owner, the lump sum amount of: **Two Hundred Eighty Eight Thousand One Hundred Twenty Nine (\$288,129.00) Dollars** (the "**Contract Sum**"). The amount set forth above includes the aggregate amount of all allowances and unit price items to be furnished or installed.

5. **PAYMENTS.**

5.1 **Progress Payments.** The Owner will pay the Contractor progress payments and the final payment in

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

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

6. PREVAILING WAGE.

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

7. INSURANCE.

The Contractor shall purchase and maintain prior to performing any Work on the Project, at its sole expense, from a company or companies authorized to do business in the State of Nevada, insurance policies containing the types of coverages and minimum limits of liability described in the General Conditions protecting from claims which may arise out of or result from the performance or non-performance of services under this Agreement by the Contractor or by anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable, including without limitation subcontractors, independent contractors, and agents. Contractor shall procure and maintain at a

minimum the insurance as required in the General Conditions, and shall require all subcontractors to procure and maintain at a minimum the insurance as required in the General Conditions, including but not limited to industrial insurance as required by the Nevada Industrial Insurance Act and the Nevada Occupational Diseases Act. Contractor or his subcontractor(s) failure to pay premiums will automatically authorize Owner to, at its option, terminate this Agreement or withhold amounts from funds due the Contractor and make insurance premium payments on behalf of the Contractor and/or his subcontractors. Contractor shall provide Owner insurance certificates no later than 10 days after the date of the Notice of Award, and Contractor's failure to timely provide insurance certificates shall not result in any extensions to the contract time.

8. PERFORMANCE AND PAYMENT BONDS.

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

9. NONDISCRIMINATION.

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

10. PREFERENCES.

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

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

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

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

c. If applying to receive a preference in bidding pursuant to NRS 338.1727, at least 50 percent of the design professionals who work on the Project (including sub-contractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles; and

d. The Contractor and any subcontractor engaged on the public work shall maintain and make available

for inspection within Nevada all payroll records related to the Project.

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

11. WARRANTY.

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

12. INDEMNIFICATION/HOLD HARMLESS.

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

13. MISCELLANEOUS.

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

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

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

13.4 Boycott of Israel. If TMWA was required by NRS 338.1385 to advertise for this Agreement, by signing this Agreement, the Contractor provides a written certification that the Contractor is not currently engaged in, and during the Term shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in Section 3 of Nevada Senate Bill 26 (2017). The Contractor shall be responsible for fines, penalties, and payment of any State of Nevada or federal funds that may arise (including those that TMWA pays, becomes liable to pay, or becomes liable to repay) as a direct result of the Contractor's non-compliance with this Section."

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

13.6 Attorneys' Fees. If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

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

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

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

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

"Owner"

TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority

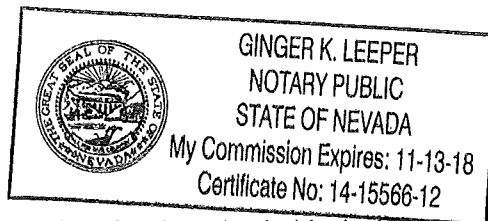
By: _____

General Manager

Date: _____

10/4/18

STATE OF Nevada)
County of Washoe) ss



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

CONTRACTOR:

By: Stephanie Tompkins
Title: Managing member
Firm: Stonehouse Drilling & Construction, LLC
Address: 7801 Lakeside Drive
City/State & Zip: Reno, Nevada 89511
Telephone: 775 432-2900
Fax: 775 331-8284
E-mail: stephanie@shdrilling.com

[Signature]
(Signature of Contractor)

DATED this 1st day of October, 2018.

ATTEST: 1st day of October, in the year 2018, before me, Ginger Leeper, /Notary Public, personally appeared or personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he (she) executed it.

WITNESS my hand and official seal.

[Signature]
Notary's Signature

L.S.

PERFORMANCE BOND

Bond No. CA2721082

WHEREAS, Contractor has by written agreement dated October 1, 20 18 entered into a contract with Truckee Meadows Water Authority for PWP Bid #WA-2018-253 and titled "Well Drilling and Construction for American Flat Road Area IPR Feasibility Study." 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 Great American Insurance Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Two Hundred Eighty Eight Thousand One Hundred Twenty Nine no/00 Dollars (\$ 288,129.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada.

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

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

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

PERFORMANCE BOND

Continued for PWP BID #WA-2018-253 and titled "Well Drilling and Construction for American Flat Road Area IPR Feasibility Study"

BY: [Signature]

[Signature]
(signature of Principle)

TITLE: Managing member

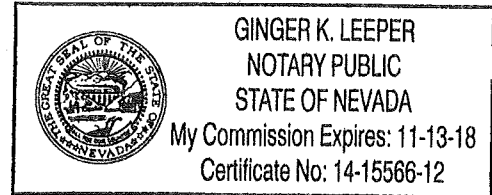
L.S.

FIRM: Stonehouse Drilling & Construction, LLC

Address: 7801 Lakeside Drive

City, State, Zip: Reno, Nevada 89511

Phone: 775 432-2900



Printed Principal's Name: Stephanie Tompkins

Attest by: [Signature]

(signature of Notary)

Subscribed and Sworn before me this 1st day of October, 2017.

Notary public for the State of Nevada

CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

Agent Information

Name of Surety	Name of Licensed Agent
Great American Insurance Company	Kevin W. Andrews
Address 301 E. 4th Street	Address P.O. Box 709210
City Cincinnati	City Sandy
State/Zip Code Ohio 45202	State/Zip Code Utah 84070
Name Kevin W. Andrews	Agent's Name Kevin W. Andrews
Title Attorney-in-Fact	Agent's Title Attorney-in-Fact
Telephone 800-360-8844	Agent's Telephone 800-360-8844
Surety's Acknowledgment: Attached	Agent's Acknowledgment: Attached
By: <u>[Signature]</u>	By: <u>[Signature]</u>

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.

Acknowledgment of Surety

STATE OF Utah

}

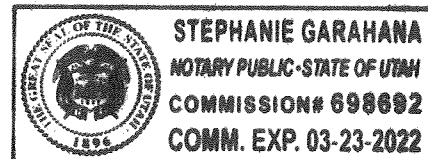
COUNTY OF Salt Lake

On this 26th day of September, 2018 before me personally appeared Kevin W. Andrews known to be the Attorney-In-Fact of Great American Insurance Company, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

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


Notary Public in the State of Utah
County of Salt Lake

(Seal)



LABOR AND MATERIAL PAYMENT BOND

Bond No. CA2721082

WHEREAS, Contractor has by written agreement dated October 1, 20 18 entered into a contract with Truckee Meadows Water Authority for **PWP Bid #WA-2018-253** and titled "**Well Drilling and Construction for American Flat Road Area IPR Feasibility Study**," 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 Great American Insurance Company, a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of Two Hundred Eighty Eight Thousand One Hundred Twenty Nine no/00 Dollars (\$ 288,129.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada

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

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

LABOR AND MATERIAL PAYMENT BOND

Continued for PWP Bid #WA-2018-253 and titled "Well Drilling and Construction for American Flat Road Area IPR Feasibility Study"

- 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]

(signature of Principle)

TITLE: Managing Member

L.S.

FIRM: Stonehouse Drilling & Construction, LLC

Address: 7801 Lakeside Drive

City, State, Zip: Reno, Nevada 89511

Phone: 775 432-2900



GINGER K. LEEPER
NOTARY PUBLIC
STATE OF NEVADA
My Commission Expires: 11-13-18
Certificate No: 14-15566-12

Printed Principal's Name: Stephanie Tompkins

Attest by: [Signature]

(signature of Notary)

Subscribed and Sworn before me this 18 day of October, 2017.

Notary public for the State of Nevada

CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

Licensed Agent Information

Name of Surety	Name of Licensed Agent
Great American Insurance Company	Kevin W. Andrews
Address 301 E. 4th Street	Address P.O. Box 709210
City Cincinnati	City Sandy
State/Zip Code Ohio 45202	State/Zip Code Utah 84070
Name Kevin W. Andrews	Agent's Name Kevin W. Andrews
Title Attorney-in-Fact	Agent's Title Attorney-in-Fact
Telephone 800-360-8844	Agent's Telephone 800-360-8844
Surety's Acknowledgment: Attached	Licensed Agent's Acknowledgment: Attached
By: <u>[Signature]</u>	By: <u>[Signature]</u>

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.

Acknowledgment of Surety

STATE OF Utah

}

COUNTY OF Salt Lake

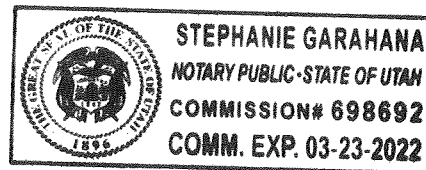
On this 26th day of September, 2018 before me personally appeared Kevin W. Andrews known to be the Attorney-In-Fact of Great American Insurance Company, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

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



Notary Public in the State of Utah
County of Salt Lake

(Seal)



GREAT AMERICAN INSURANCE COMPANY®

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

The number of persons authorized by
this power of attorney is not more than 1

Bond No. 2721082

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute on behalf of the said Company, as surety, the specific bond, undertaking or contract of suretyship referenced herein; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below. The bond number on this Power of Attorney must match the bond number on the bond to which it is attached or it is invalid.

Name	Address	Limit of Power
Kevin W. Andrews	SANDY UT	288,129.00

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 26th day of September, 2018
GREAT AMERICAN INSURANCE COMPANY
Attest



Atty L C. B.

Assistant Secretary

David C. Kitchin

Divisional Senior Vice President

DAVID C. KITCHIN (877-377-2405)

STATE OF OHIO, COUNTY OF HAMILTON - ss:

On this 26th day of September, 2018, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is a Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.



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

Susan A. Kohorst

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

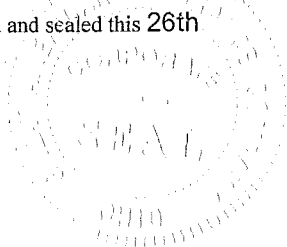
RESOLVED: That the Divisional President, the several Divisional Senior Vice Presidents, Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company,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

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

CERTIFICATION

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

Signed and sealed this 26th day of September, 2018



Atty L C. B.

Assistant Secretary



STONDRI-02

SSIMPSON

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/01/2018

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 Universal Business Insurance, Inc. P.O. Box 709210 Sandy, UT 84070	CONTACT NAME: Sue Simpson		
	PHONE (A/C, No, Ext):	FAX (A/C, No):	
	E-MAIL ADDRESS: ssimpson@ubinsurance.com		
INSURED Stonehouse Drilling & Construction 7801 Lakeside Dr Reno, NV 89511	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: EMCASCO		21407
	INSURER B: Employers Mutual Casualty Co.		21415
	INSURER C:		
	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 <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: \$1,000 Property Dmg Deductible	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5D66924	05/07/2018	05/07/2019	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5E66924	05/07/2018	05/07/2019	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 <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5J66924	05/07/2018	05/07/2019	EACH OCCURRENCE \$ 4,000,000
							AGGREGATE \$ 4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below			5H66924	05/07/2018	05/07/2019	<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)

RE: PWP#WA-2018-253 - WELL DRILLING AND CONSTRUCTION FOR AMERICAN FLAT ROAD AREA IPR FEASIBILITY

Truckee Meadows Water Authority (TMWA), its officers, employees and immune contractors are shown as additional insured on general liability & automobile liability if required by written contract & per policy terms & conditions. Waiver of Subrogation applies to General Liability, Auto Liability, and Workers Compensation if required by written contract & per policy terms & conditions.

CERTIFICATE HOLDER

CANCELLATION

Truckee Meadows Water Authority
PO Box 30013
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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTO ELITE EXTENSION

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

The BUSINESS AUTO COVERAGE FORM is amended to include the following clarifications and extensions of coverage. With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. TEMPORARY SUBSTITUTE AUTO PHYSICAL DAMAGE

Section I – Covered Autos Paragraph C. Certain Trailers, Mobile Equipment, and Temporary Substitute Autos is amended by adding the following:

If **Physical Damage Coverage** is provided by this coverage form for an "auto" you own, the **Physical Damage Coverages** provided for that owned "auto" are extended to any "auto" you do not own while used with the permission of its owner as a temporary substitute for the covered "auto" you own that is out of service because of breakdown, repair, servicing, "loss" or destruction.

The coverage provided is the same as the coverage provided for the vehicle being replaced.

B. BLANKET ADDITIONAL INSURED

Section II – Covered Autos Liability Coverage, A.1. Who Is An Insured is amended by adding the following:

Any person or organization who is a party to a written agreement or contract with you in which you agree to provide the type of insurance afforded under this Business Auto Coverage Form.

This provision applies to claims for "bodily injury" or "property damage" which occur after the execution of any written agreement or contract.

C. EMPLOYEES AS INSURED

The following is added to the **Section II – Covered Autos Liability Coverage, Paragraph A.1. Who Is An Insured** Provision:

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

D. EMPLOYEE HIRED AUTOS

1. Changes In Covered Autos Liability Coverage

The following is added to the **Who Is An Insured** Provision:

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

2. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto Coverage Form is replaced by the following:

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

- a. Any covered "auto" you lease, hire, rent or borrow; and
- b. Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

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

E. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

Section II – Covered Autos Liability Coverage, A.1. Who Is An Insured is amended by adding the following:

Any organization which you acquire or form after the effective date of this policy in which you maintain ownership or majority interest. However:

- (1) Coverage under this provision is afforded only up to 180 days after you acquire or form the organization, or to the end of the policy period, whichever is earlier.
- (2) Any organization you acquire or form will not be considered an "insured" if:
 - (a) The organization is a partnership or a joint venture; or
 - (b) That organization is covered under other similar insurance.
- (3) Coverage under this provision does not apply to any claim for "bodily injury" or "property damage" resulting from an "accident" that occurred before you formed or acquired the organization.

F. SUBSIDIARIES AS INSURED

Section II – Covered Autos Liability Coverage, A.1. Who Is An Insured is amended by adding the following:

Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, "insured" does not include any subsidiary that is an "insured" under any other automobile liability policy or was an "insured" under such a policy but for termination of that policy or the exhaustion of the policy's limits of liability.

G. SUPPLEMENTARY PAYMENTS

Section II – Covered Autos Liability Coverage, A.2.a. Coverage Extensions, Supplementary Payments (2) and (4) are replaced by the following:

- (2) Up to \$5,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (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.

H. FELLOW EMPLOYEE COVERAGE

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

Subparagraph 5. of Paragraph B. Exclusions in **Section II Covered Autos Liability Coverage** does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

I. TOWING

Section III – Physical Damage Coverage, A.2. Towing is replaced with the following:

We will pay for towing and labor costs incurred, subject to the following:

- a. Up to \$100 each time a covered "auto" of the private passenger type is disabled; or
- b. Up to \$500 each time a covered "auto" other than the private passenger type is disabled.

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

J. LOCKSMITH SERVICES

Section III – Physical Damage Coverage, A.4. Coverage Extensions is amended by adding the following:

We will pay up to \$250 per occurrence for necessary locksmith services for keys locked inside a covered private passenger "auto". The deductible is waived for these services.

K. TRANSPORTATION EXPENSES

Section III – Physical Damage Coverage, A.4. Coverage Extensions Subparagraph a. Transportation Expenses is replaced by the following:

- (1) We will pay up to \$75 per day to a maximum of \$2,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Cause Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expirations, when the covered "auto" is returned to use or we pay for its "loss".
- (2) If the temporary transportation expenses you incur arise from your rental of an "auto" of the private passenger type, the most we will pay is the amount it costs to rent an "auto" of the private passenger type which is of the same like kind and quality as the stolen covered "auto".

L. AUDIO, VISUAL, AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS

Audio, Visual, And Data Electronic Equipment Coverage Added Limits of \$5,000 Per "Loss" are in addition to the sublimit in Paragraph C.1.b. of the **Limits Of Insurance** provision under **Section III – Physical Damage Coverage**.

M. HIRED AUTO PHYSICAL DAMAGE

Section III – Physical Damage Coverage, A.4. Coverage Extensions 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 is provided for any "auto" you own, then the Physical Damage coverages provided are extended to "autos" you hire, subject to the following limit and deductible:

- (1) The most we will pay for loss to any hired "auto" is the lesser of Actual Cash Value or Cost of Repair, minus the deductible.
- (2) The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning.
- (3) Subject to the above limit and deductible provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will pay up to \$1,000, in addition to the limit above, for loss of use of a hired auto to a leasing or rental concern for a monetary loss sustained, provided it results from an "accident" for which you are legally liable.

N. AUTO LOAN OR LEASE COVERAGE

Section III – Physical Damage Coverage
Paragraph A.4. Coverage Extensions is amended by the addition of the following:

In the event of a total "loss" to a covered "auto" which is covered under this policy for Comprehensive, Specified Cause of Loss, or Collision coverage, we will pay any unpaid amount due, including up to a maximum of \$500 for early termination fees or penalties, on the lease or loan for a covered "auto", less:

1. The amount paid under the **Physical Damage Coverage Section** of the policy; and
2. Any:
 - a. Overdue lease/loan payments at the time of the "loss";
 - b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - c. Security deposits not returned by the lessor;
 - d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - e. Carry-over balances from previous loans or leases.

Coverage does not apply to any unpaid amount due on a loan for which the covered "auto" is not the sole collateral.

O. PERSONAL PROPERTY OF OTHERS

Section III – Physical Damage Coverage, A.4. Coverage Extensions is amended by adding the following:

We will pay up to \$500 for loss to personal property of others in or on your covered "auto."

This coverage applies only in the event of "loss" to your covered "auto" caused by fire, lightning, explosion, theft, mischief or vandalism, the covered "auto's" collision with another object, or the covered "auto's" overturn.

No deductibles apply to this coverage.

P. PERSONAL EFFECTS COVERAGE

Section III – Physical Damage Coverage, A.4. Coverage Extensions is amended by adding the following:

We will pay up to \$500 for "loss" to your personal effects not otherwise covered in the policy or, if you are an individual, the personal effects of a family member, that is in the covered auto at the time of the "loss".

For the purposes of this extension personal effects means tangible property that is worn or carried by an insured including portable audio, visual, or electronic devices. Personal effects does not include tools, jewelry, guns, money and securities, or musical instruments

Q. EXTRA EXPENSE FOR STOLEN AUTO

Section III – Physical Damage Coverage, A.4. Coverage Extensions is amended by adding the following:

We will pay up to \$1,000 for the expense incurred returning a stolen covered "auto" to you because of the total theft of such covered "auto". Coverage applies only to those covered "autos" for which you carry Comprehensive or Specified Causes Of Loss Coverage.

R. RENTAL REIMBURSEMENT

Section III – Physical Damage Coverage, A.4. Coverage Extensions is amended by adding the following:

1. This coverage applies only to a covered "auto" for which **Physical Damage Coverage** is provided on this policy.
2. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
3. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days.
 - a. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you; or
 - b. 30 days.
4. Our payment is limited to the lesser of the following amounts:
 - a. Necessary and actual expenses incurred; or
 - b. \$75 per day, subject to a \$2,250 limit.
5. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
6. 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 for under the Physical Damage – Transportation Expense Coverage Extension included in this endorsement.
7. Coverage provided by this extension is excess over any other collectible insurance and/or endorsement to this policy.

S. AIRBAG COVERAGE

Section III – Physical Damage Coverage, B.3.a. Exclusions is amended by adding the following:

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

T. NEW VEHICLE REPLACEMENT COST

The following is added to Paragraph C. **Limit Of Insurance of Section III – Physical Damage Coverage**

In the event of a total "loss" to your new covered auto of the private passenger type or vehicle having a gross vehicle weight of 20,000 pounds or less, to which this coverage applies, we will pay at your option:

- a. The verifiable new vehicle purchase price you paid for your damaged vehicle, not including any insurance or warranties.
- b. The purchase price, as negotiated by us, of a new vehicle of the same make, model, and equipment, or most similar model available, not including any furnishings, parts, or equipment not installed by the manufacturer or their dealership.
- c. The market value of your damaged vehicle, not including any furnishings, parts, or equipment not installed by the manufacturer or their dealership.

We will not pay for initiation or set up costs associated with a loans or leases.

For the purposes of this coverage extension a new covered auto is defined as an "auto" of which you are the original owner that has not been previously titled which you purchased less than 180 days prior to the date of loss.

U. LOSS TO TWO OR MORE COVERED AUTOS FROM ONE ACCIDENT

Section III – Physical Damage Coverage, D. Deductible is amended by adding the following:

If a Comprehensive, Specified Causes of Loss or Collision Coverage "loss" from one "accident" involves two or more covered "autos", only the highest deductible applicable to those coverages will be applied to the "accident".

If the application of the highest deductible is less favorable or more restrictive to the insured than the separate deductibles as applied in the standard form, the standard deductibles will apply.

This provision only applies if you carry Comprehensive, Collision or Specified Causes of Loss Coverage for those vehicles, and does not extend coverage to any covered "autos" for which you do not carry such coverage.

V. WAIVER OF DEDUCTIBLE – GLASS REPAIR OR REPLACEMENT

Section III – Physical Damage Coverage, D. Deductible is amended by adding the following:

If a Comprehensive Coverage deductible is shown in the Declarations it does not apply to the cost of repairing or replacing damaged glass.

W. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS

Section IV – Business Auto Conditions, A.2. Duties In The Event Of Accident, Claim, Suit Or Loss is amended by adding the following:

Your obligation to notify us promptly of an "accident", claim, "suit" or "loss" is satisfied if you send us the required notice as soon as practicable after your Insurance Administrator or anyone else designated by you to be responsible for insurance matters is notified, or in any manner made aware, of an "accident", claim, "suit" or "loss".

X. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY

Subparagraph 5. of Paragraph A. **Loss Conditions of Section IV Business Auto Conditions** is deleted in its entirety and replaced with the following.

Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

However, we waive any right of recovery we may have against any person, or organization with whom you have a written contract, agreement or permit executed prior to the "loss" that requires a waiver of recovery for payments made for damages arising out of your operations done under contract with such person or organization.

Y. UNINTENTIONAL FAILURE TO DISCLOSE EXPOSURES

Section IV – Business Auto Conditions, B.2. Concealment, Misrepresentation, Or Fraud is amended by adding the following:

If you unintentionally fail to disclose any exposures existing at the inception date of this policy, we will not deny coverage under this Coverage Form solely because of such failure to disclose. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Z. MENTAL ANGUISH

Section V – Definitions, C. is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from bodily injury, sickness or disease.

AA. LIBERALIZATION

If we revise this endorsement to provide greater coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT — AGGREGATE LIMITS OF INSURANCE (PER PROJECT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The General Aggregate Limit under LIMITS OF INSURANCE (Section III) applies separately to each of your projects away from premises owned by or rented to you.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS –
AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION CONTRACT OR
AGREEMENT INCLUDING COMPLETED OPERATIONS – PRIMARY AND
NONCONTRIBUTORY**

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Section II – Who Is An Insured is amended to include as an additional insured:

1. Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy; and
2. Any other person or organization you are required to add as an additional insured under the contract or agreement described in Paragraph 1. above.

Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf;

in the performance of:

- a. your ongoing operations for the additional insured; or
- b. "Your work" for the additional insured and included in the "products – completed operations hazard".

However, the insurance afforded to such additional insured described above:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury," "property damage" and "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services including:

- a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports,

surveys, field orders, change orders or drawings and specifications; or

- b. Supervisory, inspection, architectural or engineering activities.

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 the 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.

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

The most we will pay on behalf of the additional insured is the amount of insurance:

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

whichever is less.

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

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

Primary and Noncontributory Insurance

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

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

E. All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY ELITE EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended to include the following clarifications and extensions of coverage. The provisions of the Coverage Form apply unless modified by endorsement.

A. EXPECTED OR INTENDED INJURY

Section I – Coverage A, Exclusion **a.** is amended as follows:

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

B. NON-OWNED WATERCRAFT

Section I – Coverage A, Exclusion **g.(2)** is amended as follows:

- (2) A watercraft you do not own that is:
 - (a) Less than 60 feet long; and
 - (b) Not being used to carry person(s) or property for a charge;

C. EXTENDED PROPERTY DAMAGE COVERAGE

Section I – Coverage A, Exclusions **j.(3)** and **(4)** is amended to add the following:

Paragraphs **(3)** and **(4)** of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

SCHEDULE	
Limits Of Insurance	Deductible
\$5,000 Each Occurrence	\$250 Per Claim
\$10,000 Annual Aggregate	

- a. The each occurrence limit listed above is the most we will pay for all damages because of "property damage" to property in the care, custody and control of or property loaned to an insured as the result of any one "occurrence", regardless of the number of:

- (1) insureds;
- (2) claims made or "suits" brought;
- (3) persons or organizations making claims or bringing "suits".

The aggregate limit listed above is the most we will pay for all damages because of "property damage" to property in the care custody and control of or property loaned to an insured during the policy period.

Any payment we make for damages because of "property damage" to property in the care, custody and control of or property loaned to an insured will apply against the General Aggregate Limit shown in the declarations.

- b. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible amount listed above. We may pay any part or all of the deductible amount listed above. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and upon notification by us, you will promptly reimburse us for that part of the deductible we paid.
- c. If two or more coverages apply under one "occurrence", only the highest per claim deductible applicable to these coverages will apply.
- d. Insurance provided by this provision is excess over any other insurance, whether primary, excess, contingent or any other basis. Since insurance provided by this endorsement is excess, we will have no duty to defend any claim or "suit" to which insurance provided by this endorsement applies if any other insurer has a duty to defend such a claim or "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

D. PROPERTY DAMAGE – ELEVATORS

Section I – Coverage A.2. Exclusions paragraphs **j.(3)**, **j.(4)**, **j.(6)** and **k.** do not apply to use of elevators. This insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured and **Section IV – Commercial General Liability Conditions** paragraph **4. Other Insurance** is changed accordingly.

E. FIRE, LIGHTNING OR EXPLOSION DAMAGE

Except where it is used in the term "hostile fire", the word fire includes fire, lightning or explosion wherever it appears in the Coverage Form.

Under **Section I – Coverage A**, the last paragraph (after the exclusions) is replaced with the following:

Exclusions c. through n. do not apply to damage by fire, 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 this coverage as described in **Section III – Limits of Insurance**.

F. MEDICAL PAYMENTS

If **Section I – Coverage C. Medical Payments Coverage** is not otherwise excluded from this Coverage Form:

The requirement, in the Insuring Agreement of Coverage C., that expenses must be incurred and reported to us within **one year** of the accident date is changed to **three years**.

G. SUPPLEMENTARY PAYMENTS

Supplementary Payments – Coverages A and B paragraphs 1.b. and 1.d. are replaced by the following:

1.b. Up to \$5,000 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.

1.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.

H. SUBSIDIARIES AS INSURED

Section II – Who Is An Insured is amended to add the following:

1.f. Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, insured does not include any subsidiary that is an insured under any other general liability policy, or would have been an insured under such a policy but for termination of that policy or the exhaustion of that policy's limits of liability.

I. BLANKET ADDITIONAL INSURED – AS REQUIRED BY CONTRACT

1. **Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) subject to provisions in Paragraph 2. below, (hereinafter referred to as additional insured) when you and such person(s) or organization(s) have agreed in a written contract or written agreement that such person(s) or organization(s) be added as an additional insured on your policy provided that the written contract or agreement is:

- a. Currently in effect or becomes effective during the policy period; and
- b. Executed prior to an "occurrence" or offense to which this insurance would apply.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured; and
- c. Applies only if the person or organization is not specifically named as an additional insured under any other provision of, or endorsement added to, **Section II – Who Is An Insured** of this policy.

2. As provided herein, the insurance coverage provided to such additional insureds is limited to:

- a. Any Controlling Interest, but only with respect to their liability arising out of their financial control of you; or premises they own, maintain, or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- b. Any architect, engineer, or surveyor engaged by you but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations.

With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, 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 services by or for you.

- c. Any manager or lessor of a premises leased to you, but only with respect to liability arising out of the ownership, maintenance or use of that part of a premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.
- d. Any state or governmental agency or subdivision or political subdivision, subject to the following:
 - (1) This insurance applies only with respect to the following hazards for which any state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:
 - (a) The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, 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.
 - (2) This insurance applies only with respect to operations performed by you or on your behalf for which any state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

This insurance does not apply to:

- (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".
- e. Any vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

With respect to the insurance afforded to these vendors, the following additional exclusions apply:

- (1) The insurance afforded any vendor does not apply to:
 - (a) "Bodily injury" or "property damage" for which any vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that any vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by any vendor;
 - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (e) Any failure to make such inspections, adjustments, tests or servicing as any vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at any vendor's premises in connection with the sale of the product;
 - (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for any vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of any vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or
- (ii) Such inspections, adjustments, tests or servicing as any vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

- f. Any Mortgagee, Assignee Or Receiver, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- g. Any Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you.

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

(1) This insurance does not apply to:

- (a) Any "occurrence" which takes place after you cease to lease that land;
- (b) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

- h. Any person or organization from whom you lease equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- i. Any Owners, Lessees, or Contractors for whom you are performing operations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- (1) Your acts or omissions; or
- (2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

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

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

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

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.

- (2) "Bodily injury" or "property damage" occurring after:

- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- j. Any Grantor of Licenses to you, but only with respect to their liability as grantor of licenses to you.
- Their status as additional insured under this endorsement ends when:
- 1. The license granted to you by such person(s) or organization(s) expires; or
 - 2. Your license is terminated or revoked by such person(s) or organization(s) prior to expiration of the license as stipulated by the contract or agreement.
- k. Any Grantor of Franchise, but only with respect to their liability as grantor of a franchise to you.
- l. Any Co-owner of Insured Premises, but only with respect to their liability as co-owner of any insured premises.
- m. Any Concessionaires Trading Under Your Name, but only with respect to their liability as a concessionaire trading under your name.
3. Any insurance provided to any additional insured does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence or willful misconduct of the additional insured or its agents, "employees" or any other representative of the additional insured.
4. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits of Insurance**:
- If coverage provided to any 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.

J. COVERAGE FOR INJURY TO CO-EMPLOYEES AND/OR YOUR OTHER VOLUNTEER WORKERS

Section II – Who is an Insured, paragraph 2.a. (1) is amended to add the following:

- e. Paragraphs (a), (b), and (c) do not apply to your "employees" or "volunteer workers" with respect to "bodily injury" to a co-"employee" or other "volunteer worker".

Damages owed to an injured co-"employee" or "volunteer worker" will be reduced by any amount paid or available to the injured co-"employee" or "volunteer worker" under any other valid and collectible insurance.

K. HEALTH CARE SERVICE PROFESSIONALS AS INSUREDS - INCIDENTAL MALPRACTICE

Section II – Who is an Insured, paragraph 2.a. (1) (d) is amended as follows:

This provision does not apply to Nurses, Emergency Medical Technicians, or Paramedics who provide professional health care services on your behalf.

However this exception does not apply if you are in the business or occupation of providing any such professional services.

L. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

Section II – Who Is An Insured, paragraph 3.a. is replaced by the following:

- 3.a. Coverage under this provision is afforded until the end of the policy period.

This provision does not apply if newly formed or acquired organizations coverage is excluded either by the provisions of the Coverage Form or by endorsements.

M. DAMAGE TO PREMISES RENTED TO YOU

Section III – Limits of Insurance, paragraph 6. is replaced by the following:

Subject to 5.a. above, the Damage To Premises Rented To You Limit, or \$500,000, whichever is higher, is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, smoke or leakage from automatic protection systems, while rented to you or temporarily occupied by you with permission of the owner.

N. MEDICAL PAYMENTS – INCREASED LIMITS

Section III – Limits of Insurance, paragraph 7. is replaced by the following:

- 7. Subject to paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:

(a) \$10,000; or

- (b) The amount shown on the Declarations of this Coverage Part for Medical Expense Limit.

O. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Section IV – Commercial General Liability Conditions paragraph 2. is amended to add the following:

- e. The requirement in Condition 2.a. that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim, applies only when the "occurrence" or offense is known to:
- (1) You, if you are an individual or a limited liability company;
 - (2) A partner, if you are a partnership;
 - (3) A member or manager, if you are a limited liability company;
 - (4) An "executive officer" or insurance manager, if you are a corporation; or
 - (5) A trustee, if you are a trust.
- f. The requirement in Condition 2.b. that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:
- (1) You, if you are an individual or a limited liability company;
 - (2) A partner, if you are a partnership;
 - (3) A member or manager, if you are a limited liability company;
 - (4) An "executive officer" or insurance manager, if you are a corporation; or
 - (5) A trustee, if you are a trust.

P. PRIMARY AND NONCONTRIBUTORY – ADDITIONAL INSURED EXTENSION

Section IV – Commercial General Liability Conditions paragraph 4. **Other Insurance** is amended to add the following:

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

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured. However, if the additional insured has been added as an additional insured on other policies, whether primary, excess, contingent or on any other basis, this insurance is excess over any other insurance regardless of the written agreement between you and an additional insured.

Q. UNINTENTIONAL FAILURE TO DISCLOSE EXPOSURES

Section IV – Commercial General Liability Conditions paragraph 6. **Representations** is amended to add the following:

If you unintentionally fail to disclose any exposures existing at the inception date of your policy, we will not deny coverage under the Coverage Form solely because of such failure to disclose. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

This provision does not apply to any known injury or damage which is excluded under any other provision of this policy.

R. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

Section IV – Commercial General Liability Condition paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement 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".

S. MENTAL ANGUISH

Section V – Definition 3. is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from bodily injury, sickness or disease.

T. LIBERALIZATION

If we revise this endorsement to provide greater coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 03 13
(Ed. 04-84)****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.

Any person or organization as required by written contract 1,071.00

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	5/7/2018	Policy No.	KWC1127019	Endorsement No.	0
Insured	Stonehouse Drilling & Construction			Premium \$	34452
Insurance Company	AmTrust Insurance Company of Kansas, Inc.				

Countersigned by _____



**WC 00 03 13
(Ed. 04-84)**