

CITY OF LINCOLN CITY

LINCOLN CITY COUNCIL AGENDA

MONDAY March 8, 2021 6:00 PM

6:00 PM - The Lincoln City Council for March 8, 2021 will be held via Zoom. The City Council Chambers will be open and the meeting will be broadcast live in the Council Chambers. It will also be live on Channel 4 and through streaming on the web at [www.lincolncity.org](http://www.lincolncity.org).

Public comments can be submitted to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org), by attending the City Council meeting, or by attending through Zoom invitation.

Public comments submitted by email to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) will be summarized and entered into the record.

Citizens present in the Council Chambers will be given the opportunity to comment via Zoom. Laptops will be set up for those comments. Citizens present in the Council Chambers will be required wear a face covering and must observe social distancing. A member of the Information Technology staff will be present during the meeting to assist with any technical issues.

Citizens requesting to give public comment via Zoom must email [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) no later than 12 pm on the meeting day. The request must include the person's name, the subject the person wishes to address and the Zoom screen name the person intends to use for the meeting. A Zoom invitation will be sent to the person requesting prior to the meeting. Persons who will give public comment via Zoom will be placed in a Zoom waiting room upon entering the meeting until the public comment portion of the meeting at which time they will be admitted into the meeting through Zoom.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, for a hearing impaired device, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to the City Recorder, 541-996-1203.

The Lincoln City Council reserves the right to add or delete items as needed, change the order of the agenda, and discuss any other business deemed necessary at the time of the meeting.

All information for this meeting is available at [www.lincolncity.org](http://www.lincolncity.org) under "Agenda, Packets & Video". This meeting will be televised on Channel 4. For additional rebroadcast times, please consult the Channel 4 guide on the hour.

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. PLEDGE OF ALLEGIANCE**

**D. CONSENT AGENDA**

1. Regular Meeting – Minutes of Regular Meeting – February 22, 2021 6:00 PM
2. Attached for Council approval are meeting minutes from the February 22, 2021 Joint Meeting of the Urban Renewal Agency and City Council

**E. COUNCIL DELIBERATIONS**

**F. COMMENTS FROM CITIZENS PRESENT ON AGENDA/NON-AGENDA ITEMS**

3. Public Comment

**G. PRESENTATIONS**

**H. PUBLIC HEARING / ORDINANCE**

**I. PUBLIC HEARINGS / PUBLIC COMMENTS**

**J. ORDINANCES**

**K. RESOLUTIONS**

1. RESOLUTION NO. 2021-12 A RESOLUTION OF THE CITY OF LINCOLN CITY, ESTABLISHING FEES AND CHARGES FOR ADJUSTMENTS UNDER CHAPTER 17.74 (DESIGN STANDARDS)

**L. SPECIAL ORDER OF BUSINESS**

2. Budget Committee Interview- Nancy Moore
3. Request for Appointment to Driftwood Public Library Board - Carolyn Wilson
4. Request for Re-Appointment to Driftwood Public Library Board - Tamara Ahmuty
5. Request for Appointment to Driftwood Public Library Board - Richard Townsend
6. Request for Re-Appointment to Driftwood Public Library Board -Sheila Stevens
7. FEMA Grant Application Approval
8. RESOLUTION NO. 2021-13 A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE TEMPORARY CLOSURE OF NW 33rd STREET AT HIGHWAY 101
9. Water Treatment Plant Generator Award
10. Department Report - Public Works
11. COVID-19 Update
12. Echo Mountain Complex Fire Update

**M. CITY MANAGER/CITY ATTORNEY REPORTS**

**N. ACTIONS, IF ANY, BASED ON WORK SESSION OR EXECUTIVE SESSION**

**O. ADDITIONAL COMMENTS FROM CITIZENS PRESENT ON NON-AGENDA ITEMS**

**P. ANNOUNCEMENTS OR COMMENTS BY CITY COUNCIL**

**Q. ADJOURNMENT**

CITY OF LINCOLN CITY

CITY COUNCIL MINUTES OF MEETING

February 22, 2021, 6:00 PM

The final minutes for this meeting are supplemented by an electronic recording of the meeting, which may be viewed online at [www.lincolncity.org](http://www.lincolncity.org) under the tab "Agendas, Packets and Videos". The staff reports, resolutions, ordinances, and other documents related to this meeting are also available at the same location. This meeting is rebroadcast on Cable Channel 4. (See Channel 4 guide on the hour at <http://www2.lincolncity.org/program-guide/>).

APPROVED BY CITY COUNCIL

DATE:

A. CALL TO ORDER

B. ROLL CALL

Council President Casper called the meeting to order. Council President Casper advised the public that there are now three ways to provide public comment.

1. Comments can be made through email to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org);
2. Comments can be made via Zoom if a request is emailed to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) by 12 pm on the meeting day;
3. Comments can be made in person at the Council Chambers (COVID-19 precautions are taken).

Attendee Name	Title	Status	Arrived
Judy Casper	Councilor Ward 3	Present	6:00 PM
Diana Hinton	Councilor Ward 1	Present	6:00 PM
Riley Hoagland	Councilor Ward 2	Present	6:00 PM
Rick Mark	Councilor Ward 3	Present	6:00 PM
Mitch Parsons	Councilor Ward 1	Present	6:00 PM
Anne Marie Skinner	Councilor Ward 2	Present	6:00 PM
Vacant	Mayor		

Staff Present: Ron Chandler, City Manager; Richard Appicello, City Attorney; Chief Palmer, Lincoln City Police Department; Abigail Edwards, Human Resources Director; Alison Robertson, Economic Development and Urban Renewal Director; Ed Dreistadt, ELC Director; Jeanne Sprague, Parks and Recreation Director; Lila Bradley, Public Works Director; Debbie Bridges, Finance Director; Tony LaSoya, I.T. Director; Jamie Young, City Recorder.

**C. PLEDGE OF ALLEGIANCE**

*Skipped due to the meeting being held remotely.*

**D. CONSENT AGENDA**

*Councilor Casper asked to pull item number 2 for discussion.*

1. Regular Meeting – Minutes of Regular Meeting – February 8, 2021, 6:00 PM

<b>MOTION:</b>	<b>MOTION TO ACCEPT CITY COUNCIL MINUTES - REGULAR MEETING - FEB 8, 2021, 6:00 PM</b>
<b>MOVER:</b>	<b>Rick Mark, Councilor Ward 3</b>
<b>SECONDER:</b>	<b>Mitch Parsons, Councilor Ward 1</b>
<b>AYES:</b>	Casper, Hinton, Hoagland, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed</b>

2. Ordinances addressing the use of Lyft/Uber

<b>MOTION:</b>	<b>MOTION TO DIRECT STAFF TO LOOK AT OTHER OREGON CITIES ORDINANCES PERTAINING TO LYFT/UBER AND RETURN WITH OPTIONS</b>
<b>MOVER:</b>	<b>Riley Hoagland, Councilor Ward 2</b>
<b>SECONDER:</b>	<b>Anne Marie Skinner, Councilor Ward 2</b>
<b>AYES:</b>	Hinton, Hoagland, Mark, Parsons, Skinner
<b>NAYS:</b>	Casper
<b>RESULT:</b>	<b>Passed</b>

3. Oregon Liquor Control Commission - Request for Full On-Premises and Off-Premises Liquor License for 88 Grains Asian Fusion Bar LLC

<b>MOTION:</b>	<b>MOTION TO ACCEPT OREGON LIQUOR CONTROL COMMISSION - REQUEST FOR FULL ON-PREMISES AND OFF-PREMISES LIQUOR LICENSE</b>
<b>MOVER:</b>	<b>Rick Mark, Councilor Ward 3</b>
<b>SECONDER:</b>	<b>Mitch Parsons, Councilor Ward 1</b>
<b>AYES:</b>	Casper, Hinton, Hoagland, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed</b>

**E. COUNCIL DELIBERATIONS****F. COMMENTS FROM CITIZENS PRESENT ON AGENDA/NON-AGENDA ITEMS**

4. Public Comments

*Mr. Chandler said there are three public comments that were submitted before the publishing of the agenda; they are in the packet.*

*Tina French spoke regarding the rollout of the compostable carts.*

**G. PRESENTATIONS****H. PUBLIC HEARINGS / PUBLIC COMMENTS**

1. NE 14th Street Local Improvement District Public Hearing

*Mr. Chandler read comments from Timothy Tuffield and Daron Wilson regarding the local improvement district (LID).*

<b>MOTION:</b>	<b>MOTION TO CLOSE THE PUBLIC HEARING AND PUBLIC RECORD FOR NE 14TH STREET LOCAL IMPROVEMENT DISTRICT</b>
<b>MOVER:</b>	<b>Rick Mark, Councilor Ward 3</b>
<b>SECONDER:</b>	<b>Anne Marie Skinner, Councilor Ward 2</b>
<b>AYES:</b>	Casper, Hinton, Hoagland, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed via Voice Vote</b>

I. **ORDINANCES**

2. ORDINANCE NO. 2021-06 AN ORDINANCE OF THE CITY OF LINCOLN CITY AMENDING THE LINCOLN CITY MUNICIPAL CODE, TITLE 8 (HEALTH AND SAFETY), AMENDING CHAPTER 8..16 (SOLID WASTE), MODIFYING SECTION 8.16.110and 8.16.115 TO RECOGNIZE COMPOSTING AS INCLUDED IN RECOGNIZED EXEMPTIONS.

<b>MOTION:</b>	<b>MOTION TO DIRECT STAFF TO RETURN WITH A RESOLUTION IN 90 DAYS</b>
<b>MOVER:</b>	<b>Mitch Parsons, Councilor Ward 1</b>
<b>SECONDER:</b>	<b>Riley Hoagland, Councilor Ward 2</b>
<b>AYES:</b>	Casper, Hinton, Hoagland, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed via Voice Vote</b>

*Councilor Mark said that the composting is a result of the state mandate. Councilor Mark asked if the Council rejects the ordinance is there a penalty. Ms. French said yes, but she is not sure what the penalty would be. Ms. French said that the penalty could be picking more programs to meet the goal. Ms. French said the exemption is for full garbage service, you cannot select which services; you can be exempt or file for a reduction. You can file an affidavit with the City if you meet the requirements. Mr. Appicello said that it is a code violation to not have solid waste service. Councilor Skinner asked Mr. Appicello about comparing the City's list with North Lincoln Sanitary and setting a deadline. Mr. Appicello is going to bring it up at the next Code Enforcement meeting. Ms. Bridges commented that it's a very complicated project and time-consuming and it has been done a few times before.*

<b>MOTION:</b>	<b>FIRST READING ORDINANCE NO. 2021-06 AN ORDINANCE OF THE CITY OF LINCOLN CITY AMENDING THE LINCOLN CITY MUNICIPAL CODE, TITLE 8 (HEALTH AND SAFETY), AMENDING CHAPTER 8..16 (SOLID WASTE)</b>
<b>MOVER:</b>	<b>Anne Marie Skinner, Councilor Ward 2</b>
<b>SECONDER:</b>	<b>Riley Hoagland, Councilor Ward 2</b>
<b>AYES:</b>	Casper, Hinton, Hoagland, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed by Roll Call Vote</b>

**MOTION:** SECOND READING ORDINANCE NO. 2021-06 AN ORDINANCE OF THE CITY OF LINCOLN CITY AMENDING THE LINCOLN CITY MUNICIPAL CODE, TITLE 8 (HEALTH AND SAFETY), AMENDING CHAPTER 8..16 (SOLID WASTE)

**MOVER:** Rick Mark, Councilor Ward 3

**SECONDER:** Mitch Parsons, Councilor Ward 1

**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner

**RESULT:** Passed by Roll Call Vote

## J. RESOLUTIONS

5. RESOLUTION NO. 2021-10 A RESOLUTION OF THE CITY OF LINCOLN AMENDING RESOLUTION 2021-06 CONCERNING DISPLACED LINCOLN COUNTY RESIDENTS CAUSED BY THE ECHO MOUNTAIN COMPLEX FIRE

*Mr. Appicello said that he wanted to add the TurnKey property to the list authorized for extended stay for the duration of the emergency.*

**MOTION:** MOTION TO ADOPT RESOLUTION NO. 2021-10 A RESOLUTION OF THE CITY OF LINCOLN AMENDING RESOLUTION 2021-06 CONCERNING DISPLACED LINCOLN COUNTY RESIDENTS CAUSED BY THE ECHO MOUNTAIN COMPLEX FIRE

**MOVER:** Anne Marie Skinner, Councilor Ward 2

**SECONDER:** Diana Hinton, Councilor Ward 1

**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner

**RESULT:** Passed by Roll Call Vote

6. RESOLUTION NO. 2021-11 A RESOLUTION OF THE CITY OF LINCOLN CITY, ADOPTING FEES AND CHARGES FOR CHAPTER 12.16 (PARK USE REGULATIONS AND EXCLUSIVE USE PERMITS) ESTABLISHING FEES AND CHARGES

*No Citizens present for comment. Councilor Hoagland asked how the amounts are determined. Ms. Sprague said that the price is comparable to the same space in the large meeting room in the other part of the Community Center. Mr. Chandler pointed out that based on having use for eight hours a day, for a year, would be approximately \$1000 per week. The City Council has the right to waive the fee on annual basis or to pay the fees on behalf of a non-profit. That discussion comes up during the budget process.*

**MOTION:** MOTION TO ADOPT RESOLUTION NO. 2021-11 A RESOLUTION OF THE CITY OF LINCOLN CITY, ADOPTING FEES AND CHARGES FOR CHAPTER 12.16 (PARK USE REGULATIONS AND EXCLUSIVE USE PERMITS) ESTABLISHING FEES AND CHARGES

**MOVER:** Riley Hoagland, Councilor Ward 2

**SECONDER:** Mitch Parsons, Councilor Ward 1

**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner

**RESULT:** Passed via Voice Vote

## K. SPECIAL ORDER OF BUSINESS

7. Appointment to Arts Committee - Applicants Niki Price & Krista Eddy

**MOTION:** MOTION TO RE-APPOINT TO ARTS COMMITTEE APPLICANTS NIKI PRICE & KRISTA EDDY  
**MOVER:** Riley Hoagland, Councilor Ward 2  
**SECONDER:** Mitch Parsons, Councilor Ward 1  
**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed via Voice Vote

8. Appointment to Arts Committee - Applicant Carolyn Wilson

**MOTION:** MOTION TO APPOINT TO ARTS COMMITTEE APPLICANT CAROLYN WILSON  
**MOVER:** Mitch Parsons, Councilor Ward 1  
**SECONDER:** Riley Hoagland, Councilor Ward 2  
**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed via Voice Vote

9. Continued Municipal Court Discussion

*Mr. Appicello said that his recommendation has not changed on this matter. The Finance staff is concerned about cost and the Police Department is concerned with the increased time. Mr. Appicello recommends continuing to move forward and objects to the document from the Sheriff's office. Councilor Hinton asked if there is another way to get tickets paid. Chief Palmer explained that the Circuit Court and District Attorney's office went through a similar issue. They implemented a program that required agencies to submit paperwork within ten days and then the trial court makes contact with the defendant right away, to get the process moving. Chief Palmer said that he spoke with Mr. Appicello about increasing the efficiency of our Court and would like to mirror the Circuit Court. Ms. Bridges commented that we saved \$150,000 in 1996 and did not lose any revenue when the court cases were transferred to Circuit Court. Councilor Hinton asked if a failure to appear would turn a traffic ticket into a criminal offense, Mr. Appicello confirmed that was correct.*

**MOTION:** MOTION TO DIRECT STAFF TO IMPROVE CURRENT PROGRAM; INCLUDING ADDITIONAL TIME FOR MUNICIPAL COURT JUDGE AND STAFF, TO REDUCE FAILURE TO APPEAR  
**MOVER:** Diana Hinton, Councilor Ward 1  
**SECONDER:** Anne Marie Skinner, Councilor Ward 2  
**AYES:** Casper, Hinton, Hoagland, Mark, Parsons, Skinner  
**RESULT:** Passed via Voice Vote

10.

**MOTION:** MOTION TO DIRECT CITY ATTORNEY TO DRAFT AN ORDINANCE TO BECOME A COURT OF RECORD  
**MOVER:** Mitch Parsons, Councilor Ward 1  
**SECONDER:** Anne Marie Skinner, Councilor Ward 2  
**AYES:** Hoagland, Parsons, Skinner  
**NAYS:** Casper, Hinton, Mark  
**RESULT:** Failed by Voice Vote

11. Driftwood Public Library Departmental Report

*Kirsten Brodbeck-Kenney, Driftwood Public Library Director, gave a departmental report.*

**12. COVID-19 Update**

*Mr. Chandler said that the Governor will be being reviewing the risk level and he is hopeful to see that status drop lower. With a new classification, the Community Center indoor capacity could increase to 100, still using masks and social distancing. Outdoor capacity at the Community Center would increase to 150.*

**13. Echo Mountain Complex Update**

*Mr. Chandler said the FEMA temporary housing for displaced families on Logan Road is scheduled to be completed at the end of February with mobile homes arriving the first week of March. Mr. Chandler said the Grange in Otis continues to do marvelous work helping Echo Mountain Fire victims. Last Saturday several people provided meals for volunteers working at the Grange.*

**L. CITY MANAGER/CITY ATTORNEY REPORTS****14. Proposed Schedule for City Council Work Meeting**

*Mr. Chandler asked to schedule work sessions. Council selected March 15th and March 29th at 4:30 PM.*

**M. ACTIONS, IF ANY, BASED ON WORK SESSION OR EXECUTIVE SESSION****N. ADDITIONAL COMMENTS FROM CITIZENS PRESENT ON NON-AGENDA ITEMS**

*No Citizens present for comment*

**O. ANNOUNCEMENTS OR COMMENTS BY CITY COUNCIL**

*Councilor Parsons said that the Newport News-Times is reporting that Lincoln County will move to a low-risk COVID-19 category. Councilor Mark says that he reviews the COVID rates by state and county and that Lincoln County has been reporting very low COVID case counts.*

*Councilor Hoagland commented that the plaque at the Police Department is plastic. Councilor Hoagland asked for a price quote to get a brass plaque made.*

*Councilor Hoagland said that during the king tides about a month ago, there were several residents on SE 2nd Street having to use canoes to access their homes due to the road being underwater. Councilor Hoagland would like to see about dredging the canal.*

*Councilor Hoagland said that there have been reports of cars accessing the beach at Canyon Way and would like to see about preventing that from happening.*

*Councilor Hoagland said he would like to see some decorative metalwork on the two bridges that are being repaired.*

*Councilor Hoagland spoke with Sheriff Landers about evacuation routes. Councilor Hoagland suggested permanent reader boards along the highway. Sheriff Landers and Senator Kurt Schrader were in support of this idea.*

*Councilor Casper said that Pearls of Wisdom, the fundraiser for Oregon Coast Community College, is coming up on March 6, 2021, 5-6:30 PM. It will be held live via Zoom. The cost is \$75. More information can be found at [foundation@oregoncoast.edu](mailto:foundation@oregoncoast.edu).*

**P. ADJOURNMENT**

*Meeting adjourned at 8:49 PM*

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JUDY CASPER, COUNCIL PRESIDENT

ATTEST:

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JAMIE YOUNG, CITY RECORDER

## Council Communication

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### Minutes from the February 22, 2021 Joint Meeting of the URA/CC

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

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Attached for Council approval are meeting minutes from the February 22, 2021, Joint Meeting of the Urban Renewal Agency and City Council.

**Attachments:**

URA Minutes\_Joint Meeting (PDF)

CITY OF LINCOLN CITY

CITY COUNCIL AND URBAN RENEWAL AGENCY MINUTES OF MEETING

February 22, 2021, 6:00 PM

The final minutes for this meeting are supplemented by an electronic recording of the meeting, which may be viewed online at [www.lincolncity.org](http://www.lincolncity.org) under the tab "Agendas, Packets and Videos". The staff reports, resolutions, ordinances, and other documents related to this meeting are also available at the same location. This meeting is rebroadcast on Cable Channel 4. (See Channel 4 guide on the hour at [www.lcprogramguide.org](http://www.lcprogramguide.org).)

APPROVED BY URBAN RENEWAL AGENCY AND  
CITY COUNCIL

DATE: \_\_\_\_\_

**A. CALL TO ORDER**

Councilor/Agency Member Casper called the meeting to order and explained the meeting will be broadcast live in the Council Chambers. It will also be live on Channel 4 and through streaming on the web at [www.lincolncity.org](http://www.lincolncity.org).

Public comments can be submitted to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org), by attending the City Council meeting, or by attending through Zoom invitation.

Public comments submitted by email to [publiccomment@lincolncity.org](mailto:publiccomment@lincolncity.org) will be summarized and entered into the record.

**B. ROLL CALL**

Attendee Name	Title	Status	Arrived
Riley Hoagland	Agency Member/Councilor Ward 2	Present	5:00 PM
Diana Hinton	Agency Member/Councilor Ward 1	Present	5:00 PM
Judy Casper	Agency Member/Councilor Ward 2	Present	5:00 PM
Rick Mark	Agency Member/Councilor Ward 3	Present	5:00 PM
Mitch Parsons	Agency Member/Councilor Ward 3	Present	5:00 PM
Anne Marie Skinner	Agency Member/Councilor Ward 2	Present	5:00 PM
Vacant	Agency Member	Present	5:00 PM

Staff Present: Ron Chandler, City Manager; Richard Appicello, City Attorney; Alison Robertson, Economic Development and Urban Renewal Director; Tony LaSoya, I.T. Director; Sungman "Simon" Kim, Planning Director; Debbie Bridges, Finance Director; Jamie Young, City Recorder.

C. COMMENTS FROM CITIZENS PRESENT

No Citizens Present for comment

D. MINUTES OF MEETING

- 1. Minutes of September 21, 2020, Urban Renewal Meeting
- 2. Minutes of January 25, 2021, Urban Renewal Meeting

Councilor Hinton had two corrections to the minutes of January 25, 2021.

<b>MOTION:</b>	<b>Motion to Adopt Minutes for September 21, 2020, and January 25, 2021, as Corrected.</b>
<b>MOVER:</b>	<b>Diana Hinton, Councilor Ward 1</b>
<b>SECONDER:</b>	<b>Mitch Parsons, Councilor Ward 3</b>
<b>AYES:</b>	Hoagland, Hinton, Casper, Mark, Parsons, Skinner
<b>RESULT:</b>	<b>Passed via Voice Vote</b>

E. SPECIAL ORDER OF BUSINESS/PRESENTATIONS

- 3. Submission of City and Urban Renewal Audited Statements

Tim Gillette and Jason Romney with TKW (Talbot, Korvola & Warwick, LLP.), presented the findings of their audit of the City and Urban Renewal Agency's Financial Statements. Debbie Bridges said the financial statements are available to view on the City's website. Mr. Romney said there was one over expenditure in the general fund of approximately \$40,000. Councilor/Member Mark asked about the over expenditure. Ms. Bridges replied there were two items; unemployment and an IRS penalty. These are unexpected expenses that come in and the department in total was under budget. Councilor/Member Hoagland asked for an explanation of the \$25,000 penalty. Ms. Bridges said it was a late submission and she has filed a letter of protest. Mr. Romney stated they identified a significant deficiency in the timeliness of reviewing journal entries, bank reconciliation, accounts payable, sub-ledger, fuel card invoices. It has also been reported in previous years. There were also items found classified incorrectly or in the wrong period. Councilor/Member Skinner asked how this will be fixed. Ms. Bridges asked Mr. Gillette to assist in getting this removed. Councilor/Member Hinton thanked everyone for all the hard work.

F. PUBLIC HEARINGS/PUBLIC COMMENT

- 4. Disposition of City Property NE 25<sup>th</sup> for Affordable Workforce Housing

Mr. Appicello presented the staff report and stated this was primarily for site control for purposes of making applications for funding.

No Citizens present for comment.

**MOTION:** Motion to Close Hearing and Record for Disposition of City Property NE 25<sup>th</sup> for Affordable Workforce Housing.  
**MOVER:** Rick Mark, Agency Member/Councilor Ward 3  
**SECONDER:** Mitch Parsons, Councilor Ward 3  
**AYES:** Hoagland, Hinton, Casper, Mark, Parsons, Skinner  
**RESULT:** Passed via Voice Vote

**G. RESOLUTIONS**

5. Joint Resolution 2021-01 (Option Agreement- Disposition of Real Property for Affordable Housing)

Councilor/Member Mark asked if the housing would be affordable housing or workforce housing. Ms. Robertson said the housing will be both affordable and workforce housing. Councilor Hoagland asked if we are disposing of the property now. Mr. Appicello said this is for option agreement. There will be a hearing at a later date for the options.

**MOTION:** Motion to Approve Joint Resolution 2021-01  
**MOVER:** Anne Marie Skinner, Member/Councilor Ward 2  
**SECONDER:** Rick Mark, Agency Member/Councilor Ward 3  
**AYES:** Hoagland, Hinton, Casper, Mark, Parsons, Skinner  
**RESULT:** Passed via Roll Call Vote

**H. ACTIONS, IF ANY, BASED ON EXECUTIVE SESSION/WORK SESSION**

**I. AGENCY MEMBER/CITY COUNCILOR COMMENTS**

**J. ADJOURNMENT**

Agency Member/Councilor Casper Adjourned the Meeting at 5:59 PM

\_\_\_\_\_  
JUDY CASPER, AGENCY MEMBER/COUNCILOR

ATTEST:

\_\_\_\_\_  
JAMIE YOUNG, CITY RECORDER

## Council Communication

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### Public Comment

Meeting Date:	March 8, 2021	Primary Staff Contact:	Ronald F Chandler
Department:	Administration	E-Mail:	RChandler@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

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We received the attached public comment prior to posting the agenda.

#### **Attachments:**

public comment 2021-03-08\_Redacted (PDF)

PUBLIC COMMENT FOR COUNCIL MEETING MON, 2/22/21

MARK CLARAMBEAU

2/18/21

RE: NE 14<sup>TH</sup> ST SEWER LID

DEAR COUNCILLORS:

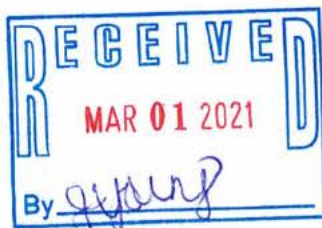
I WRITE IN THE SLIM HOPE, THAT THIS ISSUE IS NOT ALREADY A "DONE DEAL." I AM SATISFIED WITH MY CURRENT SYSTEM, WHICH WORKS FINE. ARE THERE NOT OTHER AREAS WITH CLOSER PROXIMITY TO OPEN WATERS THAT CAN BE FINANCIALLY ENCUMBERED? I BARELY AFFORD BASIC GROCERY AND UTILITY BILLS; THIS IS A FRIGHTENING EXPENSE FOR ME, AND WOULD OFFER NO DISCERNABLE BENEFIT TO MY LIFE.

ADD TO THE \$5,147, THE COST OF REDIRECTING DRAIN LINES, REPAVING MY DRIVEWAY, UNCOVERING AND FILLING MY SEPTIC PLUS A DOUBLING OF MY WATER BILL FOREVER, AND I'M LOOKING AT AN IMMEDIATE LIABILITY CLOSE TO \$10,000. THAT ASSUMES THAT THIS ESTIMATED COST DOESN'T ESCALATE AS THE PROJECT BUILDS OUT.

THANK YOU FOR SOLICITING COMMENTS,

YOUR TAXPAYER,

MARK CLARAMBEAU

# Council Communication

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## Resolution 2021-12 (DS Adjustment)

Meeting Date:	March 8, 2021	Primary Staff Contact:	Richard Appicello
Department:	City Attorney	E-Mail:	RAppicello@lincolncity.org
Secondary Dept:	Planning Department	Secondary Contacts:	Sungman Kim
Approval:	Ronald F Chandler	Estimated Time:	5 Minutes

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### Question:

After the opportunity for public comment, shall the City Council approve Resolution 2021-12 approving a fee for adjustments to Design Review Standards (LCMC 17.74).

### Staff Recommendation:

Staff recommends the Council approve Resolution 2021-12.

### Authority:

LCMC ORS 294.160 (Public comment required).

**ORS 294.160 Opportunity for public comment on new fee or fee increase.** (1) The governing body of a city, county or other unit of local government shall provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated.

(2) Where a local government exercises authority to assume the responsibility for a program delivered by the state, the local government shall provide an opportunity to comment on the difference between the fee amount charged by the state for such service and the proposed local fee for the service.

### Background:

Resolution 2021-12 adopts fees and charges for the Lincoln City Planning Department. These fees mirror current fees for comparable applications in the Planning Department.

### Council Options:

The City Council may:

Approve attached Resolution 2021-12.

Do not approve the attached Resolution.

**Attachments:**

Resolution 2021-12 Adjustment Fee (DOCX)

Resolution 2021-12 Exhibit A (DOCX)



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**PASSED AND APPROVED** by the City Council of the City of Lincoln City,  
Oregon, this 8<sup>th</sup> day of March, 2021.

\_\_\_\_\_  
JUDY CASPER  
COUNCIL PRESIDENT

ATTEST:

\_\_\_\_\_  
JAMIE YOUNG  
CITY RECORDER

APPROVED AS TO FORM

\_\_\_\_\_  
RICHARD APPICELLO  
CITY ATTORNEY

**RESOLUTION 2021-12  
EXHIBIT A**

<b>Lincoln City Planning Department</b>	<b>Amount</b>
Application for adjustment to design review standards	<b>\$250.00</b>

## Council Communication

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### Appointment to Budget Committee-Moore

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

---

Appointments to the City Budget Committee are made after the applicants are interviewed by the full City Council. There is one candidate interviewing for one vacancy. Following the interview, the City Councilors will be asked to make a motion to appoint. Council is not required to make the motion for appointment and can ask for additional applicants. This is not a situation where a "ballot" process is used.

#### Attachments:

Budget Comm\_Moore Nancy\_Redacted.pdf (PDF)  
 MEMORANDUM TO CC--APPOINTED BODIES BG CHECK PASS\_FAIL DETERMINATION-  
 Nancy Moore-signed.pdf (PDF)  
 Business Card\_ Moore\_Redacted.pdf (PDF)  
 Resume-Nancy-Barclay-Moore\_\_Redacted.pdf (PDF)  
 Flyer\_Moore.pdf (PDF)



**CITY OF LINCOLN CITY  
Committee / Board / Commission Application**

Please indicate which committee/board/commission you are applying for:

- |   |   |
|---|---|
| <input type="checkbox"/> Arts Committee                     | <input type="checkbox"/> Open Space Committee           |
| <input checked="" type="checkbox"/> *Budget Committee       | <input type="checkbox"/> Parks and Recreation Board     |
| <input type="checkbox"/> Building Board of Appeals          | <input type="checkbox"/> Planning Commission            |
| <input type="checkbox"/> Community Sustainability Committee | <input type="checkbox"/> Transient Room Tax Committee   |
| <input type="checkbox"/> Library Board                      | <input type="checkbox"/> Explore Lincoln City Committee |

*\* If applying for the Budget Committee or Planning Commission, you may not serve on any other City board or committee at the same time. Other City committee volunteer positions allow dual representation if it does not present a conflict of interest.*

<b>NAME:</b>	Nancy Moore	<b>DATE:</b>	2/18/2021
<b>HOME ADDRESS:</b>	[REDACTED]		
<b>MAILING ADDRESS:</b>	[REDACTED]		
<b>CITY, STATE, ZIP:</b>	Lincoln City, OR 97367		
<b>E-MAIL ADDRESS:</b>	[REDACTED]		
<b>HOME PHONE:</b>	[REDACTED]	<b>CELL PHONE:</b>	[REDACTED]

**RESIDENCY AND SPECIFIC ELIGIBILITY CRITERIA**

- Do you reside within the City limits:  Yes Length of Time 2 years
- Do you reside within the Urban Growth Boundary?  Yes Length of Time 2 years
- Do you reside within the Lincoln County School District North:  Yes  No
- Are you a registered voter in Lincoln County?  Yes  No
- Are you a Lincoln City business owner or Manager?  Yes  No
- If yes, please indicate which business you own/manage? Barclay Properties, LLC (Real Estate)



**QUALIFICATIONS/EXPERIENCE (Additional space is provided on back)**

Describe relevant qualifications (i.e. work or volunteer experiences) to include any applicable education and/or training. For example, if you are a hotel owner or operator and applying for the Visitor and Convention Committee; and highlight any skills, interests or hobbies that you believe would bring value to your ability to serve this position:

Education - MBA Finance from American University, Washington DC

30+ year career in corporate finance (Entrepreneur, CFO, Venture Capital, Nonprofit President) Resume Attached

Current - Manager/Owner Barclay Properties, LLC - Local Commercial/Residential/Property Mgt Company

List names of volunteer/work supervisors:

Tiffany Johnson - REMAX Integrity Grants Pass, OR (2 years)

John lawara - JKI Realty (6 months)

Please provide any previous experience with committees, boards or commissions and positions held:

President/Founder - Almana Harvest San Francisco - International Non Profit

Board Member of several start-up companies during venture capital work in San Francisco & Washington DC

HOA committee member in several residential subdivisions as property owner

State the name, title and any relationship you have to a City Council member, Commissioner, board member or city employee:

Work Acquaintance to Riley Hoagland and supported former Mayor Dick Anderson's state legislative campaign

Explain why you would like to serve on this board, commission, or committee:

Having a finance background, I understand the importance of effective budgeting for any enterprise, whether it be public or private.

List the name, phone number, and e-mail address (if possible) of two personal or professional references:

Name: Jennifer Whitmyer Phone:

Name: Megan Despair Phone:

My signature affirms that all information contained herein is true and correct to the best of my knowledge, and that I understand that any misstatement of fact, or any misrepresentation of credentials may result in this application being disqualified and is cause for removal from any appointed body. Shaded information will not be released due to personal privacy protection laws.

[Redacted Signature]

SIGNATURE

2/21/2021  
DATE



City Recorder  
City of Lincoln City  
PO Box 50  
Lincoln City, OR 97367

**COMMITTEE VOLUNTEER EMERGENCY CONTACT INFORMATION FORM**

<b>FULL NAME:</b>	Nancy Moore
<b>START DATE:</b>	TBD
<b>NAME OF COMMITTEE, BOARD, OR COMMISSION:</b>	Budget Committee
<b>CITY STAFF REPRESENTATIVE:</b>	
<b>HOME ADDRESS:</b>	[REDACTED]
<b>MAILING ADDRESS:</b>	[REDACTED]
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	[REDACTED]
<b>PERSONAL E-MAIL ADDRESS:</b>	[REDACTED]

<b>EMERGENCY CONTACT NAME/RELATIONSHIP:</b>	Dr. Barbara Peterson (Sister)
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	

<b>DATE:</b>	2/18/2021
<b>VOLUNTEER SIGNATURE:</b>	[REDACTED] 2/21/2021

**ALL PERSONAL INFORMATION WILL BE KEPT STRICTLY CONFIDENTIAL**



**FAIR CREDIT REPORTING ACT (FCRA) ACKNOWLEDGEMENT AND AUTHORIZATION FOR BACKGROUND CHECK FOR A VOLUNTEER POSITION WITH A LINCOLN CITY APPOINTED BODY**

**PLEASE READ CAREFULLY BEFORE SIGNING!**

I acknowledge receipt of the separate document entitled "DISCLOSURE REGARDING BACKGROUND INVESTIGATION and a SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT", and certify that I have read and understand both of those documents. I hereby authorize the obtaining of "consumer reports" and/or "investigative consumer reports" by Lincoln City ("City") at any time after receipt of this authorization and throughout my employment, if applicable.

To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by **Pinnacle Investigations, 920 North Argonne Road, Suite 200, Spokane Valley, WA, 99212; Telephone Number 1-800-955-5306; [www.pinnacleprof.com](http://www.pinnacleprof.com)** and or "City". I agree that a facsimile ("fax"), electronic or photographic copy of this Authorization shall be as valid as the original.

**SIGNATURE** / 

**DATE** 2/21/2021

# Nancy Barclay Moore

Lincoln City, Oregon, United States



[REDACTED]



[REDACTED]



[REDACTED]

## Summary

### HIGHLIGHTS OF QUALIFICATION

- \* Professional Principal Real Estate REALTOR - Central Oregon Coast
- \* 6+ years nonprofit leadership position in an international women in coffee program
- \* 11+ CFO
- \* 25+ years in top level financial roles
- \* Experience working with venture backed companies
- \* Strong understanding of equity & debt financing
- \* Proven track record in supporting sustained growth using strong analytic skills
- \* Strong organizational and project management skills
- \* Experience in financial compliance requirements
- \* Successful at executing on business development, networking, and sales activities
- \* International speaker

### PROFESSIONAL EXPERIENCE

2020 - MANAGING Principal Real Estate Broker - BARCLAY PROPERTIES  
(LINCOLN CITY, OR 07367)

2016-2019 Principal Real Estate Broker - REMAX/Integrity (Grants Pass Office)

2012 - 2016 REAL ESTATE BROKER - Century21 JC Jones American Dream

2012 - 2014 PRESIDENT - Almanac Harvest (Harvested by Women Gender Certification)

2011 - 2012 CFO - Clarus Products International (Specialty Retail)

2006 - 2011 CFO - Capton International (RFID technology)

2002 - 2006 CFO - Beverage Metrics (RFID technology)

1997- 2002 COO - Signet Assurance (Merchant Banking/Insurance)

### PROFESSIONAL ACCOMPLISHMENTS

Principal Commercial/Resident Broker

Successful Serial Entrepreneur

Silicon Valley Trailblazer Award Recipient in 2005

Chief Financial Officer

Partner/Entrepreneur in Residence Washington DC venture capital firm

Specialties: REAL ESTATE INVESTMENTS, Finance & Administration, Venture Capital, Social Responsibility, Early Stage Ventures; Nonprofit Leadership

## Experience

-  **Commercial/Residential Principal Real Estate Broker**  
Barclay Properties Llc  
Apr 2020 - Present (11 months +)

Specialist is beach properties along central Oregon Coast.

It's Better At The Beach!

### **Real Estate Agent**

REMAX Integrity

Jan 2017 - Present (4 years 2 months +)

As a member of the Association of Realtors, Nancy is First Class in Service, Professionalism, and Caring for every client! She truly enjoys working with her customers, and believes that their total satisfaction is what makes her so successful. She was "Rookie of the Year" her first year in real estate, and continues to excel as a Top Producer every year. Because of her integrity and expertise, the majority of Nancy's business is repeat and referral customers who trust her to guide them through the complications of residential and investment real estate transactions.

Nancy is a full-time experienced real estate agent who grew up in Portland, Oregon and now enjoys living in Grants Pass, Oregon along the Rogue River. Before returning to Oregon, she lived in Washington, DC, San Francisco, and Costa Rica. Nancy holds a Master of Business Finance from American University in Washington, DC and a has 30 year career in corporate finance.

Aside from real estate, Nancy is actively involved with her community as a volunteer advisory board member for the Illinois Valley Airport. Her work with this group is focused on helping to shape the future of Oregon's oldest and most strategically placed airport in Southern Oregon. Nancy also enjoys fishing for salmon, flying, gardening, traveling, and entertaining.

### **Real Estate Broker**

Century21 JC Jones American Dream

Jul 2014 - Present (6 years 8 months +)

### **President**

Apr 2012 - Jun 2014 (2 years 3 months)

The mission at Almana Harvest is to benefit women in the world of coffee by promoting and protecting gender diverse trade.

Almana Harvest is currently working in conjunction with the International Women's Coffee Alliance (IWCA) to harvest fees and contributions from a selected network of socially responsible coffee suppliers and customers that will result in direct support for women and communities at countries of origin.

### **Chief Administrative Officer**

Capton, Inc

Jul 2006 - Apr 2012 (5 years 10 months)

Capton, Inc. RFID technology provider to the food & beverage industry. Managed all Administrative duties including: accounting, sales contracts, human resources, financial reporting, cash management, investor relations, equity financing. Raised over 4+ MM in private equity capital.

### Chief Financial Officer

Beverage Metrics, Inc.

Oct 2002 - Mar 2006 (3 years 6 months)

Beverage Metrics - RFID technology provider to the food & beverage industry. Led the Financial, Legal, and Human resource units within the company. Raised over \$2MM in equity capital.

### Chief Operating Officer/Co-Founder

Signet Assurance

Jul 1997 - Aug 2002 (5 years 2 months)

Created the "first to market" eCommerce warranty product. Raised \$10 MM in debt/equity financing. Lead the business development team and managed creation of new insurance products with Lloyd's of London. Managed the financial staff.

### Partner/Entrepreneur-in-Residence

Zoar Group, Ltd.

Jun 1997 - Sep 1998 (1 year 4 months)

Full responsibility for the review and execution of new investment opportunities with a Washington DC based venture capital group. Participated in equity transaction totaling over \$350 million in several industry sectors including: high tech, agriculture, real estate, aviation, and commodities.

## Education



**American University**

MBA, Finance



**Rhodes College**

Executive Leadership Training, Management

Executive Management

## Licenses & Certifications



**Managing Principal Broker - OREGON REALTORS®**

201211803

## Skills

Managerial Finance • Venture Capital • Mergers & Acquisitions • Corporate Social Responsibility • Business Strategy • Business Development • Strategic Planning • Management • Real Estate • Project Management

## Honors & Awards



**Trail Blazer Award Receipt - Spring Board Enterprises**

Oct 2005



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[Redacted Signature]

SIGNATURE /

2/21/2021  
DATE \_\_\_\_\_



## MEMORANDUM

---

To: City of Lincoln City Members of the City Council  
From: Abigail Edwards, Human Resources Director  
Date: March 1, 2021  
Re: Council Volunteer Appointment—Background Report and References

To the Honorable Council President and City Council:

Human Resources has conducted a background investigation and reference check for a volunteer application for City Appointed Bodies as set forth in the Lincoln City Municipal Code, Section 2.06.015(D).

No adverse information was found for the following applicant, and they have passed the background check.

Name: Nancy Moore

Position Applied For: Budget Committee

Human Resources was unable to complete all reference checking due to the following:

- One reference was unable to respond right away due to scheduling conflicts;
- One reference provided a response.

Reference responses have been returned to the City Recorder for your review. Thank you.

Respectfully,

Abigail Edwards  
HR Director



**Nancy Barclay Moore**

Managing Principal Broker Real Estate LIC # 201211803



tel: [redacted] work: [redacted]

ma: [redacted]

www: [barclay-properties.com](http://barclay-properties.com)

PO Box 598, Lincoln City, OR 97367

Residential / Commercial / Rentals / Property Management



”BEWARE! WIRE FRAUD IS ON THE RISE. Accepting wire and disbursement instructions by email is dangerous, especially changes to those instruction. ALWAYS VERIFY by calling the originator of the email using previously know contact information prior to sending funds. You will never get an email from me asking for, or directing , wire instructions”



# Nancy Barclay Moore

Lincoln City, Oregon, United States



[REDACTED]



[REDACTED]



[REDACTED]

## Summary

### HIGHLIGHTS OF QUALIFICATION

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Executive Management

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## Honors & Awards

### **Trail Blazer Award Receipt - Spring Board Enterprises**

Oct 2005



Barclay  
Properties 

## Meet Your Broker

### Nancy Barclay Moore

As a member of the Association of Realtors®, Nancy is First Class in Service, Professionalism, and Caring for each and every client! She truly enjoys what she does, and the people are what make her successful. She was "Rookie of the Year" her first year in real estate and continues to excel as a Top Producer every year.

Nancy holds a Master's of Business Finance from American University in Washington D.C. and has a 30-year career in corporate finance. Because of her integrity and broad expertise, the majority of Nancy's business is repeat and referral customers, who trust her to guide them through the complications of residential and investment real estate transactions.

Nancy specializes in all facets of the Real Estate business, whether it be navigating the way for first timers, trying to score that perfect distressed property, or providing help in the luxury market, she knows and has experienced it all.

Nancy has a proven record of directly impacting her client's financial success and propelling smooth transactions by applying refined management, selling, and negotiation talents.



If you are planning on buying or selling along the Oregon Coast area contact Nancy Moore, your local neighborhood expert for a personalized customer care. Nancy takes pride in servicing her clients by delivering exceptional service and establishing lifelong relationships.

*"It is my privilege to serve you for your home Buying, Selling and Rental Management needs."*



Residential / Commercial / Rentals / Property Management

# What Our Clients Say



My husband Allen and I first met Nancy while looking for property to lease in Lincoln City, Oregon. We were extremely pleased her professional yet warm style. She was creative in placing us in our home, thinking outside the box to find us the perfect place to settle here in Oregon. Her quick thinking and innovative spirit is what makes Nancy an exceptional individual to work with. We appreciate the ease of using the online portal she set up so we can pay our lease payments, and if we had an issue with the property, she addressed it immediately. She's patient, understanding, and we really couldn't ask for a better property manager than Nancy!

Theresa and Allen Scott



Nancy helped us immensely in our "long distance" home search and relocation from Oregon to CA. She is obviously well-versed in matters of real estate law and local information, which proved invaluable to us.

Anonymous



Nancy, a very bright & well-educated lady, possesses a unique ability to assess any business or real estate situation with quality discernment. As a service-oriented professional who listens to her clients' objectives, Nancy translates this expertise and experience to her clients in a polite, cordial, and charming manner. Nancy is helping with a portfolio of real estate acquisitions and administrative tasks.

John



It was a pleasure working with Nancy, she most definitely went above and beyond in insuring we had as little stress possible when purchasing our home from out of state. We were in another state when we made the offer, and were unable to be in Oregon when all the negotiations, any repairs, or upgrades need to be done in order to make the purchase. Nancy coordinated everything. She was very informative and always made sure we knew where we were in each step of the purchase process and the negotiated repairs. She is also very knowledgeable regarding the area and provided guidance when we were looking for a home that suited our needs. I have recommended Nancy to friends in Oregon, she is exceptional.

Tracy Family



Thank you, again, for all your hard work selling our home in Grants Pass, Oregon. You really know the Real Estate business and the market! Your extra care all the way through the process was amazing!

Sincerely, Gail and Jim Pickle



Nancy is professional, prompt, and enthusiastic. She is honest and objective in her opinions and walked us through every step in the process. She has vast knowledge and experience in residential and commercial property as well as current market trends. We were so comfortable and satisfied that we are continuing to work with Nancy on purchasing additional properties.

Clan Bernhardt

# Council Communication

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## Appointment to Library Board - Carolyn Wilson

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 Minutes

---

### Question:

Should the City Council approve the appointment of Carolyn Wilson for a position on the Driftwood Public Library Board?

### Staff Recommendation:

Staff recommends the Council appointment of Carolyn Wilson. She has successfully completed the interview/background process, is a City Resident inside the City, and qualifies for City Resident position.

### Background:

The Library Board currently has five (5) vacant positions. Councilor Casper and Councilor Mark interviewed Ms. Wilson and each recommended her to be moved forward for appointment.

### Council Options:

Review and discuss the recommendation for appointment of Carolyn Wilson to the City Resident position on the Driftwood Public Library Board, with the term expiring 6/30/2024.

### Potential Motions:

- 1. I move to appoint Carolyn Wilson to the Driftwood Public Library Board with a term expiring 6/30/2024.**

### Attachments:

Wilson Carolyn\_Library Board\_Redacted.pdf (PDF)  
 MEMORANDUM TO CC--APPOINTED BODIES BG CHECK PASS\_FAIL DETERMINATION-Carolyn Wilson-signed (1).pdf (PDF)



**CITY OF LINCOLN CITY**  
**Committee / Board / Commission Application**

Please indicate which committee/board/commission you are applying for:

- |   |  |
|---|--|
| <input type="checkbox"/> Ad Hoc Committee (Committee Name: _____) | <input type="checkbox"/> Open Space Committee                  |
| <input checked="" type="checkbox"/> Arts Committee                | <input checked="" type="checkbox"/> Parks and Recreation Board |
| <input type="checkbox"/> *Budget Committee                        | <input type="checkbox"/> Planning Commission                   |
| <input type="checkbox"/> Building Board of Appeals                | <input type="checkbox"/> Transient Room Tax Committee          |
| <input type="checkbox"/> Community Sustainability Committee       | <input type="checkbox"/> Visitor and Convention Committee      |
| <input checked="" type="checkbox"/> Library Board                 |  |

\* If applying for the Budget Committee or Planning Commission, you may not serve on any other City board or committee at the same time. Other City committee volunteer positions allow dual representation if it does not present a conflict of interest.

<b>NAME:</b>	Carolyn L. Wilson	<b>DATE:</b>	12-31-20
<b>HOME ADDRESS:</b>	[REDACTED]		
<b>MAILING ADDRESS:</b>	Same		
<b>CITY, STATE, ZIP:</b>	Lincoln City, OR 97367		
<b>E-MAIL ADDRESS:</b>	[REDACTED]		
<b>HOME PHONE:</b>	[REDACTED]	<b>CELL PHONE:</b>	[REDACTED]

**RESIDENCY AND SPECIFIC ELIGIBILITY CRITERIA**

- Do you reside within the City limits:  Yes Length of Time 1 1/2 years
- Do you reside within the Urban Growth Boundary?  Yes Length of Time 1 1/2 years
- Do you reside within the Lincoln County School District North:  Yes  No
- Are you a registered voter in Lincoln County?  Yes  No
- Are you a Lincoln City business owner or Manager?  Yes  No
- If yes, please indicate which business you own/manage? \_\_\_\_\_





## APPLICATION PACKET – CITY APPOINTED BODIES

Thank you for your interest in volunteering to serve on a Lincoln City Appointed Body. We appreciate your time and look forward to WELCOMING you to our family of volunteers.

### **This Packet Contains:**

- 1) Committee Member Volunteer application
- 2) Criminal Background Check Authorization
- 3) Committee Volunteer Emergency Contact Information Form
- 4) Lincoln City Municipal Code Chapter 2.06 (*Committee, Board, Commission*), also located at : <https://www.codepublishing.com/OR/LincolnCity/>

### **What We Need From You:**

- Thoroughly complete and sign the Application (incomplete applications will not be processed)
- Complete and sign the Criminal Background Check Authorization
  - This will only be used if you are a finalist
  - Only a criminal background check will be conducted (not a credit check)
- Keep the Fair Credit Reporting Act (FCRA) Information Sheet for your reference
- Complete the Appointed Body Information Form
- **Return the completed original signed forms to the City Recorder, City of Lincoln City, PO Box 50 (801 S. Hwy 101), Lincoln City, OR, 97367. (Note we must have the originals.)**

### **What You Can Expect From Us:**

- The City Recorder will review and notify you if you do not meet the residency requirements, or any other criteria in the code applicable to the Appointive Body.
- The City will conduct criminal background check prior to making any selection decision. If you have any questions about how the background check process works, or what kinds of things could prevent you from serving, please contact Colleen Scanlon, Human Resources Director at 541-996-1201.
- Reference checks will be conducted.
- Appointment from among qualified candidates is made by vote of the Council at a regular City Council meeting.
- You will be notified of the outcome whether you are selected or not.
- We will protect your personal information.



**QUALIFICATIONS/EXPERIENCE (Additional space is provided on back)**

Describe relevant qualifications (i.e. work or volunteer experiences) to include any applicable education and/or training. For example, if you are a hotel owner or operator and applying for the Visitor and Convention Committee; and highlight any skills, interests or hobbies that you believe would bring value to your ability to serve this position:

*I'm a retired educator. I've been a teacher, Principal and Superintendent. And reader, mosaic and collage artist, hiker and tennis player.*

List names of volunteer/work supervisors:

*Rotary Club (Yuba City, TX)*

Please provide any previous experience with committees, boards or commissions and positions held:

*Rotary Club (Yuba City morning club, CA) currently Eagles member, (Browns Elementary, (CA) School Board, 2005) many school and training committees.*

State the name, title and any relationship you have to a City Council member, Commissioner, board member or city employee:

*Kim Blackerby, next door neighbor*

Explain why you would like to serve on this board, commission, or committee:

*I moved to L.C. because I wanted to return to the Northwest. I would like to continue to support quality programs in my new home.*

List the name, phone number, and e-mail address (if possible) of two personal or professional references:

Name: *Greg Jones (Eagles)* Phone: [Redacted]

Name: *Bryan Nichols (Zung Life)* Phone: [Redacted]

**My signature affirms that all information contained herein is true and correct to the best of my knowledge, and that I understand that any misstatement of fact, or any misrepresentation of credentials may result in this application being disqualified and is cause for removal from any appointed body. Shaded information will not be released due to personal privacy protection laws.**

*[Redacted Signature]* 12-31-20  
SIGNATURE DATE



City Recorder  
 City of Lincoln City  
 PO Box 50  
 Lincoln City, OR 97367

**COMMITTEE VOLUNTEER EMERGENCY CONTACT INFORMATION FORM**

<b>FULL NAME:</b>	<i>Carolyn L. Wilson</i>
<b>START DATE:</b>	
<b>NAME OF COMMITTEE, BOARD, OR COMMISSION:</b>	
<b>CITY STAFF REPRESENTATIVE:</b>	
<b>HOME ADDRESS:</b>	[REDACTED]
	<i>Lincoln City, OR 97367</i>
<b>MAILING ADDRESS:</b>	<i>Same</i>
<b>HOME PHONE:</b>	
<b>CELL PHONE:</b>	[REDACTED]
<b>PERSONAL E-MAIL ADDRESS:</b>	[REDACTED]

<b>EMERGENCY CONTACT NAME/RELATIONSHIP:</b>	<i>Woody Wilson, husband</i>
<b>HOME PHONE:</b>	
<b>CELL PHONE:</b>	[REDACTED]

<b>DATE:</b>	<i>12-31-20</i>
<b>VOLUNTEER SIGNATURE:</b>	[REDACTED]

**ALL PERSONAL INFORMATION WILL BE KEPT STRICTLY CONFIDENTIAL**



## MEMORANDUM

---

**To:** City of Lincoln City Members of the City Council  
**From:** Abigail Edwards, Human Resources Director  
**Date:** February 5, 2021  
**Re:** Council Volunteer Appointment—Background Report and References

To the Honorable Council President and City Council:

Human Resources has conducted a background investigation and reference check for a volunteer application for City Appointed Bodies as set forth in the Lincoln City Municipal Code, Section 2.06.015(D).

No adverse information was found for the following applicant, and they have passed the background check.

Name: Carolyn Wilson

Position Applied For: Arts, Library, Parks and Recreation Committee

Human Resources was unable to complete all reference checking due to the following:

- One reference has been unresponsive to the request for information;
- One reference provided a response.

Reference responses have been returned to the City Recorder for your review. Thank you.

Respectfully,

Abigail Edwards  
HR Director

# Council Communication

---

## Re-Appointment to Library Board - Tamara Ahmuty

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 Minutes

---

### Question:

Should the City Council approve the re-appointment of Tamara Ahmuty for a position on the Driftwood Public Library Board?

### Staff Recommendation:

Staff recommends the Council re-appointment of Tamara Ahmuty. She has successfully completed the interview/background process, is a City Resident inside the City, and qualifies for City Resident position.

### Background:

The Library Board currently has five (5) vacant positions. Councilor Casper and Councilor Mark interviewed Ms. Ahmuty and each recommended her to be moved forward for appointment.

### Council Options:

Review and discuss the recommendation for re-appointment of Tamara Ahmuty to the City Resident position on the Driftwood Public Library Board, with the term expiring 6/30/2024.

### Potential Motions:

- 1. I move to re-appoint Tamara Ahmuty to the Driftwood Public Library Board with a term expiring 6/30/2024.**

### Attachments:

Ahmuty, Tamara\_Library Board\_Redacted.pdf (PDF)  
 MEMORANDUM TO CC--APPOINTED BODIES BG CHECK PASS\_FAIL DETERMINATION-  
 Tamara Ahmuty-signed.pdf (PDF)



**CITY OF LINCOLN CITY**  
**Committee / Board / Commission Application**

Please indicate which committee/board/commission you are applying for:

- |   |   |
|---|---|
| <input type="checkbox"/> Ad Hoc Committee (Committee Name: _____) | <input type="checkbox"/> Open Space Committee             |
| <input type="checkbox"/> Arts Committee                           | <input type="checkbox"/> Parks and Recreation Board       |
| <input type="checkbox"/> *Budget Committee                        | <input type="checkbox"/> Planning Commission              |
| <input type="checkbox"/> Building Board of Appeals                | <input type="checkbox"/> Transient Room Tax Committee     |
| <input type="checkbox"/> Community Sustainability Committee       | <input type="checkbox"/> Visitor and Convention Committee |
| <input checked="" type="checkbox"/> Library Board                 |   |

*\* If applying for the Budget Committee or Planning Commission, you may not serve on any other City board or committee at the same time. Other City committee volunteer positions allow dual representation if it does not present a conflict of interest.*

<b>NAME:</b>		<b>DATE:</b>	Feb 3, 2021
<b>HOME ADDRESS:</b>			
<b>MAILING ADDRESS:</b>	Tamara Ahmuty [Redacted]		
<b>CITY, STATE, ZIP:</b>	[Redacted]		
<b>E-MAIL ADDRESS:</b>	[Redacted]		
<b>HOME PHONE:</b>	[Redacted]	<b>CELL PHONE:</b>	[Redacted]

**RESIDENCY AND SPECIFIC ELIGIBILITY CRITERIA**

*(prefer e-mail & text)*

- Do you reside within the City limits:  Yes Length of Time 14 yrs
- Do you reside within the Urban Growth Boundary?  Yes Length of Time \_\_\_\_\_
- Do you reside within the Lincoln County School District North:  Yes  No
- Are you a registered voter in Lincoln County?  Yes  No
- Are you a Lincoln City business owner or Manager?  Yes  No
- If yes, please indicate which business you own/manage? \_\_\_\_\_



**QUALIFICATIONS/EXPERIENCE (Additional space is provided on back)**

Describe relevant qualifications (i.e. work or volunteer experiences) to include any applicable education and/or training. For example, if you are a hotel owner or operator and applying for the Visitor and Convention Committee; and highlight any skills, interests or hobbies that you believe would bring value to your ability to serve this position:

*Library Board*

List names of volunteer/work supervisors:

*Kirsten @ Library & Rachel @ Library*

Please provide any previous experience with committees, boards or commissions and positions held:

*See previous app.*

State the name, title and any relationship you have to a City Council member, Commissioner, board member or city employee:

*N/A*

Explain why you would like to serve on this board, commission, or committee:

*Love the library*

List the name, phone number, and e-mail address (if possible) of two personal or professional references:

Name: *see previous Diane Sakumura* Phone: [Redacted]

Name: *Kirsten BIK* Phone: [Redacted]

My signature affirms that all information contained herein is true and correct to the best of my knowledge, and that I understand that any misstatement of fact, or any misrepresentation of credentials may result in this application being disqualified and is cause for removal from any appointed body. Shaded information will not be released due to personal privacy protection laws.

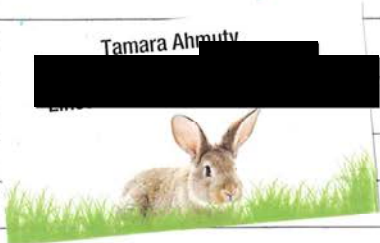
[Redacted Signature] **SIGNATURE**

*2/3/2021* **DATE**



City Recorder  
City of Lincoln City  
PO Box 50  
Lincoln City, OR 97367

**COMMITTEE VOLUNTEER EMERGENCY CONTACT INFORMATION FORM**

<b>FULL NAME:</b>	
<b>START DATE:</b>	
<b>NAME OF COMMITTEE, BOARD, OR COMMISSION:</b>	
<b>CITY STAFF REPRESENTATIVE:</b>	
<b>HOME ADDRESS:</b>	
	Tamara Ahmuty [REDACTED]
<b>MAILING ADDRESS:</b>	
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	[REDACTED]
<b>PERSONAL E-MAIL ADDRESS:</b>	[REDACTED]

<b>EMERGENCY CONTACT NAME/RELATIONSHIP:</b>	DAVID Ahmuty / SON
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	[REDACTED]

<b>DATE:</b>	7/3/2021
<b>VOLUNTEER SIGNATURE:</b>	[REDACTED]

**ALL PERSONAL INFORMATION WILL BE KEPT STRICTLY CONFIDENTIAL**

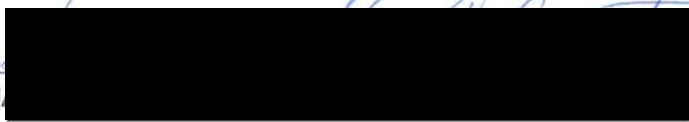


**FAIR CREDIT REPORTING ACT (FCRA) ACKNOWLEDGEMENT AND AUTHORIZATION FOR BACKGROUND CHECK FOR A VOLUNTEER POSITION WITH A LINCOLN CITY APPOINTED BODY**

**PLEASE READ CAREFULLY BEFORE SIGNING!**

I acknowledge receipt of the separate document entitled "DISCLOSURE REGARDING BACKGROUND INVESTIGATION and a SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT", and certify that I have read and understand both of those documents. I hereby authorize the obtaining of "consumer reports" and/or "investigative consumer reports" by Lincoln City ("City") at any time after receipt of this authorization and throughout my employment, if applicable.

To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by **Pinnacle Investigations, 920 North Argonne Road, Suite 200, Spokane Valley, WA, 99212; Telephone Number 1-800-955-5306; [www.pinnacleprof.com](http://www.pinnacleprof.com)** and or "City". I agree that a facsimile ("fax"), electronic or photographic copy of this Authorization shall be as valid as the original.

\_\_\_\_\_  
SIGN  2/3/2021

\_\_\_\_\_  
DATE OF BIRTH 

\_\_\_\_\_  
SOCIAL SECURITY NUMBER 



## MEMORANDUM

---

**To:** City of Lincoln City Members of the City Council  
**From:** Abigail Edwards, Human Resources Director  
**Date:** February 11, 2021  
**Re:** Council Volunteer Appointment—Background Report and References

To the Honorable Council President and City Council:

Human Resources has conducted a background investigation and reference check for a volunteer application for City Appointed Bodies as set forth in the Lincoln City Municipal Code, Section 2.06.015(D).

No adverse information was found for the following applicant, and they have passed the background check.

Name: Tamara Ahmuty  
Position Applied For: Library Committee

Reference responses have been returned to the City Recorder for your review. Thank you.

Respectfully,

A handwritten signature in black ink that reads "Abigail Edwards".

Abigail Edwards  
HR Director

## Council Communication

---

### Appointment to Library Board - Richard Townsend

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 Minutes

---

#### Question:

Should the City Council approve the appointment of Richard Townsend for a position on the Driftwood Public Library Board?

#### Staff Recommendation:

Staff recommends the Council appointment of Richard Townsend. He has successfully completed the interview/background process, is a City Resident inside the City, and qualifies for City Resident position.

#### Background:

The Library Board currently has five (5) vacant positions. Councilor Casper and Councilor Mark interviewed Mr. Townsend and each recommended him to be moved forward for appointment.

#### Council Options:

Review and discuss the recommendation for appointment of Richard Townsend to the City Resident position on the Driftwood Public Library Board, with the term expiring 6/30/2024.

#### Potential Motions:

- 1. I move to appoint Richard Townsend to the Driftwood Public Library Board with a term expiring 6/30/2024.**

#### Attachments:

Townsend, Richard\_Library Board\_Redacted.pdf (PDF)  
 MEMORANDUM TO CC--APPOINTED BODIES BG CHECK PASS\_FAIL DETERMINATION-  
 Richard Townsend-signed.pdf (PDF)



# CITY OF LINCOLN CITY Committee / Board / Commission Application

Please indicate which committee/board/commission you are applying for:

- Ad Hoc Committee (Committee Name: \_\_\_\_\_)
- Arts Committee
- \*Budget Committee
- Building Board of Appeals
- Community Sustainability Committee
- Library Board
- Open Space Committee
- Parks and Recreation Board
- Planning Commission
- Transient Room Tax Committee
- Visitor and Convention Committee

\* If applying for the Budget Committee or Planning Commission, you may not serve on any other City board or committee at the same time. Other City committee volunteer positions allow dual representation if it does not present a conflict of interest.

NAME:	Richard Townsend	DATE:	12/04/2020
HOME ADDRESS:	[REDACTED]		
MAILING ADDRESS:	Same		
CITY, STATE, ZIP:	Lincoln City, OR 97367		
E-MAIL ADDRESS:	[REDACTED]		
HOME PHONE:	[REDACTED]	CELL PHONE:	

**RESIDENCY AND SPECIFIC ELIGIBILITY CRITERIA**

Do you reside within the City limits:  Yes Length of Time 20 years

Do you reside within the Urban Growth Boundary?  Yes Length of Time 20 years

Do you reside within the Lincoln County School District North:  Yes  No

Are you a registered voter in Lincoln County?  Yes  No

Are you a Lincoln City business owner or Manager?  Yes  No

If yes, please indicate which business you own/manage? Townsend Planning & Design LLC



**QUALIFICATIONS/EXPERIENCE (Additional space is provided on back)**

Describe relevant qualifications (i.e. work or volunteer experiences) to include any applicable education and/or training. For example, if you are a hotel owner or operator and applying for the Visitor and Convention Committee; and highlight any skills, interests or hobbies that you believe would bring value to your ability to serve this position:

In my education I learned to utilize libraries and saw how essential they are to informed discourse, and at the same time how they serve as providers of entertainment, education, and a sense of community.

List names of volunteer/work supervisors:

Ron Chandler  
David Hawker

Please provide any previous experience with committees, boards or commissions and positions held:

Coastal Communities Cultural Center (now Lincoln City Cultural Center) (founding board member)  
Sitka Center for Art + Ecology - Board member 1997-2004  
Sawantian North Lincoln Hospital - Board member - 2008 to present

State the name, title and any relationship you have to a City Council member, Commissioner, board member or city employee:

None

Explain why you would like to serve on this board, commission, or committee:

I love and believe in libraries in general and Driftwood in particular and I want to contribute to our community library and help to ensure its ongoing existence, excellence, and success.

List the name, phone number, and e-mail address (if possible) of two personal or professional references:

Name: David Hawker Phone:

Name: Mark Nicholson Phone:

My signature affirms that all information contained herein is true and correct to the best of my knowledge, and that I understand that any misstatement of fact, or any misrepresentation of credentials may result in this application being disqualified and is cause for removal from any appointed body. Shaded information

laws.

1/12/21  
DATE

SIGNATURE



City Recorder  
City of Lincoln City  
PO Box 50  
Lincoln City, OR 97367

**COMMITTEE VOLUNTEER EMERGENCY CONTACT INFORMATION FORM**

<b>FULL NAME:</b>	Richard Townsend
<b>START DATE:</b>	
<b>NAME OF COMMITTEE, BOARD, OR COMMISSION:</b>	Library Board
<b>CITY STAFF REPRESENTATIVE:</b>	
<b>HOME ADDRESS:</b>	[REDACTED]
	Lincoln City, OR 97367
<b>MAILING ADDRESS:</b>	Same
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	[REDACTED]
<b>PERSONAL E-MAIL ADDRESS:</b>	[REDACTED]

<b>EMERGENCY CONTACT NAME/RELATIONSHIP:</b>	Jill Perry Townsend, wife
<b>HOME PHONE:</b>	[REDACTED]
<b>CELL PHONE:</b>	[REDACTED]

<b>DATE:</b>	1/12/21
<b>VOLUNTEER SIGNATURE:</b>	[REDACTED]

**ALL PERSONAL INFORMATION WILL BE KEPT STRICTLY CONFIDENTIAL**



**FAIR CREDIT REPORTING ACT (FCRA) ACKNOWLEDGEMENT AND AUTHORIZATION FOR BACKGROUND CHECK FOR A VOLUNTEER POSITION WITH A LINCOLN CITY APPOINTED BODY**

**PLEASE READ CAREFULLY BEFORE SIGNING!**

I acknowledge receipt of the separate document entitled "DISCLOSURE REGARDING BACKGROUND INVESTIGATION and a SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT", and certify that I have read and understand both of those documents. I hereby authorize the obtaining of "consumer reports" and/or "investigative consumer reports" by Lincoln City ("City") at any time after receipt of this authorization and throughout my employment, if applicable.

To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by **Pinnacle Investigations, 920 North Argonne Road, Suite 200, Spokane Valley, WA, 99212; Telephone Number 1-800-955-5306; [www.pinnacleprof.com](http://www.pinnacleprof.com)** and or "City". I agree that a facsimile ("fax"), electronic or photographic copy of this Authorization shall be as valid as the original.

[Redacted Signature]

SIGNATURE

1/12/21  
\_\_\_\_\_  
DATE

[Redacted Date of Birth]

DATE OF BIRTH

[Redacted Social Security Number]

SOCIAL SECURITY NUMBER



## MEMORANDUM

---

To: Lincoln City Council Members  
From: Abigail Edwards, Human Resources Director  
Date: February 25, 2021  
Re: Council Volunteer Appointment—Background Report and References

To the Honorable Council President and City Council:

Human Resources has conducted a background investigation and reference check for a volunteer application for City Appointed Bodies as set forth in the Lincoln City Municipal Code, Section 2.06.015(D).

No adverse information was found for the following applicant, and they have passed the background check.

Name: Richard Townsend  
Position Applied For: Library Committee

Reference responses have been returned to the City Recorder for your review. Thank you.

Respectfully,

Abigail Edwards  
HR Director

## Council Communication

---

### Re-Appointment to Library Board - Sheila Stevens

Meeting Date:	March 8, 2021	Primary Staff Contact:	Jamie Young
Department:	City Council	E-Mail:	JYoung@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 Minutes

---

#### Question:

Should the City Council approve the re-appointment of Sheila Stevens for a position on the Driftwood Public Library Board?

#### Staff Recommendation:

Staff recommends the Council re-appointment of Sheila Stevens. She has successfully completed the interview/background process, is a City Resident inside the City, and qualifies for City Resident position.

#### Background:

The Library Board currently has five (5) vacant positions. Councilor Casper and Councilor Mark interviewed Ms. Stevens and each recommended her to be moved forward for appointment.

#### Council Options:

Review and discuss the recommendation for re-appointment of Sheila Stevens to the City Resident position on the Driftwood Public Library Board, with the term expiring 6/30/2024.

#### Potential Motions:

- 1. I move to re-appoint Sheila Stevens to the Driftwood Public Library Board with a term expiring 6/30/2024.**

## Council Communication

---

### FEMA Application Approval

Meeting Date:	March 8, 2021	Primary Staff Contact:	Stephanie Reid
Department:	Public Works	E-Mail:	SReid@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 min

---

#### Question:

Should the City Council authorize Staff to apply for **one** FEMA Pre-Disaster Building Resilient Infrastructure and Communities Grant and **two** FEMA Post-Disaster: Hazard Mitigation Grant Program (HMGP) Post Fire (PF)?

#### Staff Recommendation:

Staff recommends the City Council authorize Staff to apply for **one** FEMA Pre-Disaster Building Resilient Infrastructure and Communities Grant and **two** FEMA Post-Disaster: Hazard Mitigation Grant Program (HMGP) Post Fire (PF) Grants?

#### Authority:

This is authorization to submit a grant application. While a grant contract is exempt from LCMC 2.05, the grant match amount far exceeds the contract authority delegated to the City Manager.

#### Background:

These grants include a 25% match from the City.

The City's application would be for a FEMA Pre-Disaster Building Resilient Infrastructure and Communities Grant to replace the Nelscott Wastewater Forcemain; this project is identified in the City's 5-year capital improvement plan but has not been funded. The estimated cost is \$4,000,000.00.

The second application would be for a FEMA Post-Disaster: Hazard Mitigation Grant Program Post Fire to replace the generator at the Wastewater Treatment Plant. The estimated cost is \$440,000.00, this project is approved FY2020-2021 City Budget.

The second application would be for a FEMA Post-Disaster: Hazard Mitigation Grant Program Post Fire to replace the generator at the SE 17<sup>th</sup> and Oar Communications Tower. The estimated cost is \$60,000.00. This project has not been funded.

**Council Options:**

Authorize Staff to apply for these three FEMA grants.

**Financial Impact**

Receiving these grants would assist the City to move forward with construction with a 75% grant amount.

**Potential Motions:**

Move to authorize Staff to apply for **one** FEMA Pre-Disaster Building Resilient Infrastructure and Communities Grant and **two** FEMA Post-Disaster: Hazard Mitigation Grant Program (HMGP) Post Fire (PF) Grants as described in the background?

Move to not authorize Staff to apply for **one** FEMA Pre-Disaster Building Resilient Infrastructure and Communities Grant and **two** FEMA Post-Disaster: Hazard Mitigation Grant Program (HMGP) Post Fire (PF) Grants as described in the background?

## Council Communication

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### NW 33rd Street Temporary Road Closure Resolution

Meeting Date:	March 8, 2021	Primary Staff Contact:	Stephanie Reid
Department:	Public Works	E-Mail:	SReid@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	5 minutes

---

#### Question:

Should the City Council approve Resolution 2021-13 concerning temporary road closure and approval of the submitted traffic control plan for the construction of city & state approved roadway improvements?

#### Staff Recommendation:

Staff recommends approval of Resolution 2021-13.

#### Authority:

#### 10.08.010 Powers of the city council.

A. Subject to state laws, the city council shall exercise all municipal traffic authority for the city except those powers specifically and expressly delegated by this title or another ordinance.

B. The powers of the council, which may be exercised by resolution, include, but are not limited to:

1. Designation of through streets;
2. Designation of one-way streets;
3. Designation of truck routes;
4. Designation of parking meter zones;
5. Designation of certain streets as bridle paths and prohibition of horses and animals on other streets, parks or property;
6. Authorization of greater maximum weights or lengths for vehicles using city streets than specified by state law;
7. Initiation of proceedings to change speed zones;
8. Establishment and revision of speed limits and traffic regulations in parks;
9. Temporary blocking or closing of streets;
10. Establishment of bicycle lanes and paths and traffic controls for such facilities;

11. Restriction of the use of certain streets by any class or kind of vehicle to protect the streets from damage;
12. Authorization of issuance of oversize or overweight vehicle permits;
13. Establishment, maintenance, removal or alteration of the following classes of traffic controls:
  - a. Crosswalks, safety zones and traffic lanes,
  - b. Intersection channelization and areas where drivers of vehicles shall not make right, left or U-turns, and the time when such prohibitions apply,
  - c. Truck parking areas, parking for disabled persons, parking areas and time limitations, including the form of permissible parking (e.g., parallel or diagonal),
  - d. Loading zones and stops for vehicles,
  - e. Traffic-control signals. (Ord. 88-8 § 4.01)

### **Background**

Construction of the new Oceanlake Veterinary Clinic (Permit #521-19-000585-STR) requires roadway improvements at the corner of NW 33<sup>rd</sup> & HWY 101. The Contractor, (Knottworks Construction) has provided a detailed schedule and traffic control plan (TCP) proposing a 7-day road closure in order to complete this work safely. City approval of the road closure is required prior to state permit review of work. A road closure may be approved by Resolution of the City Council. This will result in a 7-day closure at NW 33<sup>rd</sup> @ HWY 101.

### **Project Description**

This project is to build a new clinic building for Oceanlake Veterinary clinic. The required roadway improvements per LCMC 17.52 include: sidewalk construction, curb and drainage construction, connection to the HWY 101 sidewalk, and roadway grading & paving. During construction the two-way intersection of NW 33<sup>rd</sup> and HWY 101 will be narrowed to 14 feet.

The Contractor's Traffic Control Plan (TCP) was submitted to the public works department on February 24, 2021. See Attached.

### **Recommendation**

Staff recommends approval of Resolution 2021-13.

### **Council Options:**

Approve the Resolution – and approve the submitted traffic control plan for the construction of city & state approved roadway improvements.

Not approve the submitted traffic control plan for the construction of city & state approved roadway improvements.

Approve the Resolution – and approve the submitted traffic control plan for the construction of city & state approved roadway improvements (with amendments).

**Financial Impact**

No financial impacts to City.

**Potential Motions:**

Move to approve Resolution 2021-13.

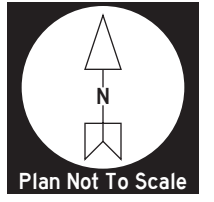
Move to approve Resolution 2021-13, with the following amendments.

Move to reject the proposed Resolution and traffic control plan

**Attachments:**

Traffic Control NW 33rd and Hwy 101 Oceanlake Vet (PDF)

FINAL Res. 2021-13 Lincoln City Temporary Road Closure (DOC)



**Notes**

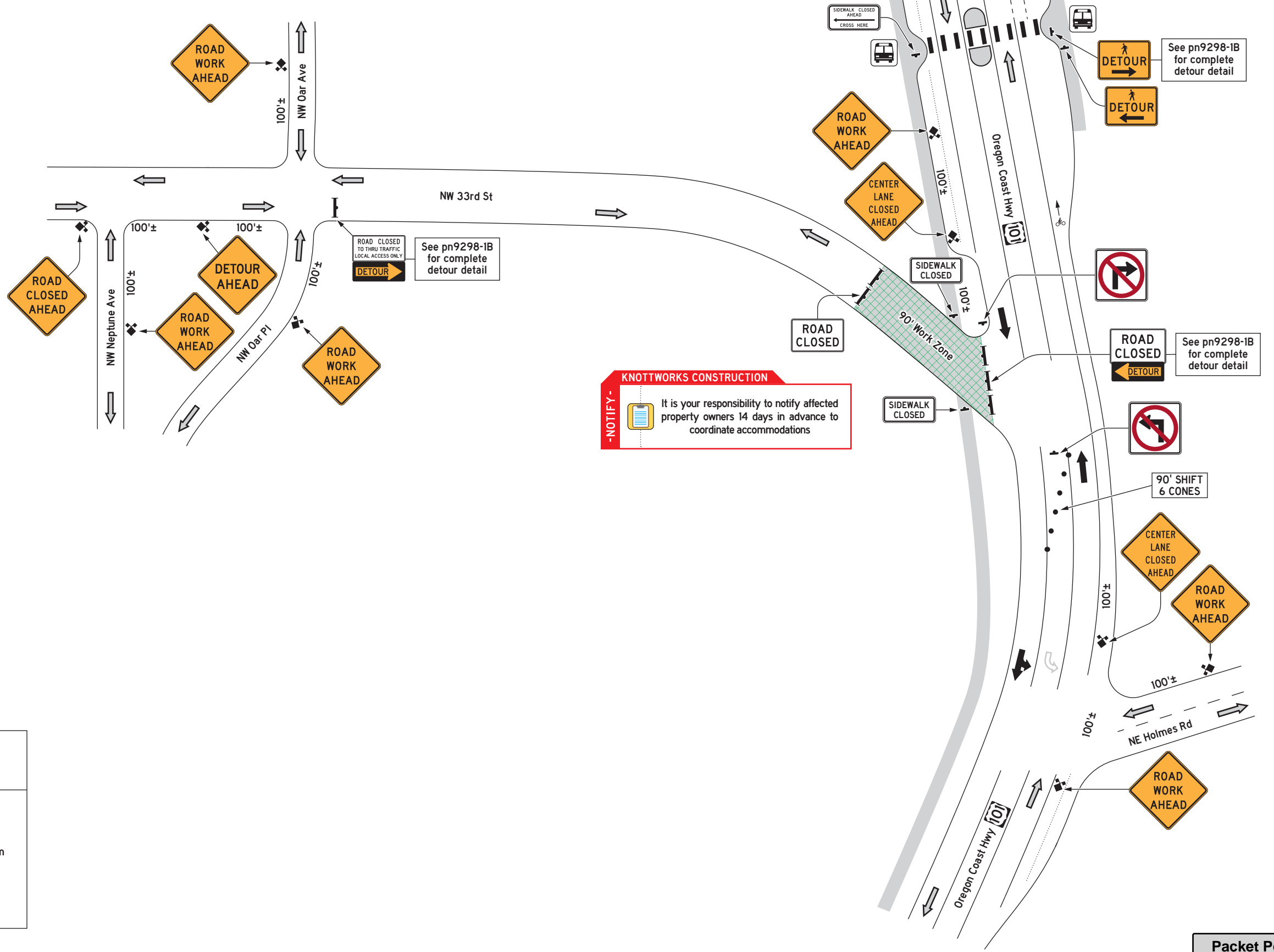
1. Traffic control devices shall not encroach into the adjacent lane
2. Cone spacing at 30 MPH | Taper = 20' | Tangent = 20' | Corner/Access/Bike/Ped = 10'
3. Adjust devices so that residential and/or business entrances/exits are not affected
4. All traffic control shall adhere to current MUTCD & OTTC Manual guidelines
5. Adjust to field conditions

**Equipment List**

- 6 Road Work Ahead
- 2 Center Lane Closed Ahead
- 1 Road Closed Ahead
- 1 Detour Ahead
- 1 Type II - No Right Turn
- 1 Type II - No Left Turn
- 1 Type II - Detour (←)
- 2 Type II - Detour (→)
- 1 Type II - End Detour
- 2 Type II - Sidewalk Closed
- 1 Type II - Sidewalk Closed Ahead Cross Here (←)
- 1 Type II - Sidewalk Closed Ahead Cross Here (→)
- 2 Type II - Ped Detour (←)
- 2 Type II - Ped Detour (→)
- 1 Type III - Road Closed + Detour (←)
- 1 Type III - Road Closed to Thru Traffic LAO + Detour (→)
- 1 Type III - Road Closed
- 3 Type III Barricades
- 10 28" Cones

**Legend**

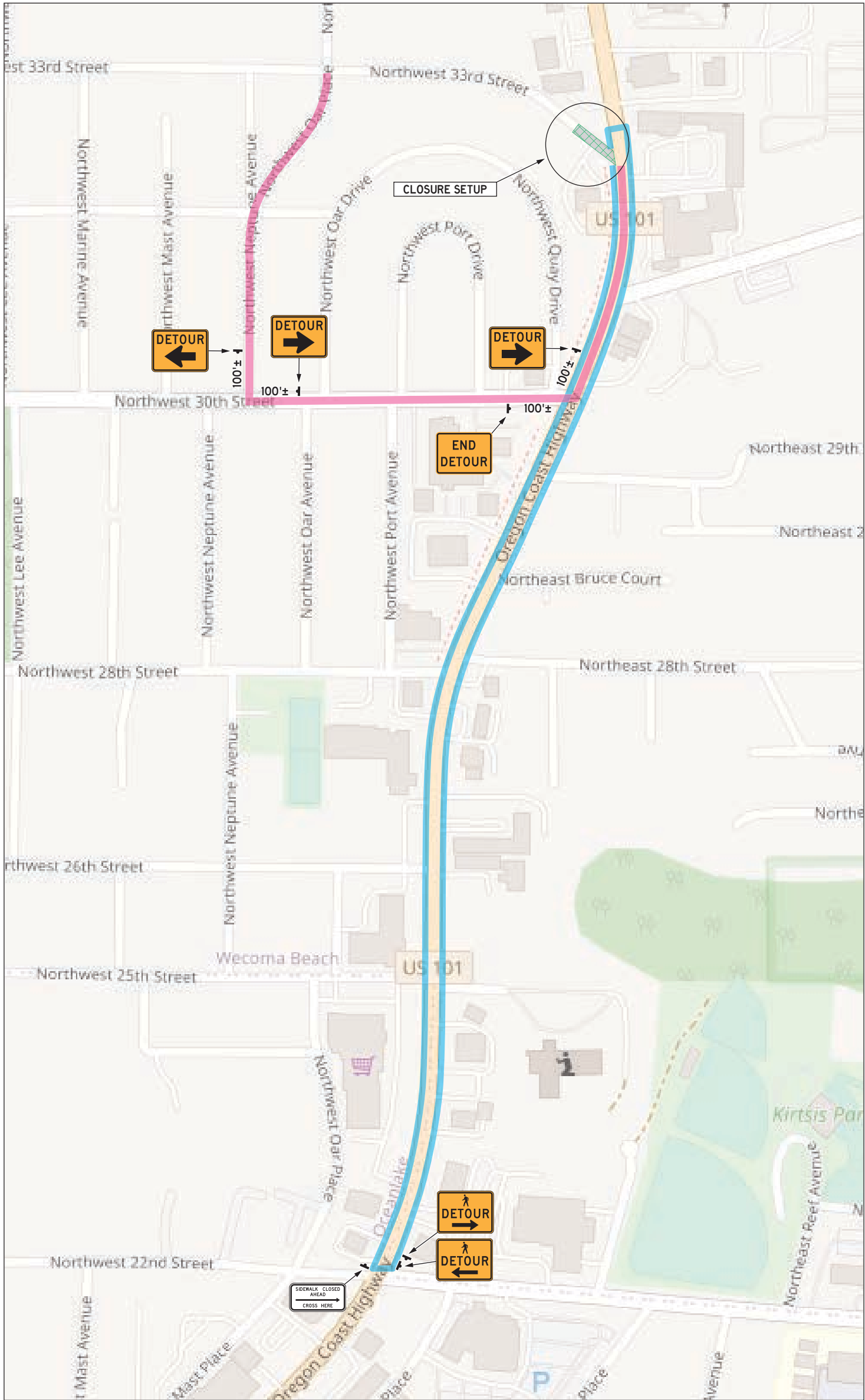
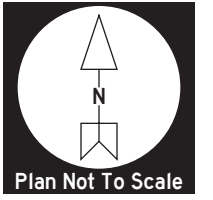
- ◆ 48" x 48" Signs w/ Flags
- 28" Cones
- ..... Parking Lane
- ▨ Work Zone
- ▲ Type II Barricade
- ▬ Type III Barricade



Prepared By: Renée Zmuda  
 Office: (503) 232-2488  
 Email: plans@d-hflagging.com

Contractor: Knottworks Construction  
 Contact Person: Laura Mounce  
 Phone: 605-786-4488  
 Email: laura.knottworks@gmail.com

Job Location: NW 33rd St & US101  
 City, State: Lincoln City, OR  
 Type of Work: Frontage Improvements  
 Job Duration: 7 Days



**D&H  
FLAGGING**  
- WOMEN OWNED BUSINESS -  
D&H PLAN #9298-1B  
February 17, 2021

Prepared By: Renée Zmuda  
Office: (503) 232-2488  
Email: plans@d-hflagging.com

Contractor: Knottworks Construction  
Contact Person: Laura Mounce  
Phone: 605-786-4488  
Email: laura.knottworks@gmail.com  
Job Location: NW 33rd St & US101  
City, State: Lincoln City, OR  
Type of Work: Frontage Improvements  
Job Duration: 7 Days

**Legend**

- ◆ 48" x 48" Signs w/ Flags
- 28" Cones
- ..... Parking Lane
- ⊠ Work Zone
- Type II Barricade
- ⊢ Type III Barricade

**RESOLUTION NO. 2021-13**

**A RESOLUTION OF THE CITY OF LINCOLN CITY ORDERING THE  
TEMPORARY CLOSURE OF NW 33<sup>rd</sup> STREET AT HIGHWAY 101**

**RECITALS**

Pursuant to LCMC 10.08.010, the City Council may exercise Traffic Control authority by Resolution of the Council; and

The Temporary blocking or closing of street is expressly listed as within the authority of the City Council; and

The contractor for Oceanlake Veterinary Clinic has submitted a traffic control plan which includes a seven day road closure associated with the construction of roadway improvements at the corner of NEW 33<sup>rd</sup> and Hwy 101. (Permit #521-19-000585-STR).

The required roadway improvements per LCMC 17.52 include: sidewalk construction, curb and drainage construction, connection to the HWY 101 sidewalk, and roadway grading & paving. During construction the two-way intersection of NW 33<sup>rd</sup> and HWY 101 will be narrowed to 14 feet.

City Council approval of the road closure is required prior to state permit review of work

The City Council finds and determines that there is a public benefit in temporary closure to facilitate the above-referenced public improvements.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLN CITY, AS FOLLOWS:**

**SECTION 1. RECITALS.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. IMPOSING TRAFFIC CONTROL.**

Effective upon issuance of a State of Oregon permit(s) authorizing the above-referenced work, and for a period extending seven days from the time the work is to commence, the seven (7) day road closure requested in the traffic

1 control plan is approved. Staff is directed to post notice of the proposed  
2 time for closure as soon as possible after approval of this Resolution.

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**SECTION 3. EXHIBIT.**

5 The Traffic Control Plan, attached hereto and incorporated herein by this  
6 reference, is hereby approved, subject to receipt of all applicable State of  
7 Oregon permits and approvals for the proposed work.

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**Section 5.** This Resolution is effective as of the date of its adoption.

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**PASSED AND APPROVED** by the City Council of the City of Lincoln City, Oregon, this  
8<sup>th</sup> day of March, 2021.

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17 JUDY CASPER, COUNCIL PRESIDENT

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ATTEST:

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22 \_\_\_\_\_  
23 JAMIE YOUNG, CITY RECORDER

24  
25

APPROVED AS TO FORM:

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27

28 \_\_\_\_\_  
29 RICHARD APPICELLO, CITY ATTORNEY

30  
31

## Council Communication

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### Water Treatment Plant Generator Award

Meeting Date:	March 8, 2021	Primary Staff Contact:	Stephanie Reid
Department:	Public Works	E-Mail:	SReid@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	10 minutes

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#### Question:

Should the City Council award the Water Treatment Plant Generator Replacement Project to Bateson Enterprises, LLC in the amount of \$440,000.00.

#### Staff Recommendation:

Staff recommends the Council award the Water Treatment Plant Generator Replacement Project to Bateson Enterprises, LLC in the amount of \$440,000.00.

#### Authority:

LCMC 2.05 Public Contracting Code.

#### Background:

The generator serving the City's Water Treatment Plant is over 38 years old and needs replacing. The last repair to the generator required a part to be custom manufactured, as it was no longer available. This project includes upgrading the existing 400KW to a new 800KW and tying into the existing plant control system.

City Council approved advertising the project using Best Value Method on January 11, 2021. This method allows for proposals from the contractor rather than a single bid amount. Staff advertised a Request for Proposals; only one proposal was received.

This is very specialized work and involves several disciplines; we did not expect a lot of proposals but we did expect at least two. The company who gave us an initial estimate and has history with the water treatment plant control systems did not submit a proposal as anticipated. The proposal we did receive was from Bateson Enterprises, LLC who has a history of completing successful pump station projects for the City. Bateson teamed with McDiarmid Controls, Inc. and the proposal was reviewed by the selection team.

The Bateson team is qualified and experienced, the project approach is a cost effective solution to meet the project objectives. A copy of the proposal is attached. Bateson Enterprises, LLC has a long history of successful sewer pump station projects with the City, further they have experience with a wide range of instillation projects like this one. McDiarmid Controls, Inc has vast experience with complicated control system integration.

**Council Options:**

1. Award the Water Treatment Plant Generator Replacement Project to Bateson Enterprises, LLC in the amount of \$440,000.00.
2. Re-advertise the project.

**Financial Impact**

The project was approved in the fiscal year 2020/2021 in the estimated amount of \$400,000.00. The additional \$40,000.00, if needed, would come from the Water Capital Contingency Fund.

**Potential Motions:**

Move to award the Water Treatment Plant Generator Replacement Project to Bateson Enterprises, LLC in the amount of \$440,000.00.

Move to re-advertise the Request for Proposals.

**Attachments:**

WTP Generator Proposal Final 10 Feb 2021 (PDF)



PO Box 640 • Winston, OR 97496  
Phone: 541-844-5735 • E-Mail: taytar@msn.com

February 10, 2021

City Manager's Office  
City of Lincoln City  
801 SW Hwy 101  
Lincoln City, OR 97367

Attn: Stephanie Reid

Re: Transmittal Letter  
Request for Proposal for Progressive Design-Build Services  
Water Plant Generator Replacement

Dear Stephanie:

Bateson Enterprises and our project team are pleased to present our proposal to support your team with the design and delivery of this important project. I am the sole owner of Bateson Enterprises, LLC and will be the authorized signatory for contract documents executed by Lincoln City.

Our team met with Lani Hankins at the water treatment plant on February 4, 2021, where our goal was to introduce our team and to fully understand the project mission (and challenges). Our proposal presents our team, what we've done, and the process we'll follow to design and deliver this important project. We provide a viable alternative system architecture we believe will result in lower costs, and risks, while also delivering in less time.

We believe we're the best team for this project, because this is what we do, and our records speak for themselves. Our successful project outcomes have included other work right here in Lincoln City. We develop successful projects, build great relationships, and we have fun doing it!

Thank you for the opportunity to work together serving the community!

Sincerely,

A handwritten signature in black ink that reads "Shawn Bateson". The signature is fluid and cursive, written over a light blue horizontal line.

**Shawn Bateson**  
**President**  
**Bateson Enterprises, LLC**

Proposal Prepared for:



## Water Plant Generator Replacement

### Request for Proposal for Progressive Design-Build Services

Proposal No: LC 21-01 r1



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Bateson Enterprises, LLC. NO part of this proposal or information contained herein shall be copied, reproduced, disclosed, or disseminated to any person other than employees who have a need to know or for any purpose other than evaluation of this proposal.

## Part 1 – Executive Summary

Lincoln City has called for the best team to support their critical need for reliable standby power generation with capacity upgrades at the water treatment facility. The existing power system is aged and undersized to operate the water plant at full capacity. The system has seen recent demands during sustained power outages. The request for proposals seeks a team with the experience, capabilities, and proven collaborative culture to guarantee results under a progressive design-build contract structure. Our team has already begun to set the stage for how we will work together with your team on this important project. As you read this proposal, we hope you'll agree.

Our team conducted a collaborative creative brainstorm visit to the water treatment plant on February 4<sup>th</sup>, 2021, where Lani Hankins hosted the event. Our primary objectives were to introduce ourselves, to fully understand the mission of the project, and to consider the primary alternative outlined in the RFP. Our secondary objective was let capture the best ideas from our combined experiences to discover other viable alternatives that will better meeting your Objectives.

This proposal represents the first step toward the delivery of this important project for the community. Inside we describe who we are, what we've successfully delivered on past projects, and the process we'll follow in developing this project. Detailed descriptions of each step of the development process are provided proving that we understand design-build processes and why we believe in them (as opposed the drawbacks of a traditional process). We provide a preliminary analysis of risks and tradeoffs, as well as a new alternative system architecture that will deliver the project with significantly reduced risk, lower cost, and in shorter time. Finally, we provide a budgetary proposal outlining estimated costs and options for Phase 1 and Phase 2 of the project.

We are excited to join your team to design and deliver this great project! Our team is committed to your success and to serving the community through a very collaborative and efficient process. We believe we have the best team and we're ready to get to work. Thank you for the opportunity to serve the community, and we'll look forward to hearing from you soon.

## Part 2 – Design Builder Profile



Bateson has over 50 combined years of experience and expertise specializing in building, retrofitting and improving critical infrastructure such as water and wastewater treatment facilities and pump stations. Our team has built or improved over 100 water and wastewater pump stations, as well as water

and wastewater treatment facilities, including directly relevant standby power generation infrastructure. Our further specialization is in supporting small community projects. Our approach is different than our competitors. Our expertise and experience are in-house, and through trusted subcontractor and consultant partners with proven histories of successful project delivery. We own our projects and we do the work ourselves. Our team will not only support the design of your project, but we're ready to build it! Bateson Enterprises has been in business for over 17 years. Our corporate headquarters are located in Roseburg, Oregon, along with a satellite headquarters in Eugene, Oregon. Bateson has delivered successful projects throughout the United States, but with a specific focus on the Northwest. Bateson has the ability to provide the appropriate level of staffing and expertise to support this project, including through direct employees and proven partners, consultants, and subcontractors. Our history includes successful projects with Lincoln City. We know your team, your community and your needs. Our history of working collaboratively with your team makes us the best partner for this important project. Bateson has full time staff as well as staff that will be added to support the construction of the project, with four key employees providing consistent leadership to meet your needs. Our employees are experienced tradesmen, and our partners include engineering, electricians, and other needed to provide the best team and value to Lincoln City. Bateson is a registered limited liability company and a registered Oregon contractor with Oregon Contractor License Number 159,683 (on file with Lincoln City). Bateson is owned by Shawn Bateson.



**Shawn Bateson** - Owner of Bateson Enterprises. His roles include: Job super-attendant, day to day job tasks, and employee supervision. Shawn has successfully built, improved, or rehabilitated of 70 pump stations, ranging from waste water to water pump stations. Shawn will lead his team along with yours to ensure project success.

**Jerry Wilkison** - General Manager. His roles include project management, scheduling, subcontracting, submittals & owner's manuals, pay estimates, change orders, RFQs, and project job superintendent. Jerry has over 24 years of experience developing and delivering pump stations and difficult underground projects. His experience includes the delivery of over 100 water, wastewater and storm water pump stations.



### Additional Information Statement

Bateson wishes to be responsive to the RFP with the following additional information:

- Bateson has not failed to complete any contract, nor has any of our contracts been terminated due to alleged poor performance or default within the past ten years. In actuality, our team has been contracted several times to recover for our clients to repair the work of others. We are proud of our long history of successful completed projects.
- Bateson has never been convicted of any criminal conduct, nor has it been found in violation of any federal, state, or local statute, regulation, or court order concerning antitrust, public contracting, employment discrimination or prevailing wages within the past 10 years.
- Bateson has not been debarred within the past 10 years, or is it under consideration for debarment, on public contracts by the federal government or by any state.
- Bateson will notify Lincoln City of any changes subsequent to submission of the Proposal and before the selection process is completed if the status of the above changes (and, in the case of the selected Respondent, before execution of the Progressive Design-Build Contract).

### Part 3 – Project Team

Bateson and Midea have decades of combined experience and expertise with specialization in supporting small communities to achieve their goals. Larger engineering and construction firms generally cost more and perform more poorly when working with small communities. Our approach is simple. Focus on doing great work, while treating our client's projects like our own. Primary project team members are Jerry Wilkison, Shawn Bateson, Devin McDiarmid, & Sean Moran. All team members have committed to full engagement throughout the lifecycle of this project and to the success of this project.

- **Jerry Wilkison** has over 24 years of experience designing and delivering successful projects for communities. He will function as the General Manager for construction, will support design, and will collaborate to generate the best possible solution for the WTP Generator Project. Jerry will lead the effort to accurately evaluate solutions and costs. Jerry's percentage of time on the project will vary depending on the activities occurring each week. Jerry will work ~25% during the Phase 1, and ~50% during Phase 2.
- **Shawn Bateson** is the owner of Bateson Enterprises and will be directly leading the project as the General Superintendent, where he will be planning, procurement and construction team for the project. Shawn's percentage of time on the project will vary depending on the activities occurring each week. Shawn will work ~25% during Phase 1, ~50% during procurement and mobilization, and ~100% during construction.
- **Devin McDiarmid** is the Vice President of McDiarmid Controls, Inc. and will function as a critical member of the project team. His expertise includes large infrastructure project electrical design and construction, including critical standby power generation systems. Devin's experience will be invaluable to provide inputs to the design process to ensure the most practical, functional and cost effective design. He will work closely with Bateson and Midea. Rather than engineering in a vacuum, Sean will work closely with Devin to start the

design off right by drawing from Devin's experience and sound ideas from past projects. Devin will enable to the team to repeat what works best and avoid what doesn't. This approach will enable the team to converge on a solid design more quickly, saving time and money. Devin's percentage of time on the project will vary depending on the activities occurring each week. Devin will work ~25% during Phase 1, ~50% during procurement and mobilization, and ~100% during construction.

- **Sean Moran, PE, MS, MBA** has over two decades of experience designing and delivering projects on time and budget for small communities. Sean will serve as the Prime Engineer for the project and will collaborate closely with the project team to help navigate the project from kickoff to closeout. Sean will develop and administer the design, technical specifications, the contract and will manage the construction of the project to ensure high quality and compliance to regulatory requirements. Cost control is best managed through the development of a well-defined and defensible design, with technical and contractual documentation that is thorough and complete. Sean has experience in a variety of industries including renewable energy development, energy systems, medical device and industrial automation development, and community development. Sean holds a master's in mechanical engineering (OSU), a master's in business administration (PSU), and is a licensed professional engineer in Oregon (70771 PE). Sean's percentage of time on the project will vary depending on the activities occurring each week. Sean will work ~25-100% during Phase 1, ~20% during procurement and mobilization, ~15% during construction, and ~80% during closeout (record drawings and closeout documentation).
- **Key Suppliers** will be a part of our extended team. The design process will help our team to select the key primary equipment and materials that will be integrated into the larger design. We know these suppliers, their people, and their equipment. These suppliers will be a positive force in our design process, and will be held accountable to provide the needed information, as well as design support, effective and time delivery, and support after commissioning. These suppliers include the selected generator and automatic transfer switch equipment.
- **Lincoln City Staff** will be critical team members from the time of our first site visit (already done on February 4<sup>th</sup>!), through commissioning and during the performance period. Our design and performance will directly result from your team inclusion, involvement and review. The formal team kickoff meeting will focus on roles and responsibilities of team members and will define how we will capture and share information and communicate in the most efficient and effective way. Your team involvement will save time and money, while also ensuring the best possible outcome. Lani Hankins will be a key team member not only for critical inputs to the design, but also for planning and phasing the successful construction that minimizes risks and ensures continuous service to the community.

## HOW WE WILL MANAGE & DELIVER

Our team is excited to work closely and collaboratively with your team from Day 1 to ensure a successful project! Part 4 (next section) provides details concerning our planned project approach, and why we believe the framework you've chosen is the best approach for your community. The approach you've outlined places critical importance of selecting the right team. We believe our team will deliver for the community and for your team, because we have a history of success. Please see the team organizational chart, below.

Communication & Collaboration: Our team (which includes your team) must work collaboratively and effectively to ensure an excellent outcome. We ensure this is done right from Day 1 with a project kickoff that clearly defines how we will communicate, how we will share information, and the roles and responsibilities of each team member. We will enact an official information repository (Dropbox, OneDrive, or City Preference) to generate a living documentation tree. We will all contribute to this repository and we'll all be responsible for making sure the latest information shared. Documentation will be revision controlled with an agreed-upon naming convention to ensure there is no information confusion. By doing this, anyone, at any time, will know that they're looking at the latest information. Sean Moran will be the owner of the repository as the engineer and he will make sure the latest information is available to all. We will set up recurring meeting invites so we can communicate effectively (even during COVID). We will use Zoom or another approved platform (i.e., Google Meet) for frequent team meetings. This will enable our team to review designs and status with your team, while also minimizing in-person contact through Phase 1 of the project. Sean Moran will maintain a master schedule of the project to ensure that all stakeholders will stay up-to-date and informed (and so the community can be informed). This sounds complicated, but it's actually not. It is the most efficient and simple way to establish clear lines of communication for all streams of information for our team. It's how we will hold ourselves accountable to your team and the community.

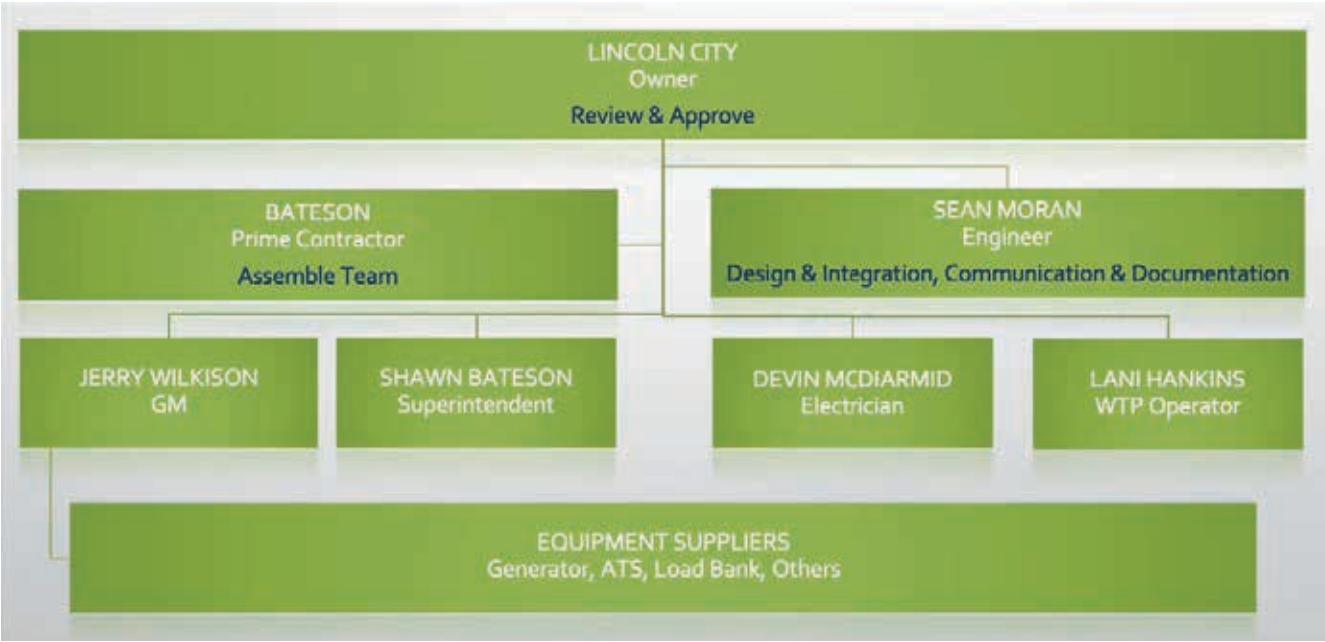
Design: Everyone on the project team is responsible and accountable to ensure we have the best possible design that will meet the overarching objectives (that also meet project constraints). Although Sean will be the design integrator, everyone on the team must share their perspectives, knowledge and expertise. In the early stage of the project, we're all designers. Near the end of Phase 1, we'll need to make measured decisions and commit to complete the design and clearly define what will be delivered, and how success will be measured.

Engineering: Sean Moran will serve as the prime engineer and systems integrator for the project. His job will be to lead organized discussions with the project team to capture the best ideas, requirements and other information for the project. He will capture this information as design inputs and will process them to design outputs in a pseudo-ISO 9001 manner to ensure that the needs of the project will be verifiable (ensuring what is delivered meets the design intent).

Project Plan: The Project Plan is a deliverable of Phase 1. It will show not only what will be delivered, but also how we'll get it done, and when. Details will be broken out for each functional area, including purchasing, permitting, staging of equipment and materials, site preparation, construction activities and phasing, and testing and commissioning. The best way to ensure project success and control to scope and quality, schedule and budget is to have a solid project plan. The collective team will hold significant responsibility to ensure we meet our goals.

Cost & Quality Controls: Our team provides a best-estimate for Phase 1 as part of this proposal. This includes significant due-diligence, including a site visit and detailed communications with suppliers and subcontractors for costing information. Estimates have been made for engineering and design with several assumptions noted. Again, the best way to ensure Phase 2 results in the overall objectives, including budget, schedule and quality, is to ensure we have a solid design that will meet the needs of Lincoln City. Sharing of cost information with the City will be very clear and direct so that informed decisions can be made by the City. **Funding not used in Phase 1 will be passed to Phase 2.**

Team Scope & Management: The Project Team holds the primary responsibility of determining the most cost effective and efficient design that will meet the needs of the community. We have a history of performance, demonstrated in Part 4, but also with Lincoln City. Our team has a significant history of providing excellent standby power solutions, even recently for similar sized communities. We know the equipment, we understand the work, and we have the right team to design and delivery this important project. Although Bateson will be the Prime Contractor, and single point of contact for accountability to the project, the organizational chart shown in Figure 3.1, below shows how the team will function. Bateson will assemble the team and will hold all team members accountable for their portions of the work. Jerry will function at the GM for the project with overarching responsibilities of coordination, quality, scheduling and team. Shawn will function as the Superintendent and key contact for boots on the ground during construction. He will manage the construction team and will be the key point of contact for site activities. Sean’s responsibility is to ensure Lincoln City is delivered the best possible design that will meet project objectives. His role will be to integrate information into a cohesive documentation package that clearly defines the work that needs to be done, and that it will comply with relevant standards, including safety. Sean will also ensure the work is constructed in a manner that follows the design and meets requirements and performance criteria. All team members are part of the design team, and will ensure that all interests are represented and captured. Alternatives will be weighed against the goals and approval will be provided by Lincoln City. Devin will provide support during the design phase of the project and will coordinate all electrical construction during Phase 2 of the project. Lani will support the project throughout, including through Phase 2, which will include eyes and ears on the ground, including coordination of construction activities to ensure disruptions to operation of the WTP are minimized.



## Part 4 – Experience

The Project Team for the Generator Replacement Project is assembled from broad and diverse backgrounds. Our combined experience, expertise and professionalism will ensure a successful project outcome. This section provides information for past projects with the intention of proving our history of successful project delivery! Many of the projects below have significant design-build aspects, with some projects being formally structured as design-build under Oregon Bidding Law. Antelope Automated Assembly Line, the Burley Hatchery Disinfection System Improvements, Six Lift Stations Retrofits, and the Design & Commissioning of the Open Ocean Testing Facility are truly design-build projects. These projects were structured with the best team to meet the requirements of the mission, then an iterative design-build process was followed to ensure excellent project controls, while making measured progress toward the mission. For the Generator Replacement Project, we are proposing a process that is closer to the design-build process, as we wish to reduce schedule risk by ordering long-lead equipment well in advance. Please see Figure 4.1 at the end of this section for a Team Project Summary Table. The projects below are broken into two logical sections, with Bateson project history, followed by Midea project history.

### **BATESON & MCDIARMID PROJECT SUCCESSES (Projects finished on time & within approved budget)**

The projects described below provide a history of proven projects with successful outcomes by the Bateson and McDiarmid Team. The end product is the most important project outcome, and our projects are delivered on time, and on budget! Jerry Wilkison and Shawn Bateson were key contributors to each of these projects in similar roles that will be assumed for the Generator Replacement Project. Several pump stations are included as relevant experience below, which proves our ability to construct critical infrastructure projects, including the integration of standby power systems. McDiarmid has joined the Bateson Team on several projects as a subcontractor to support the best possible project outcomes as noted in Figure 4.1.

#### **1) Snow Avenue Pump Station- August 2019 - March 2020**

- a) City of Winston
- b) Orig. Contract Value: \$900,000
- c) Final Contract Value: \$1,100,000
- d) New Pump Station
- e) 100kw Generator and ATS
- f) Flow Meter
- g) Contact: Andy, 541-670-7133
- h) Project included all electrical SCADA, VFD's, PPC Transformer Vault, New Power Service, Multiple 6" depth concrete slabs, 1,100 feet of pipe bursting, CMU building.



## 2) Road Ends South Pump Station- August 2017-February 2018

- a) City of Lincoln City
- b) Original Contract Value: \$570,000
- c) Final Contract Value: \$600,000.00
- d) Large Retrofit Pump Station
- e) 80kw Generator and ATS
- f) Flow Meter
- g) Contact Person: Terry Chamberlin, 541-996-1292
- h) Project included all electrical SCADA, VFD's, PPC Transformer Vault, New Power Service, Multiple 6" depth concrete slabs



## 3) High School Pump Station- August 2020-October 2020

- a) South Umpqua School District
- b) Original Contract Value: \$99,000
- c) Final Contract Value: \$135,000.00
- d) Small Retrofit Pump Station
- e) CMU Block Shelter
- f) Flow Meter
- g) Contact Person: Joseph Motta, Facilities Manager, 541-863-3115, ext: 1027
- h) Project included all electrical wiring, Smart Runs, Valve and Flow Meter Vaults, CMU Shelter, Multiple 6" depth concrete slabs

## 4) Pump Station No. 2 Improvements August 2017-January 2018

- a) Tri City Water and Sanitary Authority
- b) Original Contract Value: \$ 319,000
- c) Final Contract Value: \$321,000
- d) Small Retrofit Pump Station
- e) Contact Person: Paul Wilborn, 541-733-9548
- f) Project included all electrical SCADA, VFD's, Missions Auto Dialer, Multiple 18" concrete slabs

**5) MacLaren Youth Facility-Water Line and Sewage Plant April 2016-January 2017**

- a) State of Oregon, Oregon Youth Authority
- b) Original Contract Amount: \$477,000
- c) Final Contract Value: \$490,000
- d) Two Water Well Upgrades & New Waste Water Pump Station
- e) Contact Person: Mark Connors, RPA, 503-986-0299
- f) Project included all electrical SCADA, Flow Meter, Multiple 18" depth concrete slabs, Fiberglass Orenco Building, Jib Crane, 1,000' of 6" C-900 Waterline, Manholes & 12" Gravity Sewer, Valve Vaults

**6) Valley of the Rogue Pump Station April 2015-December 2015**

- a) Oregon Parks and Recreation Department
- b) Original Contract Value: \$680,000.00
- c) Final Contract Value: \$915,000.00
- d) Three Pump Stations Totaling 6 Pumps; Ranging from 7 ½ HP to 11 HP.
- e) Contact Person: John Seevers, 503-986-0777
- f) Project included all electrical SCADA, Concrete retaining walls- 6' high and 90 linear feet, Multiple 18" depth concrete slabs

**7) Maryland Pump Station March 2015-June 2015**

- a) City of Lincoln City
- b) Original Contract Value: \$217,000
- c) Final Contract Value: \$232,000
- d) One New Duplex Pump, Two New 20 HP Pumps
- e) Contact Person: Terry Chamberlin, 541-996-1292
- f) Concrete retaining wall 70' by 4' high, project included all electrical SCADA

**8) Barclay Hills Pump Station July 2014-December 2014**

- a) Oregon City Public Works
- b) Original Contract Value: \$360,000
- c) Final Contract Value: \$390,000
- d) Wet/Dry Pump Station, w/ Two 50 HP Pumps
- e) Contact Person: John Lewis, 503-657-8241
- f) Project included all electrical SCADA, 24" Concrete pad 18 feet square

**9) Coast Pump Station March 2014-August 2014**

- a) City of Lincoln City
- b) Original Contract Value: \$90,000
- c) Final Contract Value: \$90,000
- d) Submersible Retro Fit, Two 30 HP Pumps
- e) Contact Person: Terry Chamberlin, 541-996-1292
- f) Submersible Retro-Fit, City purchased Flygt hardware and pumps. Project went exceedingly well. Project included all electrical SCADA

**10) Honeyman Pump Station                      September 2014-December 2015**

- a) Oregon Parks and Recreation Department
- b) Final Contract Value: \$570,000
- c) New Pump Station, Two 15 HP Pumps
- d) Contact Person: Mike Collins, 503-986-0763
- e) Project included all electrical SCADA, concrete retaining walls- 6' high and 90 linear feet, multiple 18" depth concrete slabs

**11) Moore Pump Station Improvements/Backflow Preventer                      October 2014-December 2014**

- a) South Umpqua Water Association-Douglas County
- b) Original Contract Value: \$31,216 & \$16,824
- c) Final Contract Value: Same
- d) Replaced Water Booster Pumps
- e) Contact Person: Richard Nored, P.E. (retired)
- f) Project included all electrical SCADA

**BATESON PROJECT STATION REFERENCES**

Terry Chamberlin, Project Engineering Manager, City of Lincoln City, 541-996-1292

Mike Collins, Project Manager, Oregon Parks and Recreation Department, 503-986-0763

John Lewis, Public Works Director, Oregon City Public Works, 503-657-8241

John Seevers, Project Manager, Oregon Parks and Recreation Department, 503-986-0777

**MIDEA PROJECT ENGINEERING & DELIVERY SUCCESSES (All projects finished on time and on budget)**

Midea has an extensive and diverse engineering and project development background and history of proven successes; delivery of important missions on time and on budget. Sean Moran was a key or lead contributor on the projects provided below, and he will assume a similar role for the Generator Replacement Project. Several projects provided here are included as relevant experience and proof of past delivery performance. Energy and power systems have been a key part of Midea's history of success.

**1) Tri City WTP Power Systems Upgrade and Solar Array Project (\$500,000)**

- a) Tri City Water & Sanitary Authority
- b) Prime Engineer, 2018
- c) Contact Person: Paul Wilborn
- d) New Power System Upgrade, Solar Array, Standby Genset (275kW) and ATS. This project was bid and constructed in two phases, with the first phase requiring a new transformer and power drop, generator and ATS for the WTP. Phase 2 included the installation of a new solar array and inverters. Midea worked with Terry Nelson of Camtronics to integrate overall design.



**2) Cooper Creek Water Treatment Facility Improvements, Sutherlin, Oregon (\$6.4M)**

- a) City of Sutherlin
- b) Lead Design Engineer, 2012.
- c) Contact Person: Randy Harris
- d) New water treatment facility & retrofit, new packaged WTP, raw water, finished & backwash pumps, new clear well and backwash basins, mixed-oxidant treatment system, and 250kW generator.

**3) High School Pump Station Rehabilitation (\$137,400)**

- a) South Umpqua School District
- b) Prime Engineer, working with Bateson Enterprises (2020)
- c) Contact Person: Joe Motta
- d) Complete Rebuild of Pump Station



**4) Antelope Automated Assembly Line (\$7,400,000)**

- a) Hewlett Packard
- b) Program Lead
- c) Confidential project will not allow contact.
- d) Design (ME, EE, SW), Assembly, & Delivery of Fully Automated Product Assembly for Biological Testing Product. Lead team of 25 multidisciplinary team from napkin sketch through delivery (under way). Integration of customer automation, 8 Epson SCARA robots, customer conveyor, and vision inspection system hardware.



**5) Everett Street Pump Station Improvements (\$258,000)**

- a) City of Sutherlin
- b) Lead Engineer
- c) Contact Person: Brian Elliott
- d) Design and integration of grinding system headworks for a critical pump station that reduced system downtime and maintenance. New wet well, grinder equipment and control system hardware.

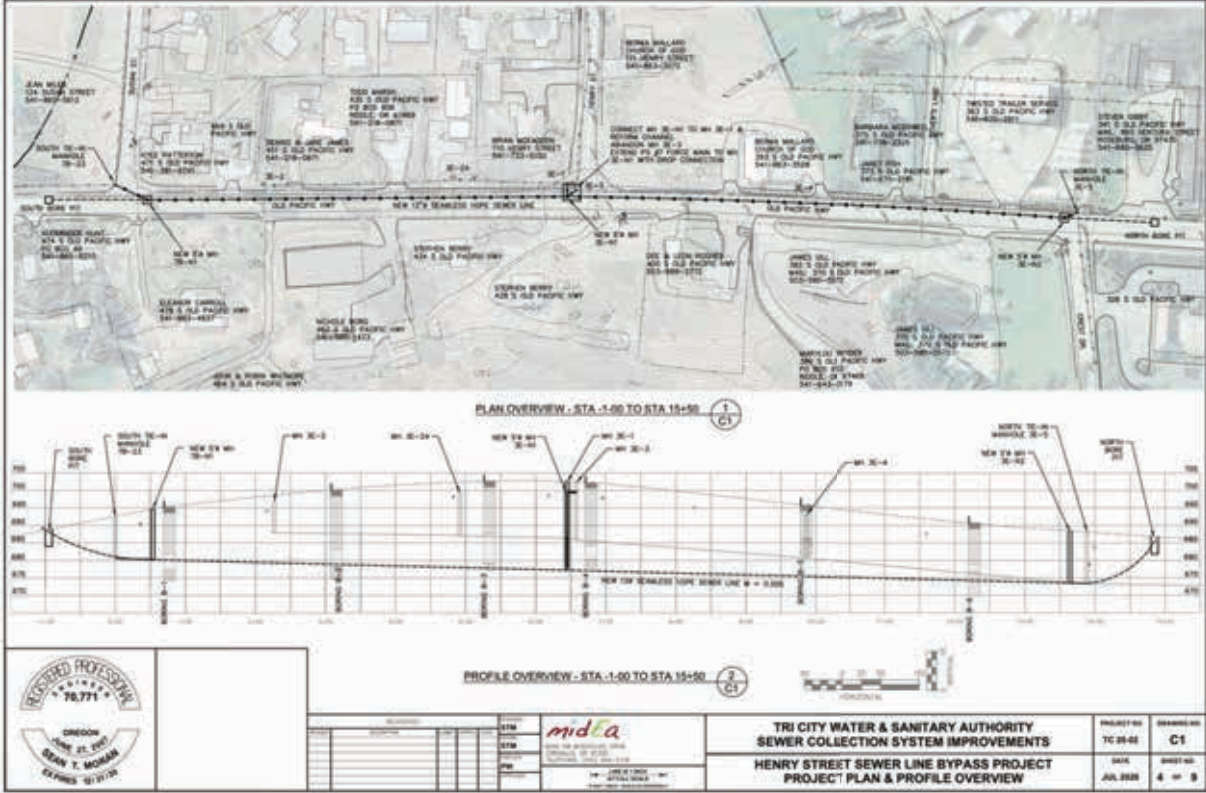
**6) Airport Street Pump Station Improvements (\$280,000)**

- a) City of Sutherlin
- b) Lead Engineer
- c) Contact Person: Brian Elliott
- d) Complete rehabilitation of the pump station, converting vacuum prime pumping system to a submersible pump station design, control system and 20 kW standby generator / ATS.



7) Henry Street Sewer Line Bypass Project (\$880,000)

- a) Tri City Water & Sanitary Authority
- b) Lead Engineer
- c) Contact Person: Paul Wilborn
- d) Design and construction of a 1,500' directional grade bore to divert flow away from a pump station critical to the development of an industrial park. The design called for only a 4' drop across the entire alignment and manholes over 25' deep. This challenging project will help the community to prepare for the future and to grow the economy.



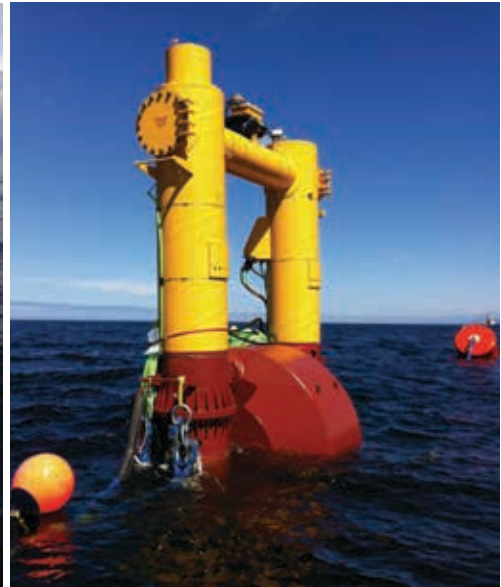
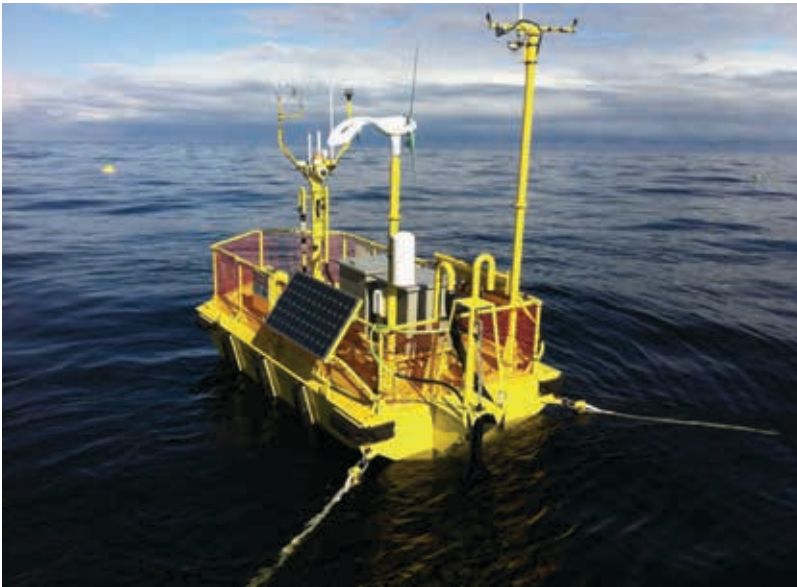
8) Burley Hatchery Disinfection System Improvements (\$600,000)

- a) National Oceanic & Atmospheric Administration
- b) Lead Engineer
- c) Contact Person: Steve Wagner (Ahtna Environmental, Prime Contractor)
- d) This environmental design-build project has a mission to design and construct new ozone disinfection system into an existing NOAA research hatchery. Midea facilitated the integration of team and component designs into a comprehensive design package, including ozone equipment, controls systems, flow meter, compressors and recirculation pumping system, site work, and new reinforced concrete basin modifications and ozone headworks lid.



9) **Design & Commissioning of Open Ocean Testing Facility (\$6,500,000)**

- a) National Oceanic & Atmospheric Administration
- b) Lead Engineer & Facilities Manager
- c) Contact Person: Ean Amon
- d) This project mission was to design, develop and commission the first ever open ocean wave energy testing facility in North America. The testing facility provided an instrumentation buoy with standby diesel power generator, battery bank, load bank, and remote telemetry for communications to shore.



10) **Other Projects**

- a) Wastewater Facilities Plan, Glendale, Oregon
- b) Wastewater System Improvements, Glendale, Oregon
- c) Wastewater Facilities Plan, Sutherlin, Oregon
- d) Other Experience
  - (1) Wastewater Facilities & Master Plans, Water Master Plans, Rate Studies
  - (2) Inflow & Infiltration System Improvements
  - (3) Water & Wastewater Rate Studies
  - (4) Dozens of Relevant Civil Project Work & Industrial Automation Projects

**MIDEA REFERENCES**

Paul Wilborn, General Manager, Tri City Water & Sanitary Authority, 541.733.9548

Claire Johnson, Director Fiscal Services, South Umpqua School District, 541.863.3115 Ext. 1008

Joe Motta, Facilities Manager, South Umpqua School District, 541.743.5140

CLIENT	PROJECT NAME	Shawn Bateson	Jerry Wilkison	Devin McDiarmid	Sean Moran	Project Value
City of Winston	Snow Avenue Pump Station	X	X			\$1,100,000
Lincoln City	Road Ends Pump Station	X	X	X		\$600,000
South Umpqua School District	High School Pump Station	X	X		X	\$135,000
Tri City Water & Sanitary Authority	Pump Station No. 2 Improvements	X	X			\$321,000
State of Oregon, Oregon Youth Authority	Maclaren Youth Facility-Water Line & Sewage Plant	X	X			\$490,000
Oregon Parks & Recreation Department	Valley of the Rogue Pump Station	X	X			\$915,000
Lincoln City	Maryland Pump Station	X	X	X		\$232,000
Oregon City Public Works	Barclay Hills Pump Station	X	X			\$390,000
Lincoln City	Coast Pump Station	X	X	X		\$90,000
Oregon City Public Works	Honeyman Pump Station	X	X	X		\$570,000
South Umpqua Water Association	Moore Pump Station	X	X			\$48,000
US Coast Guard	Six Lift Station Retrofits	X	X			\$500,000
Tri City Water & Sanitary Authority	Power Systems Upgrade & Solar Array Project					\$500,000
City of Sutherlin	Cooper Creek Water Treatment Facility Improvements				X	\$6,400,000
Hewlett Packard	Antelope Automated Assembly Line				X	\$7,400,000
City of Sutherlin	Everette Street Pump Station Improvements				X	\$258,000
City of Sutherlin	Airport Pump Station Improvements				X	\$280,000
Tri City Water & Sanitary Authority	Henry Street Sewer Line Bypass Project				X	\$880,000
NOAA	Burley Hatchery Disinfection System Improvements				X	\$600,000
US Department of Energy	Design & Commissioning of Open Ocean Testing Facility				X	\$6,500,000

Figure 4.1. Team Project Summary Table

## Part 5 – Project Approach

Our first step to joining this project mission was to evaluate the proposal materials in detail and to begin capturing materials and equipment costs from suppliers. During our review we captured key questions and concerns. The next step was to gather as a team and meet at the project site as part of our definition and planning activities. Our Project Team visited the water treatment plant on February 4<sup>th</sup>, 2021 and met with Lani Hankins. Our objective was to invest our combined expertise (and yours) toward fully understanding the mission and challenges of the project. Lani's experience was invaluable to guide our team in understanding the needs and challenges. All key team members attended the meeting including Shawn, Jerry, Devin, Sean & Lani. This period of the project is when it's critical and acceptable to let all good ideas be presented. The water treatment facility was very clean and well designed and maintained! Great work Lincoln City Team!

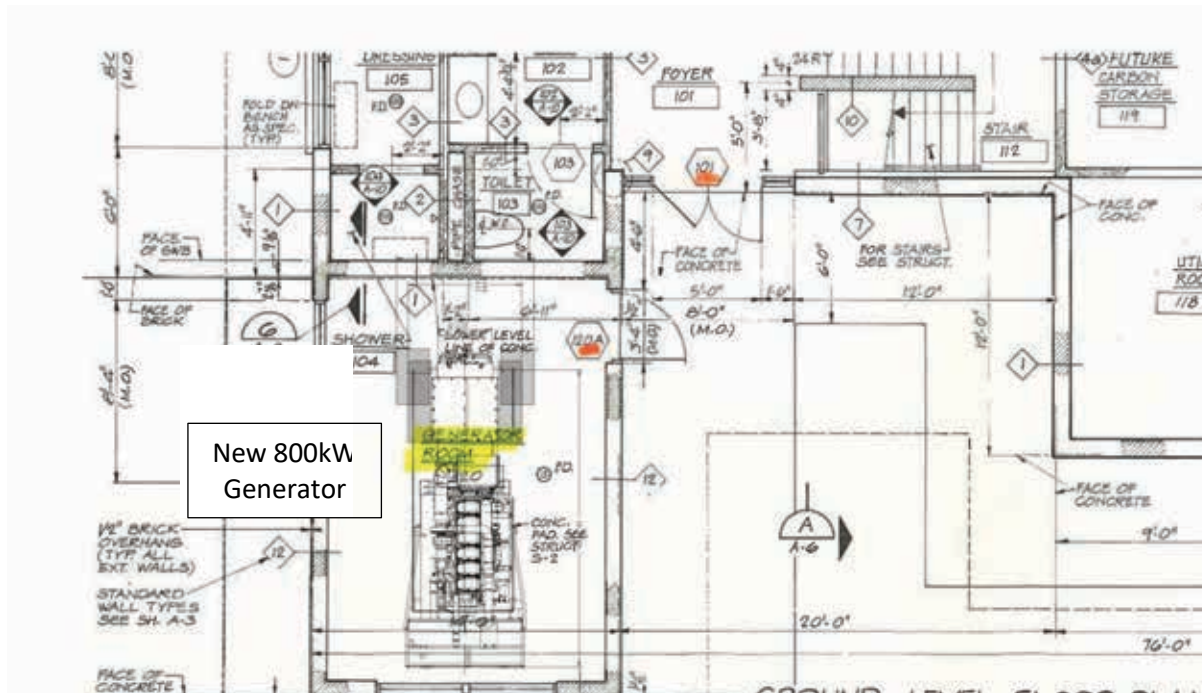
### WTP STANDBY POWER SYSTEM DEFICIENCIES

The primary driver of the improvements to the power generation system are that the WTP is not fully supported during a power outage. Only partial systems in some cases are powered under the current system, which disables the WTP from operating at full capacity. Power was lost last year for nearly a week during the summer when fires raged through Oregon, which highlighted the need for this improvement. The best solution based upon previous work was to install the larger 800kW generator, which would enable the entire plant to be operated during power loss.

### KEY CONSIDERATIONS & RISKS FOR THE PRIMARY ALTERNATIVE (CALLED FOR IN RFQ)

The key questions and requests from the RFQ were investigated for feasibility and challenges were reviewed and discussed, including review of the physical plan as well as schematics. The current primary alternative calls for the replacement of the existing generator with a new generator and automatic transfer switch. This alternative holds several key challenges:

- The WTP must continue to operate with standby power during construction
  - This will require a portable generator to be wired and available for service during construction, which could present significant costs of rental and labor to manage.
  - Phasing of the project will be critical to minimize temporary standby power costs.
- The existing location of the ATS is limited in space, which may require a new location for the new ATS (or complete removal and replacement) as well as extensive labor to reroute cables and controls during construction. This challenge would extend the need for temporary generator power to be deployed as significant cost.
- Routing of cables and conduit will require substantial work to core holes through existing concrete walls, and must be routed through multiple areas below grade.
- The larger 800kW generator will potentially fit into the existing building, but several constraints and unknowns are present (see image below).
  - The existing concrete pad may need to be demolished and improved to accommodate new conduit and mounting for the generator.
  - Slab design information may not be available to understand key design constraints of the pad. Some factors such as mass and reinforcement may cause create potential scope or cost concerns once demolition begins.
- The cost of this alternative places the goal of completing the project within the \$400k budget at significant risk, and may potentially be impossible.



**Figure 5.1. Preliminary Layout of a Candidate 800kW Generator Inside the Current Building**

## WATER PLANT POWER SYSTEM - WHAT WE THINK IS NEEDED

Our team conducted a brainstorm session with Lani during our site visit on February 4, 2021. The first steps were to first understand the current state of the system, then to identify key challenges that present risks to Lincoln City's Objectives. The next step was to brainstorm alternative architectures or configurations that would reduce project costs and risks, while continuing to meet project Objectives.

The new alternative disclosed here serves as a first example of how we will collaborate with your team throughout this project. This illustrates our commitment to serve the community and to innovate where needed to meet your Objectives. This new approach would leave the existing infrastructure in place, while the new infrastructure is constructed. This approach will enable the existing system to continue to operate until the new system is ready for commissioning. The new equipment would be connected to the WTP during a brief and planned outage, which would be supported by Lincoln City (i.e., filling water tanks). Our team brainstormed with Lani during our site visit to select viable locations for all of the new equipment that would minimize impacts to space loss, foliage and cosmetic considerations to the outside of City property. **This alternative will solve the key challenges for this project noted above, while also reducing costs and project risks.** Temporary standby power generation equipment and labor costs are eliminated, and switchover costs are negated. Furthermore, this alternative allows some additional flexibility for dealing with existing equipment at the WTP. The current 400kW generator could potentially be left in operation, or abandoned. If the generator is to be removed, the existing space could be converted to useful new shop or maintenance space with very little cost. Finally, the overall cost, schedule, and risk will be optimized, with the total costs much closer to budgetary constraints noted in the RFQ. The only significant drawback to this alternative is that site space outside will be required for the equipment. We're excited to work with your team to figure out the details, and then to getting this project done!

## TRADITIONAL PROJECT DEVELOPMENT PROCESS (DRAWBACKS)

This subsection has the intention of proving our understanding of the drawbacks of the traditional project development process, and lays the groundwork for our proposed approach for this project. The traditional approach to rebuilding important infrastructure, like your generator replacement project, begins with hiring a consulting engineering firm that estimates the project, designs the project, develops a bidding package, manages the bidding process, awards the contract, manages construction, and delivers final documentation. Engineers are typically biased toward larger project budgets, because their scope and fees are based on a percentage of the estimated construction cost estimate. Bidding documentation is often developed in the absence of builder and tradesmen expertise, which opens the Owner up to unforeseen liability for cost and schedule expansion. These engineers make the same mistakes in a repeated fashion, because their clients always end up paying the costs. They copy and paste specifications and old drawings, because it saves them money and time (but not you). These engineers pass the liability of projects onto their customers and onto the winning bidders of their projects. It also proves that they don't listen to, nor do they respond to, what their customers need.

The conventional design and construction process have several key drawbacks:

- Liability
  - Liability perspectives of all parties drive up project budgets, extend schedules, and results in lower system quality, and in the end; lower value to the community.
- Engineering Interests
  - Engineering firms set their fees based upon a percentage of construction value, so have an incentive to drive up estimated construction costs and budgets.
  - Engineering firms copy and paste old designs to save time and to ensure profitability for their own company. This results in designs that are often inconsistent, or don't make sense for your application. This also drives up costs when equipment and specs are written toward what engineers have done before, or that they can copy and paste from old jobs. This places cost burden onto the Owner.
  - Engineers are not leveraging past experience and expertise of builders and of the Owner in the process.
- Builder Interests
  - Many builders have been burned by years of poorly defined, and poorly designed projects, which leads to a heavy burden of trying to make up the difference through loss of profit and productivity. Many builders fight for additional time and money to help ensure they can make payroll and stay in business.
  - Risk of litigation and loss of productivity for projects that don't go well often drives the conversation of risk, through the engineer (Engineer Interests notes above).
- Owner Questions & Interests
  - How can I ask for help in a way that ensures someone is looking out for my interests?
  - How can I ensure that we get a quality end result that will have lasting impacts (low cost, savings through improved ROI, and reduced recurring costs & maintenance)?
  - **Answer: Hire the best team, and let your team and ours get to work.**

## OUR APPROACH IS DIFFERENT!

We believe in the process you've selected for this project, because we have a history of delivering great projects under similar models. Our team not only has the experience and expertise to deliver a successful project, but we apply our proven approach to helping small communities through a smart development process. This multi-phase approach optimizes the new project to reduce risks and cost, while also saving time. We apply the right expertise early in the project to formulate the right solution and budget to meet the need. Engineering budgets are an output of this process, not a simple percentage of the project. In this way, we get more work done faster, for lower cost, and with a better end result. Our team is experienced in developing projects under the traditional design and construction process, as well as design-build. Phase 1 will determine the best final design architecture that will ensure the best possible outcome with clear decisions made based upon tradeoff analysis.

The best way to ensure a successful project is to adequately define what a successful project means. We will draw from the team expertise to generate the best design that will meet the needs and constraints.

### PHASE 1 – DESIGN & PROJECT EXECUTION PLANNING

#### What Is It, How Much, How Long, What Strategy?

The goal of Phase 1 is to gather the collective expertise and experience of the project team to design a system solution that will meet the objectives of Lincoln City. Design alternatives will be measured through a weighted decision matrix approach, which will reveal any tradeoffs that must occur (if any). Typically, a high performing team can achieve the highest level of performance in two of three areas (Scope, Schedule, Budget). Our experience is that if budget funding is adequate, then it's possible to achieve the highest performance in all three areas! This is our goal!

- **Owner Objectives:**

- **Safety** is the highest priority of the project. A simple but formal safety risk assessment will inform as a design input to the project. Identified risks will be mitigated through a smart application of design, equipment, and training.
- Our team will define **Quality** through the design process, where we will document the design, equipment, performance, and workmanship aspects that will result in the best possible outcome within project constraints (budget and schedule).
- **Project & Technical Risks** will be discussed at each phase gate of the project to ensure the proper balance of project risk is achieved between the Owner and our team (cost, schedule, scope, capabilities).
- **Costs** for each design alternative will be developed and presented in a collaborative team environment, and in a very transparent manner. The decision matrix will include a cost aspect so the tradeoffs between scope, schedule and budget are well understood, and therefore, informed decisions can be made.
- **Schedule** needs for the project will be carefully considered during the design process, which will include key requirements or needs of the community and the water treatment facility. Technical and operational risks will be key part of this conversation. Equipment procurement lead times will be considered early as well to ensure any gating items or bottlenecks are part of the decision making process. We may want to purchase long-lead equipment early to ensure we optimize your project schedule needs.

- **Step 1: Project Kickoff! (We Already Demonstrated This During our Feb 4<sup>th</sup> Site Visit)**
  - This is the most creative part of the project where all ideas start as good ideas.
  - Our teams get to know each other and leverage our combined strengths.
  - Determine how we will work together, how we will collaborate and communicate.
  
- **Step 2: Conceptual Design Alternatives & Reviews**
  - Every team member comes prepared to incorporate the best parts of past projects (and experience for how avoid the worst).
  - Our team listens and learns from your team
    - Experience in operating the system
      - What works and what doesn't?
      - What are the key pain points?
      - What areas do you with were done differently?
      - Where are time and resources better spent?
  - Conceptual white board sessions to quickly converge on 2-3 viable alternative or sub-alternative designs, which are measured against the larger objectives.
  - Design layout and review matrix to help support the best alternative.
  - The Engineer listens, participates as a valued team member, then integrates!
  - Determine project priorities (budget, schedule, scope).
  
- **Step 3: Build a Project Execution Plan**
  - We overlay our plan to design, procure, mobilize and construct the project.
  - Project schedule is an output of the creative and definition process.
  - The Project Plan will present the approach for each functional aspect of the project, including project phasing for removing the existing generator and constructing the new equipment.
  - Design-Build Plan
    - Identify key equipment and long-lead equipment and materials
    - Determine which aspects of design are to be completed in a phased approach
      - Concept design alternatives
      - Define key design aspects required for each phase gate (30%, 50%, 80%)
      - Some aspects of design are completed in parallel as needed.
    - Phasing of all construction activities will be laid out in detail, including procurement, staging, assembly, mobilization and site preparation, demolition of existing generator and ATS equipment, mechanical and electrical builds and modifications, installation, verification and testing, commissioning and post-delivery support, and training.
  - The Project Execution Plan will include the functional elements outlined below in the detailed description of Phase 2 work.
  
- **Step 4: Phase 2 Proposal - Develop Project Implementation Proposal**
  - Guaranteed Maximum Price (GMP) proposal for implementation phase of the project from procurement through commissioning and post-delivery support.
  - Our team will provide a clear framework for discussing costs for the project execution phase in a way that's fair and transparent. We understand that value is key, and we will strive to find a win-win condition for all parties. We don't only want this project; we want to work with your team for years to come by building strong and trusting relationship with you and your team, and ours.

## PHASE 2 – PROJECT EXECUTION & DELIVERY

### Get It Built, Monitor & Report Progress, Ensure Compliance & Quality, Then Prove It

The goal of Phase 2 is to implement the Project Execution Plan. If we all did our job right, this will be a fun and invigorating process. However, we all understand through our extensive experience that the greatest plan is never perfect. We will have unforeseen challenges, and we will overcome them. Our approach of effective communication, monitoring and reporting will enable us to see most problems in advance and to adjust the plan to recover as needed. We will work closely with your team to resolve unanticipated conflicts quickly, and to maintain momentum. Nobody likes surprises, so our team will communicate issues clearly, efficiently and timely fashion. We will measure and verify quality and compliance, and will document it along the way. When everything comes together in the end, we will be prepared with a clear testing and verification plan that we will execute to prove that the project was constructed and integrated to your existing infrastructure properly. During commissioning of the project, training will be provided to Lincoln City staff to ensure all use cases for monitoring, clearing faults and resolving issues are understood so your team can fully support the equipment moving ahead. Finally, we'll provide excellent documentation for the new infrastructure, including operations and maintenance manual and record drawings.

- **Step 1: Procurement of Equipment, Permitting, Materials & Construction Team Resources**
  - Phase 2 begins with launching the procurement of all equipment and materials needed to construct the project as determined in Phase 1. Resource planning will help to ensure the right people are available at the right time to ensure the project progresses as planned. Lead times for equipment will be verified to plan to ensure no issues. Construction equipment and labor resourced will also be scheduled. Construction permits will be acquired during this step of the project. We recommend procuring long-lead equipment as early as possible in Phase 1 to optimize schedule (generator, ATS, load bank primarily).
- **Step 2: Mobilization, Staging & Site Preparation**
  - In advance of materials arriving, site needs will be identified and planned for in collaboration with City Staff. Materials will need to be stockpiled in a manner that does not impact operations of the water treatment facility or the community.
- **Step 3: Demolition and Work Layout**
  - Preparations for layout of the new work will begin, and plans for any demolition activities will make. The existing electrical equipment can remain in operation with our recommended alternative until the new equipment is ready to commission.
- **Step 4: Installation of New Generator, ATS, Load Bank (& Other Materials & Equipment)**
  - Installation of the new equipment will occur during this step of the construction project. Proper installation of equipment and wiring will be verified and finishing work will begin in preparation of performance testing.
- **Step 5: Performance Verification Testing & Training**
  - Once all equipment is properly installed and powered on, performance testing will be scheduled and executed per the agreed upon testing plan. This will include simulated power outages to ensure the WTP control system properly functions throughout the

outage, including the new electrical loads that may be added to the generator design (not previously supported). Training for City Personnel will be integrated to this phase of the project, which will also inform the O&M Manual and project documentation that will be provided as part of the next project step. The goal is to ensure that City Staff fully understand the new equipment and how it integrates to the existing facility.

- **Step 6: Project Closeout & Warranty Performance Period**

- Project Closeout means a job well done, however it must be documented and transitioned to a warranty performance period. Project cleanup and final punch list items and site restoration will occur during this step. Certificate of Substantial Completion and the final punch list is completed, final payment is requested, and the team goes out to dinner to celebrate (assuming COVID is under control by then). However, we're not done yet. The team will incorporate all as-built drawings, markups and shop modifications to the engineering drawings. The documentation is to show the final state of the equipment and will be accurate and complete. An Operation & Maintenance Manual will be promptly developed in a fully searchable digital format that enable quick searching and finding of needed information. All equipment and materials submittals will be incorporated into the document to make it easy to find spare parts and materials from a PC, rather than searching endlessly through printed binders. Our documentation digital structure sets an excellent standard for usability. Warranty certification will be provided, and the performance period will begin. Of course, our team will continue to be available to provide support when needed with a simple phone call, email or text message.

- **Step 7: Let's Work Together On Your Next Project!**

- Our team will have proven our ability to listen, to collaborate and to deliver for the community. We look forward to working with you on your next project.

## Part 6 – Progressive Design-Build Contract Markup

### Exception to the RFQ noted:

Our Team requested a copy of this agreement, but it was unavailable. We are very happy to develop the contract in a very collaborative fashion with your team! We have extensive experience working in a design-build environment and we commit to reviewing our costs in a very open and transparent manner to prove we are the best project team for this mission.

### Text from RFP

*“A detailed markup of the Draft Progressive Design-Build Contract (including its attachments), setting forth any and all revisions requested by the Proposer. Although it is likely that the Owner will undertake negotiations of the Progressive Design-Build Contract, the Progressive Design-Build Contract Markup will be treated as a de facto offer that the Owner can accept as is, resulting in a binding contract between the Design-Builder and Owner without further negotiations or revision. Explain the rationale for such revisions and the associated benefits to the Owner. Proposers are encouraged to suggest revisions that would more efficiently allocate risk, improve the parties’ understanding of risk allocation, and improve clarity of any terms of the Draft Progressive Design-Build Contract where ambiguities or uncertainties may arise in their application or interpretation. The Owner is not obligated to accept any of the requested exceptions, modifications, additions, etc. submitted by the Proposer in the Progressive Design-Build Contract Markup when negotiating and finalizing the Progressive Design-Build Contract. Furthermore, the Owner may request additional revisions during negotiations and before finalizing the Progressive Design-Build Contract. Proposers are encouraged to carefully review RFP Attachment “A” (Draft Progressive Design-Build Contract) and to submit written questions and comments by the deadline specified in Section 4. Based on its assessment of the comments submitted, the Owner, at its sole discretion, may modify the Progressive Draft Design-Build Contract via addenda. The Owner expects that this review and comment process will substantially reduce the need for extensive post-selection negotiation.”*

## Part 7 – Fee & Rate Proposal

We appreciate the opportunity to work with the Lincoln City team on this important project. We're confident that our capabilities, experience, expertise, location, responsiveness, and enthusiasm will make our team a great partner for this project and potentially others to come. Our recommended approach is the basis for the cost estimates provided below. We believe the alternative noted in the RFQ will require a significant amount of funding over our proposed approach. Phase 1 will help to define the best solution as well as the cost required for remaining phases (costs TBD requires additional discussions). Phase 2 costs will be re-evaluated as part of the deliverables of Phase 1, and will depend upon final design and Lincoln City requirements and choices.

**Table 7.1. Estimated Total Phase Costs (1)**

Category	Cost
Phase 1 – Design & Execution Planning (Estimated) (2)	\$27k
Overhead & Profit Percent on Direct Costs (Labor)	12%
Overhead & Profit Percent on Direct Costs (Materials/Equipment/Special Services)	8%
Phase 2 – Project Execution & Delivery (Estimated) (3)	\$396k
Overhead & Profit Percent on Direct Costs (Labor)	12%
Overhead & Profit Percent on Direct Costs (Materials/Equipment/Special Services)	8%
<b>Total</b>	<b>\$423k</b>

**(1) Our Team will work closely with your team to determine Phase 1 & Phase 2 funding needs.**

**(2) Any funding not consumed in Phase 1 will be credited toward Phase 2 costs.**

**(3) Base Alternative Cost (see Table 7.2).**

**Table 7.2 Phase 2 Estimated Base Cost Breakdown**

Category	Cost
800kW Diesel Generator: outdoor steel standard enclosure, (no tank), single 1200A mainline output breaker; includes batteries, startup and load testing, remote annunciator panel, and freight. (1)	\$165,000
Asco 7000 Series Automatic Transfer Switch, 1200A, NEMA3R, 3-Pole, 480V, with anti-condensation heater. Includes Freight. (2)	\$30,240
Load Bank, Free standing, outdoor, 480V, 800kW resistive, with 50kW load steps, auto load control, and remote NEMA 3R control. Includes Freight. Upgrade to include 25kW load steps.	\$34,200
Electrical Subcontractor Costs (McDiarmid)	\$72,000
Engineering Consultant Costs (Midea) (3)	\$10,000
Construction (Equipment, Materials & Labor)	84,560
<b>Total</b>	<b>\$396,000</b>

**(1) Options available for outdoor enclosure, including aluminum, or additional sound attenuation.**

**(2) Not available in stainless steel cabinet.**

**(3) Estimated and will depend on requirements defined in Phase 1. Phase 1 engineering budget not used will be forwarded to Phase 2.**

**Table 7.3 Phase 2 Optional Adder Costs**

Category	Cost
Design-Build Insurance (1)	\$7.7k
Bonding Costs (2)	\$6.5k
Existing Generator Demolition, New Shop Space, Concrete Slab Modifications, & New Rollup Door, or Other Modifications	TBD
<b>Total</b>	<b>\$14,200</b>

**(1) Option to insure under Midea's errors and omissions insurance. Cost TBD.**

**(2) Depends on final value of Phase 2 project @ bonding rate of \$15/\$1,000.**

## PRELIMINARY PROJECT SCHEDULE

Our proven approach is exceedingly successful as compared to the traditional project approach. The actual schedule required for this project will depend on the preliminary design phase, funding availability, regulatory requirements, equipment lead times, and other factors. But we're in it to help you be successful!

Schedule risks for this project are real, with the primary current constraint as the lead time to procure the generator and ATS. This will be the critical path and gating item for this project. We are happy to discuss how best to mitigate schedule risk in close collaboration with your team. One option here is to quickly verify generator, ATS and load bank sizing and options, and to promptly order the generator during Phase 1, well in advance of the deliverables of Phase 1. Construction activities will be coordinated with delivery of the long-lead equipment to optimize schedule. Alternatives will be presented early in Phase 1 so the best possible decision can be made. **Estimated construction timeframe after delivery of the generator and ATS is 6 weeks.**

## ASSUMPTIONS & EXCEPTIONS

1. Lincoln City Staff will be available to support design and planning activities as needed.
2. Owner has the funding available to support Phase 1 and Phase 2.
3. Generator and equipment lead time presents a significant schedule risks to the project.
4. Attachment A and Attachment E were not available from the City.

## SUMMARY

We express our thanks you for the opportunity to get to know you and your project. We believe we are the best team to help you accomplish your mission. We're ready to get to work!

**Best regards,**

**Shawn Bateson  
Jerry Wilkison  
Sean Moran  
Devin McDiarmid**

# SHAWN BATESON

## BATESON ENTERPRISES, LLC

PO Box 640, Winston Oregon 97496 · 541-430-4112

Email [taytar@msn.com](mailto:taytar@msn.com)

I own a multi-faceted business specializing in excavation, underground utilities, and municipalities such as pump stations including generator installs. I strive to deliver quality work that is completed in a timely manner and stays within the budget established for the project.

### EXPERIENCE

**MARCH 2004 – CURRENT**

**BUSINESS OWNER, BATESON ENTERPRISES, LLC**

I work as the job superintendent, managing and scheduling subcontractors for the completion of projects. I am responsible for reviewing and completing certified payroll, job costing, invoicing and accounts payable. I am an owner operator and can run a multitude of heavy equipment for both smaller and larger projects. I actively participate in all aspects of my business and am on the job site from beginning to end of each job I am awarded.

### LICENSE

**2004- CURRENT**

**BUSINESS LICENSE: THE STATE OF OREGON**

CCB#159683

My license is unencumbered and has an excellent standing within the state of Oregon.

### SKILLS

- Excellent time management skills
- Honesty and integrity
- Exceptional critical thinking skills and problems solving

### REFERENCES

Craig Craddock, Wastewater Superintendent with City of Lincoln City **(541) 921-7719**

Andy Howell, Public Works Superintendent with City of Winston **(541) 679-6114**

# Jerry Wilkison

Phone: 541-844-5735

Email: jerry@wilkison-consulting.com

Owner/Operator Wilkison Consulting, General Manager Bateson Enterprises

My mission and goal is to cut cost in engineering, as well as streamline submittals and specifications/design. With being part of engineering and design we can speed up installation and construction.

## EXPERIENCE

### **Wilkison Consulting, Inc**

2011 - Present

#### **Owner/President**

Wilkison Construction oversees business endeavors and projects from bid through completion. Including but not limited to:

- Project Managing
- Hard Cost Estimating
- Design Build
- Change Orders
- Record Drawings
- Project supervision

### **Bateson Enterprises**

2011 – Present

#### **GM & Project Manager/Superintendent**

As the project manager and project superintendent, I support Bateson Enterprises from beginning to end.

- Estimating and bidding
- Scheduling
- Project Management
- Project Supervision
- Management of Subcontractors

### **Eugene Sand Construction**

2006 – 2010

#### **Project Manager & Superintendent**

My division of Eugene Sand included underground construction and earthwork, utilities and grading and paving

- Oversaw job from bid to completion
- Scheduling and organizing jobs

## EDUCATION

### **Chemeketa Community College , 2002 - 2004**

Civil Engineering

### **Umpqua Community College , 1999 - 2003**

Civil Engineering

### **University of Oregon, 2005**

Construction Law and Documents



## ***M&N Electric Motor Repair & Sales***

### **ELECTRICAL & CONTROLS DIVISION**

Since 1973 McDiarmid Controls, Inc. has grown steadily to become a full-service controls organization. Ingenuity in production, design and industrial automation has enabled McDiarmid Controls, Inc. to develop a full range of manufacturing products and production services. McDiarmid Controls offers:

**INDUSTRIAL CONTROL SYSTEMS:** PLC Controls, Operator Consoles ~ Digital Networks and Positioning Systems, Hydraulic and Electrical ~ Emergency Backup Power including Generators and Automatic Transfer Equipment ~ Process Controls for Agriculture and Food Processing ~ Printing Process Controls ~ Variable Speed Drive Systems ~ X-Y Charger Scanners and Controls ~ Lathe and Tray Controls ~ Core Drive, Knife Pitch and Gap Controls ~ Digital Lathe Carriage Drives ~ Sawmill Carriage Drives.

**ELECTRICAL CONTRACTING:** Full-Service Electrical Contracting Firm.

**CAD - COMPUTER DEPARTMENT AND SYSTEM PROGRAMMING:** Systems programming and CAD for all documentation and schematic drawings.

**COMPLETE PANEL SHOP:** A UL 508A listed industrial control panel shop with complete facilities for design, construction and testing of custom panels, operator consoles and displays.

**24 HOUR EMERGENCY SERVICE:** Seven days a week.

### **MOTOR REPAIR & SALES DIVISION**

M&N Electric, a division of McDiarmid Controls, Inc. is a full-service motor rewind and repair shop has been in business for more than 30 years and has performed projects for many companies and organizations throughout the Pacific Northwest.

M&N Electric offers repairs for electric motors, transformers, generators, gearboxes, oil/water pumps, servo motors and many other types of electro-mechanical apparatuses. In-House Motor Winding and Balancing. Full One-Year warranty on Refurbished and Rewound Motors.

M&N Electric is a distributor for TechTop, Tatung and most major Electric Motor Brands. We inventory a select number of Electric Motors on site and have a broad range of resources to meet almost any need.

M&N Electric offers 24-Hour Emergency Service. We understand some jobs demand a quick turn around time and we stand ready to meet your needs.

**MCDIARMID CONTROLS** and **M & N ELECTRIC**

85579 Hwy 99 South ~ Eugene, OR 97405

Phone (541) 726-1677 ~ Fax (541) 747-9081

President: Terry McDiarmid ~ Cell: 541-521-7174 ~ Email: [terry@mcdiarmidcontrols.com](mailto:terry@mcdiarmidcontrols.com)

Vice President: Devin McDiarmid ~ Cell: 541-521-9650 ~ Email: [devin@mcdiarmidcontrols.com](mailto:devin@mcdiarmidcontrols.com)

Website: [www.mcdiarmidcontrols.com](http://www.mcdiarmidcontrols.com) ~ CCB # 77023

# Sean Moran, PE, MS, MBA

President, Midea Development, LLC

195 NW Wynoochee Dr.  
Seaside, OR 97138

Phone: 541-404-3729  
Email: mideallc@gmail.com  
[linkedin.com/in/seanmoran](https://www.linkedin.com/in/seanmoran)

My mission is to innovate our way to a brighter future. I lead several endeavors, including the sustainable development of small communities, the development of new and innovative technologies, and leading a dedicated team of professional project managers that deliver automated assembly and testing system to clients all over the world. My accomplishments include the implementation of reviewable energy solar and backup generation system for a water treatment facility in Myrtle Creek, Oregon, the design, development and operations of the first offshore wave energy testing facility in the USA, and other important community infrastructure projects. I presently lead multiple programs for the development of major custom automation systems. This work spans from early development with customers through design, testing and startup. I am a federal contractor and expert reviewer for federal energy programs for the Federal DOE.

## EXPERIENCE

### **Midea Development, LLC** **Founder & President**

October 2004 - Present

Midea specializes in the development of community infrastructure, planning for the future, with specific emphasis on small communities. Sean has a passion for people and communities and supports them through smart planning and implementation of important projects. Midea is a private incubator of innovative ideas and technologies, as well as a provider of strategic business consulting services and community development. The corporate vision is to pursue endeavors that help individuals, communities, and society as a whole. Midea's philosophy is to serve the greater good, and have fun doing it.

- Community planning & development of critical infrastructure planning and development.
- Federal energy consulting contractor and expert reviewer for renewable energy programs.
- Development of innovative products from napkin sketch to full global market introduction. Past and present projects include industrial rigging, orthopaedic devices, retail products, and clean-tech.
- Concurrent patent, intellectual property, and technology development.
- Marketing, proposal development, grant development and administration.

### **Andrews-Cooper Technologies (Part Time)** **Director of Project Management**

May 2015 – Present

I lead a team of dedicated project management professional to support client missions.

- Develop and drive customer programs and projects from napkin sketch through startup (software / hardware).
- Lead strategic planning, finance (budgeting, forecasting, tracking, reporting), design, risk mitigation, technology integration, safety & quality assurance, inspection and compliance, marketing, etc.
- Interface effectively across all organizational levels with partners, teams, customers and corporate leadership.
- Assemble and lead teams across the organization needed to attain program objectives.
  - Mentor and develop the team members while also provide clear direction.
  - Drive effective and efficient communication with teams and to senior leadership.
- Innovate and solve problems providing an example throughout the organization. Reward innovative thinking.
- Negotiate effectively with customers, suppliers, partners, team and corporate leadership.
- Research and development, and pilot testing of novel approaches to solving complex program requirements.
- Work closely with market segment leaders to determine market direction and focus.
- Deliver projects on time and under budget, while ensuring a safe and rewarding team dynamic.
  - Manage complex schedules for programs across multiple time zones (national / international).
- Champion continuous improvement of engineering, organizational, and other ISO processes.

**Automation Tooling System, Inc.**  
**Program Manager**

April 2014 – May 2015

I fully own and manage all aspects national and international programs for complex custom automation systems.

- Develop and drive customer programs and projects from napkin sketch through startup (software / hardware).
- Lead strategic planning, finance (budgeting, forecasting, tracking, reporting), design, risk mitigation, technology integration, safety & quality assurance, inspection and compliance, marketing, etc.
- Interface effectively across all organizational levels with partners, teams, customers and corporate leadership.
- Assemble and lead teams across the organization needed to attain program objectives.
  - Mentor and develop the team members while also provide clear direction.
  - Drive effective and efficient communication with teams and to senior leadership.
- Innovate and solve problems providing an example throughout the organization. Reward innovative thinking.
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  - Manage complex schedules for programs across multiple time zones (national / international).
- Champion continuous improvement of engineering, organizational, and other ISO processes.

**NW National Marine Renewable Energy Center (NNMREC) / Oregon State University**  
**Manager of Ocean Testing Facilities**

Feb. 2012 – March 2014

I was responsible for the overall management, development and operations of novel open-ocean testing facilities for the Pacific Marine Energy Center. This opportunity required the development of the program from the ground up through startup, including systems integration of facilities that will meet testing client needs for a 20 year design life.

- Managed all aspects of wave facility program, including strategic planning, permitting, policy development, finance, technology integration, safety, business planning, inspection and compliance, marketing, design, schedule, and other aspects. Designed and executed (in person) testing plans in the territorial sea.
- Collaborated as an integral member of energy policy development with the Ocean Policy Advisory Council.
- Developed relationships with local, state and federal policy stakeholder for renewable energy.
- Functioned as technical lead, and part of a larger management team, for the permitting, design, and systems integration of the first utility-scale grid-connected test facility in the USA (\$40 million project).
- Assembled and managed a multi-disciplinary team (local, national, and international), including multiple divisions within OSU, as well as external contractors, suppliers, partners, customers, and consultants.
- Developed and implemented standards, procedures, and testing protocols and guidelines.
- Developed and maintained excellent strategic relationships with contractors, suppliers, partners, customers, and consultants, domestically and internationally. Maintained a vibrant vendor pool.

**The Dyer Partnership Management Consultants**  
**Engineering Project Manager (Consulting Manager)**

June 2004 – February 2012

I led all aspects of an engineering consulting client service program developing complex infrastructure and facilities from concept through construction and startup. Responsibilities included hiring and employee management, client service, marketing, business planning, operations, and other activities.

- Managed funding and finance, design, permitting, construction, startup, and administration of high-value critical infrastructure projects. Specified requirements for systems integrator for hardware and software.
- Developed policy and rules for rural communities. Enforced existing policy and rules for agencies.
- Conducted public outreach and education for government policies and project initiatives.
- Directed and developed multi-disciplinary teams of employees, vendors, consultants, and customers.
- Led the integration of complex automated and controlled equipment into overall project designs.
- Met client requirements for large projects, including client long-term strategic goals.
- Constructed technical specifications meeting client needs, and international standards.

- Developed and managed project budgets, including tracking and financial analysis.
- Implemented, and enforced compliance with, quality assurance regulations, industry codes, standards and procedures (safety), including inspection and reporting. Ensured safety of people and assets.
- Controlled program and project documentation in order to ensure quality, while also minimizing risks.
- Authored, negotiated, managed and tracked client, supplier, and subconsultant contracts.
- Developed critical RFP's, RFI's, and RFQ's, and integrated into overall project design.
- Collaborated in the development of annual budgets and reporting.
- Maintained excellent and collaborative relationship with all stakeholders, including executive management, regulatory agencies, government officials, contractors, suppliers, manufacturers, and technology developers.
- Analyzed and reported facilities operations performance, established clear improvement recommendations.

## EDUCATION

### Portland State University - School of Business, 2010

Master of Business Administration

- International studies: marketing, finance, management, and supply chain management.
- Entrepreneurship & innovation.

### Oregon State University, 2004

Master of Science, Mechanical Engineering

- Experimental mechanics.

### Oregon State University, 2002

Bachelor of Science, Mechanical Engineering

- Design & mechanics.

## LICENSES

Licensed Professional Mechanical Engineer (Oregon License No. 70771PE).

## PATENTS

### Device & Method for the Suspension of Objects

United States Patent 7,523,910 Issued April 28, 2009

### Device & Method for the Transfer of Patterns to an Object

United States Patent 9,541,917 Issued January 10, 2017

## PUBLICATIONS

von Jouanne, T. Lettenmaier, E. Amon, **S. Moran**, M. Bunn, and A. Yokochi, Wave energy testing using the Ocean Sentinel Instrumentation Buoy including testing of materials and technologies for bio-fouling resistant surfaces, *Ocean Energy Special Issue of the Shore and Beach Journal*, 2013.

T. Lettenmaier, A. von Jouanne, E. Amon, **S. Moran**, and A. Gardiner, Testing the WET-NZ Wave Energy Converter using the Ocean Sentinel Instrumentation Buoy, *Marine Technology Society (MTS) Journal*, 2013.

A. von Jouanne, T. Lettenmaier, E. Amon, and **S. Moran**, Wave energy testing using the Ocean Sentinel Instrumentation Buoy, *Proceedings of the 1st Marine Energy Technology Symposium, GMREC-METS13*, WA DC, April 2013.

## INTERESTS

Musician: Guitars (32-years; electric, acoustic, classical, bass), mandolin, digital recording, writing.

Fitness & Adventure: Mountain biking, long distance hiking and cross country skiing.



February 2, 2021

Terry Chamberlin  
City of Lincoln City  
801 SW Highway 101  
Lincoln City, OR 97367

Re: Letter of Prequalification for Bateson Enterprises, LLC

To Mr. Chamberlin:

We are pleased to write to you concerning our customer, Bateson Enterprises, LLC. We have had the privilege of providing for their surety needs since 2018. Their current bonding limits are \$2,000,000 single job with a \$3,000,000 aggregate work program. We would anticipate no problem providing the customary performance and payment bonds for their normal scope of work, should Bateson Enterprises, LLC enter into a written contract.

The surety for this principal, Merchants Bonding Company is an AM Best rated "A VIII" company and is licensed to transact business in all fifty states. Merchants Bonding Company also appears on the U.S. Treasury list of approved companies.

Although Bateson Enterprises, LLC has our highest recommendation, execution of any final bonds would be subject to a review of the contract terms and conditions, including any requested bond forms, and also their current financial standing at the time of the request.

This letter is written for no consideration and is not a legally binding document or commitment to provide future bonds.

Please contact us with any concerns or if we can be of further service.

Sincerely,

A handwritten signature in blue ink that reads "Melinda Carlson".

Melinda Carlson  
Attorney-in-Fact

**street**  
6700 Westown Parkway  
West Des Moines, IA 50266-7754

**mailing**  
P.O. Box 14498  
Des Moines, IA 50306-3498

**toll free** 800.678.8171  
**local** 515.243.8171  
**fax** 515.243.3854

**email** [info@merchantsbonding.com](mailto:info@merchantsbonding.com)  
**website** [merchantsbonding.com](http://merchantsbonding.com)



Coverage Is Provided In:

The Ohio Casualty Insurance Company

Policy Number:

USO (21) 53 72 98 00

L.9.a

Commercial Umbrella
Policy Declarations

Basis: Occurrence

(ITEM 1) NAMED INSURED & MAILING ADDRESS

AGENT MAILING ADDRESS & PHONE NO.

BATESON ENTERPRISES LLC
583 LITTLE VALLEY RD
ROSEBURG, OR 97470

(541) 882-5507
GREAT BASIN INSURANCE
460 E 2ND AVE
EUGENE, OR 97401-2419

Named Insured Is: LIMITED LIABILITY COMPANY

Named Insured Business Is: EXCAVATION

(ITEM 2) POLICY PERIOD

From 07/10/2020 TO 07/10/2021 12:01 AM Standard Time at Insured Mailing Location

(ITEM 3) PREMIUM CHARGES

Table with 3 columns: Explanation of Charges, DESCRIPTION, PREMIUM. Rows include Commercial Umbrella (\$2,000.00), Certified Acts of Terrorism Coverage (\$20.00 Included), Oregon Surcharge (\$.00), and Total Advance Charges (\$2,000.00).

Note: This is not a bill

BASIS OF PREMIUM: NON-AUDITABLE( X) AUDITABLE( )

IN THE EVENT OF CANCELLATION BY THE NAMED INSURED, THE COMPANY WILL RECEIVE AND RETAIN NO LESS THAN (0%) OF THE POLICY PREMIUM AS THE MINIMUM RETAINED PREMIUM PLUS CERTIFIED ACTS OF TERRORISM COVERAGE AND ANY APPLICABLE TAXES AND SURCHARGES.

(ITEM 4) LIMITS OF INSURANCE

Table with 2 columns: DESCRIPTION, LIMIT. Rows include EACH OCCURRENCE (\$2,000,000), AGGREGATE (WHERE APPLICABLE) (\$2,000,000), PRODUCTS-COMPLETED OPERATIONS AGGREGATE (\$2,000,000), SELF-INSURED RETENTION (\$10,000).

Issue Date 05/11/20

Authorized Representative

To report a claim, call your Agent or 1-844-325-2467

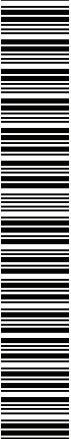
DS 70 22 01 08



**(ITEM 5) SCHEDULE OF UNDERLYING INSURANCE:**

CARRIER, POLICY NUMBER AND PERIOD	TYPE OF COVERAGE	LIMITS OF INSURANCE
OHIO SECURITY INSURANCE COMPANY  BKS(21)53729868 07/10/2020 - 07/10/2021	GENERAL LIABILITY	<b>\$1,000,000</b> EACH OCCURRENCE LIMIT  <b>\$1,000,000</b> PERSONAL AND ADVERTISING INJURY LIMIT  <b>\$2,000,000</b> GENERAL AGGREGATE LIMIT  <b>\$2,000,000</b> PRODUCTS - COMPLETED OPERATIONS AGGREGATE LIMIT
OHIO SECURITY INSURANCE COMPANY  BAS(18)53729868 07/10/2020 - 07/10/2021	OWNED AND HIRED AND/OR NONOWNED AUTO LIABILITY	<b>\$1,000,000</b> COMBINED SINGLE LIMIT

To report a claim, call your Agent or 1-844-325-2467



53729868

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### POLICY FORMS AND ENDORSEMENTS

This section lists all the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE
CN I9 01 10 71	Reporting A Commercial Claim 24 Hours A Day
CU 60 02 06 97	Commercial Umbrella Coverage Form
CU 60 39 01 15	Cap On Losses From Certified Acts Of Terrorism
CU 60 40 01 15	Underlying Coverage Requirement For Certified Acts Of Terrorism
CU 61 06 01 13	Auto Liability - Following Form
CU 61 14 06 97	Employers Liability Exclusion
CU 61 50 10 18	Contractors Limitation Endorsement
CU 61 69 09 08	Oregon Changes - Cancellation
CU 63 44 06 97	Foreign Liability - Following Form
CU 63 80 12 04	Fungi or Bacteria Exclusion
CU 64 00 12 04	Exterior Insulation and Finish System - Exclusion
CU 64 79 05 09	Exclusion - Recording and Distribution of Material or Information in Violation of the Law
CU 64 80 11 04	Silicate Exclusion
CU 64 82 10 17	Amendment - Electronic Data
CU 64 87 10 05	Economic or Trade Sanctions Condition Endorsement

In witness whereof, we have caused this policy to be signed by our authorized officers.

Mark Touhey  
Secretary

David Long  
President

To report a claim, call your Agent or 1-844-325-2467  
DS 70 23 01 08



Coverage Is Provided In:

The Ohio Casualty Insurance Company

Policy Number:  
USO (21) 53 72 98 00

L.9.a

**POLICY FORMS AND ENDORSEMENTS - continued**

This section lists all the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

<b>FORM NUMBER</b>	<b>TITLE</b>
CU 64 92 01 13	Mobile Equipment - Following Form
CU 64 95 12 07	Waiver Transfer Rights of Recovery Against Others
CU 65 08 01 15	Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism
CU 88 01 12 02	War Liability Exclusion
CU 88 02 05 09	Non-Cumulation of Liability (Same Occurrence)
CU 88 03 12 07	Employment Related Practices Exclusion
CU 88 09 09 08	Oregon Changes - Domestic Partnerships
CU 88 31 05 09	Personal and Advertising Injury - Following Form
CU 88 39 07 14	Amendment of Definition of Insured
CU 88 41 02 10	Amendment of Pollution Exclusion
CU 89 19 01 13	Amendment of Watercraft Exclusion
CU 89 21 07 15	Amendment of Aircraft Exclusion
CU 89 29 01 07	Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)
CU 89 40 05 16	Crisis Management Coverage
CU 89 45 10 14	Access or Disclosure Of Confidential Or Personal Information And Data-Related - Liability with Limited Bodily Injury Exception Exclusion
CU 90 54 10 17	Oregon - Marijuana Exclusion

To report a claim, call your Agent or 1-844-325-2467

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## COMMERCIAL UMBRELLA COVERAGE FORM

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured as defined in **Insuring Agreement, V. DEFINITIONS**. The words "we," "us" and "our" refer to the Company providing this insurance. The word "Insured" means any person or organization qualifying as such in

**Insuring Agreement, V. DEFINITIONS**. Words and phrases that appear in quotation marks have special meaning and can be found in the **DEFINITION** Section or the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations we agree with you to provide coverage as follows:

### INSURING AGREEMENTS

#### I. COVERAGE

We will pay on behalf of the "Insured" those sums in excess of the "Retained Limit" that the "Insured" becomes legally obligated to pay by reason of liability imposed by law or assumed by the "Insured" under an "insured contract" because of "bodily injury," "property damage," "personal injury," or "advertising injury" that takes place during the Policy Period and is caused by an "occurrence" happening anywhere. The amount we will pay for damages is limited as described below in the **Insuring Agreement Section II. LIMITS OF INSURANCE**.

#### II. LIMITS OF INSURANCE

**A.** The Limits of Insurance shown in Item 4. of the Declarations and the rules below state the most we will pay regardless of the number of:

1. "Insureds";
2. "claims" made or "suits" brought; or
3. persons or organizations making "claims" or bringing "suits."

**B.** The General Aggregate Limit is the most we will pay for all damages covered under the **Insuring Agreement** in Section I., except:

1. damages included in the "products-completed operations hazard"; and
2. coverages included in the policies listed in the Schedule of Underlying Insurance to which no underlying aggregate limit applies.

The amount stated on the Declarations as the General Aggregate Limit is the most we will pay for all damages arising out of any "bodily injury," "property damage," "personal injury," or "advertising injury" subject to an aggregate limit in the "underlying insurance." The General Aggregate Limit applies separately and in the same manner as the aggregate limits in the "underlying insurance."

**C.** The Products-Completed Operations Aggregate Limit is the most we will pay for all damages included in the "products-completed operations hazard."

**D.** Subject to **B.** or **C.** in Section II. **LIMITS OF INSURANCE**, whichever applies, the Each Occurrence Limit is the most we will pay for "bodily injury," "property damage,"

"personal injury," or "advertising injury" covered under the **Insuring Agreement** in Section I. because of all "bodily injury," "property damage," "personal injury," or "advertising injury" arising out of any one "occurrence."

E. If the applicable Limits of Insurance of the policies listed in the Schedule of Underlying Insurance or of other insurance providing coverage to the "Insured" are reduced or exhausted by actual payment of one or more "claims," subject to the terms and conditions of this policy, we will:

1. in the event of reduction, pay in excess of the reduced underlying Limits of Insurance, or;
2. in the event of exhaustion, continue in force as "underlying insurance," but for no broader coverage than is available under this policy.

F. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### G. Retained Limit

We will be liable only for that portion of damages, subject to the Each Occurrence Limit stated in the Declarations, in excess of the "retained limit," which is the greater of:

1. the total amounts stated as the applicable limits of the underlying policies listed in the Schedule of Underlying Insurance and the applicable limits of any other insurance providing coverage to the "Insured" during the Policy Period; or
2. the amount stated in the Declarations as Self-Insured Retention as a result of any one "occurrence" not covered by the underlying policies listed in the

Schedule of Underlying Insurance not by any other insurance providing coverage to the "Insured" during the Policy Period;

and then up to an amount not exceeding the Each Occurrence Limit as stated in the Declarations.

Once the Self-Insured Retention has been exhausted by actual payment of "claims" in full by the "Insured," the Self-Insured Retention will not be reapplied or again payable by the "Insured" for said Policy Period.

### III. DEFENSE

A. We will have the right and duty to investigate any "claim" and defend any "suit" seeking damages covered by the terms and conditions of this policy when:

1. the applicable Limits of Insurance of the underlying policies listed in the Schedule of Underlying Insurance and the Limits of Insurance of any other insurance providing coverage to the "Insured" have been exhausted by actual payment of "claims" for any "occurrence" to which this policy applies; or
2. damages are sought for any "occurrence" which is covered by this policy but not covered by any underlying policies listed in the Schedule of Underlying Insurance or any other insurance providing coverage to the "Insured."

B. When we assume the defense of any "claim" or "suit":

1. We will investigate any "claim" and defend any "suit" against the "Insured" seeking damages on account of any "occurrence" covered by this policy. We have the right to investigate, defend and settle the "claim" or "suit" as we deem expedient.
2. All expenses we incur in the investigation of any "claim" or defense of any "suit" are in addition to our Limits of Insurance.

3. We will pay the following as expenses, to the extent that they are not included in the coverage in the underlying policies listed in the Schedule of Underlying Insurance or in any other insurance providing coverage to the "Insured":

- a. premiums on bonds to release attachments, which bond amounts will not exceed our Limits of Insurance, but we are not obligated to apply for or furnish any such bond;
- b. premiums on appeal bonds, which bond amounts will not exceed our policy limits, required by law to appeal any "claim" or "suit" we defend, but we are not obligated to apply for or furnish any such bond;
- c. all costs taxed against the "Insured" in any "claim" or "suit" we defend;
- d. pre-judgment interest awarded against the "Insured" on that part of the judgment we pay that is within our applicable Limits of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any pre-judgment interest based on the period of time after the offer;
- e. all interest that accrues after entry of judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within our applicable Limit of Insurance;
- f. the "Insured's" actual and reasonable expenses incurred at our request.

C. We will not investigate any "claim" or defend any "suit" after our applicable Limits of Insurance have been exhausted by payment of judgments or settlements.

D. In all other instances except Subsection A. in Section III. **DEFENSE**, we will not be obligated to assume charge of the investigation, settlement or defense of any

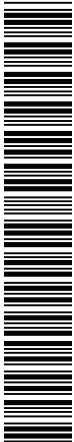
"claim" or "suit" against the "Insured." We will, however, have the right and will be given the opportunity to participate in the settlement, defense and trial of any "claim" or "suit" relative to any "occurrence" which, in our opinion, may create liability on our part under the terms of this policy. If we exercise such right, we will do so at our own expense.

#### IV. EXCLUSIONS

This insurance does not apply to:

- A. "Bodily injury" or "property damage" expected or intended from the standpoint of the "Insured." This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- B. Any obligation of the "Insured" under a Workers Compensation, Unemployment Compensation or Disability Benefits Law, or under any similar law, regulation or ordinance.
- C. Any obligation of the "Insured" under the Employee Retirement Income Security Act of 1974 or any amendments to that act, or under any similar law, regulation or ordinance.
- D. Any obligation of the "Insured" under a No Fault, Uninsured Motorist or Underinsured Motorist law, or under any similar law, regulation or ordinance.
- E. "Property damage" to "impaired property" or property that has not been physically injured, arising out of:
  - 1. a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
  - 2. a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.



- F. "Property damage" to "your product" arising out of it or any part of it.
- G. "Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

- H. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
1. "your product";
  2. "your work"; or
  3. "impaired property"

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

- I. "Property damage" to property owned by the "Insured."
- J. "Personal injury" or "advertising injury":
1. arising out of oral, written, televised, videotaped, or electronic publication of material, if done by or at the direction of the "Insured" with knowledge of its falsity;
  2. arising out of oral, written, televised, videotaped, or electronic publication of material whose first publication took place before the beginning of the policy period;
  3. arising out of the willful violation of a penal statute or ordinance committed by or with consent of the "Insured"; or
  4. for which the "Insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for

damages that the "Insured" would have in the absence of the contract or agreement.

- K. "Advertising injury" arising out of:
1. breach of contract, other than misappropriation of advertising ideas under an implied contract;
  2. the failure of goods, products or services to conform with advertised quality or performance;
  3. the wrong description of the price of goods, products or services; or
  4. an offense committed by an "Insured" whose business is advertising, broadcasting, publishing or telecasting.
- L. Any liability, including but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants, arising out of or in any way related to:
1. The actual, alleged or threatened presence, discharge, dispersal, seepage, migration, release, or escape of "pollutants," however caused.
  2. Any request, demand or order that any "Insured" or others test for, monitor, clean-up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of "pollutants." This includes demands, directives, complaints, "suits," orders or requests brought by any governmental entity or by any person or group of persons.
  3. Steps taken or amounts incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize or assess the effects of "pollutants."

This exclusion will apply to any liability, costs, charges, or expenses, or any judgments or settlements, arising directly or indirectly out of pollution whether or not the pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.

As used in this exclusion "pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including, but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

M. "Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

N. Any liability, including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants arising out of or related in any way, either directly or indirectly, to:

1. asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust, including, but not limited to, manufacture, mining, use, sale, installation, removal, or distribution activities;
2. exposure to testing for, monitoring of, cleaning up, removing, containing or treating of asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust; or
3. any obligation to investigate, settle or defend, or indemnify any person against any "claim" or "suit" arising out of, or related in any way, either directly or indirectly, to asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust.

O. "Bodily injury," "property damage," "personal injury" or "advertising injury" arising out of any:

1. refusal to employ or promote;
2. termination of employment;

3. coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, discrimination or other employment related practices, policies, acts or omissions; or

4. consequential "bodily injury," "property damage," "personal injury" or "advertising injury" as a result of O.1. through O.3.

This exclusion applies whether the "Insured" may be held liable as an employer or in any other capacity and to any obligation to share damages with or to repay someone else who must pay damages because of "bodily injury," "property damage," "personal injury" or "advertising injury."

P. "Bodily injury," "property damage," "personal injury" or "advertising injury" excluded by the **Nuclear Energy Liability Exclusion** attached to this Policy.

Q. The following Items 1. through 4., except to the extent that such insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy:

1. Liability of any employee with respect to "bodily injury," "property damage," "personal injury" or "advertising injury" to you or to another employee of the same employer injured in the course of such employment.
2. "Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading" or "unloading" of any watercraft, if such watercraft is owned, or chartered without crew, by or on behalf of any "Insured." This exclusion will not apply to watercraft while ashore on any premises owned by, rented to, or controlled by you.
3. "Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading" or "unloading" of any aircraft, if such aircraft is owned, or hired without pilot or crew, by or on behalf of any "Insured."

4. "Bodily injury" to:
- a. an employee of any "Insured" arising out of and in the course of:
    - i. employment by any "Insured"; or
    - ii. performing duties related to the conduct of any "Insured's" business; or
  - b. the spouse, child, parent, brother or sister of that employee as a consequence of Paragraph 4.a.

This exclusion applies:

- a. whether any "Insured" may be liable as an employer or in any other capacity; and
- b. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

## V. DEFINITIONS

A. "Advertising injury" means injury arising solely out of advertising activities of any "Insured" as a result of one or more of the following offenses during the policy period:

1. oral, written, televised, videotaped, or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
2. oral, written, televised, videotaped, or electronic publication of material that violates a person's right of privacy;
3. misappropriation of advertising ideas or style of doing business;
4. infringement of copyright, title or slogan; or
5. mental injury, mental anguish, humiliation, or shock, if directly resulting from Items A.1. through A.4.

B. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. "Auto" does not include "mobile equipment."

C. "Bodily injury" means physical injury, sickness, or disease, including death of a person. "Bodily injury" also means mental injury, mental anguish, humiliation, or shock if directly resulting from physical injury, sickness, or disease to that person.

D. "Claim" means any demand for monetary damages upon an "Insured" resulting from a covered "occurrence."

E. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

1. it incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. the repair, replacement, adjustment or removal of "your product" or "your work"; or
2. your fulfilling the terms of the contract or agreement.

F. "Insured" means each of the following, to the extent set forth:

1. The Named Insured meaning:

- a. Any person or organization listed in Item 1. of the Declarations, and any Company of which you own more than 50%, as of the effective date of this policy.
- b. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify to be a Named Insured. However:

(1) coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

(2) coverage does not apply to "bodily injury," "property damage," "personal injury" or "advertising injury" that occurred before you acquired or formed the organization; and

(3) coverage applies only if the organization is included under the coverage provided by the policies listed in the Schedule of Underlying Insurance and then for no broader coverage than is provided under such underlying policies.

2. If you are an individual, you and your spouse, but only with respect to the conduct of a business of which you are the sole owner as of the effective date of this policy.
3. If you are a partnership or joint venture, the partners or members and their spouses but only as respects the conduct of your business.
4. If you are a limited liability company, the members or managers but only as respects the conduct of your business.
5. Any person or organization, other than the Named Insured, included as an additional "insured" by virtue of an "insured contract," and to which coverage is provided by the "underlying insurance," and for no broader coverage than is provided by the "underlying insurance" to such additional "insured."
6. Any of your partners, executive officers, directors, or employees but only while acting within the scope of their duties.

However, the coverage granted by this Provision 6. does not apply to the ownership, maintenance, use, "loading" or

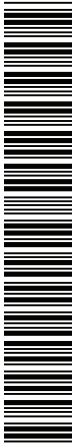
"unloading" of any "autos," aircraft or watercraft unless such coverage is included under the policies listed in the Schedule of Underlying Insurance and for no broader coverage than is provided under such underlying policies.

Employees include "leased workers" but not "temporary workers." "Leased workers" are leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform related duties to the conduct of your business. "Leased workers" are not "temporary workers." "Temporary workers" are persons furnished to you to substitute for permanent employees on leave or to meet seasonal or short-term workload conditions.

7. Any person, other than one of your employees, or organization while acting as your real estate manager.
8. Any person (other than your partners, executive officers, directors, stockholders or employees) or organizations with respect to any "auto" owned by you, loaned to you or hired by you or on your behalf and used with your permission.

However, the coverage granted by this Provision 8. does not apply to any person using an "auto" while working in a business that sells, services, repairs or parks "autos" unless you are in that business.

9. No person or organization is an "insured" with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.
- G. "Insured contract" means any oral or written contract or agreement entered into by you and pertaining to your business under which you assume the "tort liability" of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or



agreement. "Tort liability" means a civil liability that would be imposed by law in the absence of any contract or agreement.

H. "Loading" or "unloading" means the handling of property:

1. after it is removed from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
2. while it is in or on an aircraft, watercraft or "auto";
3. while it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered.

However, "loading" or "unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

I. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. vehicles maintained for use solely on or next to premises you own or rent;
3. vehicles that travel on crawler treads;
4. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. power cranes, shovels, loaders, diggers or drills; or
  - b. road construction or resurfacing equipment such as graders, scrapers or rollers;
5. vehicles not described in 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- a. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment or

- b. cherry pickers and similar devices used to raise or lower workers;

6. vehicles not described in 1., 2., 3., or 4. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. equipment designed primarily for:

- (1) snow removal;

- (2) road maintenance, but not construction or resurfacing; or

- (3) street cleaning;

- b. cherry pickers and similar devices mounted on auto or truck chassis and used to raise or lower workers; and

- c. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

J. "Occurrence" means:

1. as respects "bodily injury" or "property damage," an accident, including continuous or repeated exposure to substantially the same general harmful conditions;

2. as respects "personal injury," an offense arising out of the business of any "Insured" that results in "personal injury." All damages that arise from the same or related injurious material or acts will be considered as arising out of one "occurrence," regardless of the

frequency or repetition thereof, the number and kind of media used and the number of claimants;

3. as respects "advertising injury," an offense committed in the course of advertising your goods, products and services that results in "advertising injury." All damages that arise from the same or related injurious material or acts will be considered as arising out of one "occurrence," regardless of the frequency or repetition thereof, the number and kind of media used and the number of claimants.

**K.** "Personal injury" means injury other than "bodily injury" or "advertising injury" arising out of one or more of the following offenses during the policy period:

1. false arrest, detention or imprisonment;
2. malicious prosecution;
3. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
4. oral, written, televised, videotaped, or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. oral, written, televised, videotaped, or electronic publication of material that violates a person's right of privacy; or
6. mental injury, mental anguish, humiliation, or shock, if directly resulting from Items **K.1.** through **5.**

- L. 1.** "Products-completed operations hazard" means all "bodily injury" and "property damage" from an "occurrence" taking place away from premises you own or rent and arising out of "your product" or "your work" except:
- a. products that are still in your physical possession; or

b. work that has not yet been completed or abandoned.

**2.** "Your work" will be deemed completed at the earliest of the following times:

- a. When all of the work called for in your contract has been completed.
- b. When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

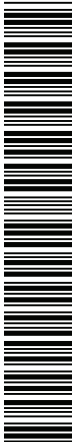
**3.** This "products-completed operations hazard" does not include "bodily injury" or "property damage" arising out of:

- a. the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading" or "unloading" of it;
- b. the existence of tools, uninstalled equipment or abandoned or unused materials.

**M.** "Property damage" means:

1. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
2. loss of use of tangible property that is not physically injured. All such loss will be deemed to occur at the time of the "occurrence" that caused it.

**N.** "Suit" means a civil proceeding which seeks monetary damages because of "bodily injury," "property damage," "per-



sonal injury," or "advertising injury" to which this insurance applies. "Suit" includes:

1. an arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
2. any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

**O.** "Underlying insurance" means the insurance coverage provided under policies shown in the Schedule of Underlying Insurance, or any additional policies agreed to by us in writing. It includes any policies issued to replace those policies during the term of this insurance that provide:

1. at least the same policy limits; and
2. insurance for the same hazards, except as to any modifications which are agreed to by us in writing.

**P.** "Your product" means:

1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - a. you;
  - b. others trading under your name; or
  - c. a person or organization whose business or assets you have acquired; and
2. Containers (other than vehicles) materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

1. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
2. the providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

**Q.** "Your work" means:

1. work or operations performed by you or on your behalf; and
2. materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

1. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
2. the providing of or failure to provide warnings or instructions.

## **VI. Conditions**

### **A. Appeals**

If the "Insured" or an "Insured's" underlying insurers do not appeal a judgment in excess of the "retained limit," we have the right to make such an appeal. If we elect to appeal, our liability on such an award or judgment will not exceed our Limits of Insurance as stated in Item 4. of the Declarations plus the cost and expense of such appeal.

### **B. Audit**

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three years after the expiration or termination of this policy.

### **C. Bankruptcy or Insolvency**

The bankruptcy, insolvency or inability to pay of any "Insured" or the bankruptcy, insolvency or inability to pay of any of the Underlying Insurers will not relieve us from the payment of any "claim" or "suit" covered by this policy. Under no circumstances will such bankruptcy, insolvency or inability to pay require us to drop down and replace the "retained limit" or assume any obligation with the "retained limit."

**D. Cancellation**

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. If we cancel because of nonpayment of premium, we must mail or deliver to you not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to you not less than thirty (30) days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1. of the Declarations will be sufficient to prove notice.
3. The policy period will end on the day and hour stated in the cancellation notice.
4. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the Minimum Premium as shown in Item 3. of the Declarations.
5. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force and increased by our short rate cancellation table and procedure. Final premium will not be less than the Minimum Premium as shown in Item 3. of the Declarations.
6. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.
7. The first Named Insured in Item 1. of the Declarations will act on behalf of all other "Insured's" with respect to the giving and receiving of notice of can-

cellation and the receipt of any refund that may become payable under this policy.

8. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

**E. Changes**

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy and that is signed by one of our authorized representatives.

**F. Duties in The Event of An Occurrence, Claim Or Suit**

1. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a "claim" or "suit" under this policy. To the extent possible, notice will include:
  - a. how, when and where the "occurrence" took place;
  - b. the names and addresses of any injured person and witnesses;
  - c. the nature and location of any injury or damage arising out of the "occurrence."
2. If a "claim" or "suit" against any "Insured" is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
3. You and any other involved "Insured" must:
  - a. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
  - b. authorize us to obtain records and other information;



- c. cooperate with us in the investigation, settlement or defense of the "claim" or "suit"; and
  - d. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or damage to which this insurance may also apply.
4. The "Insured's" will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### G. Inspection

We have the right, but are not obligated, to inspect the premises and operations of any "Insured" at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations of any "Insured" and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of any employees or the public. We do not warrant that the premises or operations of any "Insured" are safe or healthful or that they comply with laws, regulations, codes or standards.

### H. Legal Actions Against Us

There will be no right of action against us under this insurance unless:

- 1. you have complied with all the terms of this policy; and
- 2. the amount you owe has been determined by settlement with our consent or by actual trial and final judgment;

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

### I. Maintenance of Underlying Insurance

During the period of this policy, you agree:

- 1. to keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- 2. that any renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be more restrictive in coverage;
- 3. that the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of aggregate limits by payment of "claims" or "suits" for "occurrences" covered by "underlying insurance"; and
- 4. that the terms, conditions and endorsements of the policies listed in the Schedule of Underlying Insurance will not change during the period of this policy such as to increase the coverage afforded under this policy.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

### J. Other Insurance

If other insurance applies to a loss that is also covered by this policy, this policy will apply excess of the other insurance. Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such other insurance. However, this provision will not apply if the other insurance is specifically written to be excess of this policy.

### K. Premium

The first Named Insured designated in Item 1. of the Declarations will be responsible for payment of all premiums when due.

The premium for this policy will be computed on the basis set forth in Item 3. of the Declarations. At the beginning of the policy period, you must pay us the Advance Premium shown in Item 3. of the Declarations.

When this policy expires or if it is canceled, we will compute the earned premium for the time this policy was in force. If this policy is subject to audit adjust-

ment, the actual exposure basis will be used to compute the earned premium. If the earned premium is greater than the Advance Premium, you will promptly pay us the difference. If the earned premium is less than the Advance Premium, we will return the difference to you. But in any event we will retain the Minimum Premium as shown in Item 3. of the Declarations for each twelve months of our policy period.

#### L. Separation of Insureds

Except with respect to our Limits of Insurance and any rights or duties specifically assigned to the first Named Insured designated in Item 1. of the Declarations, this insurance applies:

1. as if each Named Insured were the only Named Insured; and
2. separately to each "Insured" against whom "claim" is made or "suit" brought.

#### M. Transfer of Rights of Recovery Against Others to Us

If any "Insured" has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The "Insured" must do nothing after loss to impair those rights and must help us enforce them.

Any recoveries will be applied as follows:

1. any interests, including the "Insured," that have paid an amount in excess of our payment under this policy will be reimbursed first;
2. we then will be reimbursed up to the amount we have paid; and
3. lastly, any interests, including the "Insured," over which our insurance is excess, are entitled to claim the residue.

Expenses incurred in the exercise of rights of recovery will be apportioned between the interests, including the "Insured," in the ratio of their respective recoveries as finally settled.

#### N. Terms Conformed to Statute

The terms of this Policy which are in conflict with the statutes of the state where this Policy is issued are amended to conform to such statutes.

If we are prevented by law or statute from paying on behalf of an "Insured," then we will, where permitted by law or statute, indemnify the "Insured" for those sums in excess of the "retained limit."

#### O. Transfer of Your Rights And Duties

Your rights and duties under this policy may not be transferred without our written consent.

If you die or are legally declared bankrupt, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. However, notice of cancellation sent to the first Named Insured designated in Item 1. of the Declarations and mailed to the address shown in this policy will be sufficient notice to effect cancellation of this policy.

#### P. When Loss Is Payable

Coverage under this policy will not apply unless and until any "Insured" or an "Insured's" underlying insurer is obligated to pay the "retained limit."

When the amount of loss has finally been determined, we will promptly pay on behalf of the "Insured" the amount of loss falling within the terms of this policy.

You will promptly reimburse us for any amount within the Self-Insured Retention advanced by us at our discretion on behalf of any "Insured."



## NUCLEAR ENERGY LIABILITY EXCLUSION

This policy does not apply to:

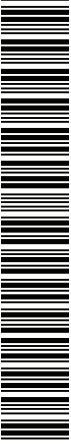
1. Any liability, injury or damage:
  - a. with respect to which any "Insured" under the policy is also an "Insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "Insured" under any such policy but for its termination upon exhaustion of its Limits of Insurance; or
  - b. resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) a person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) any "Insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any injury or "nuclear property damage" resulting from the "hazardous properties" of "nuclear material," if:
  - a. the "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, any "Insured" or (b) has been discharged or dispersed therefrom;
  - b. the "nuclear material" is contained in "spent fuel" or "nuclear waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any "Insured"; or
  - c. the injury or "nuclear property damage" arises out of the furnishing by any "Insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or
3. As used in this exclusion:
  - a. "Hazardous properties" includes radioactive, toxic or explosive properties.
  - b. "Nuclear facility" means:
    - i. any "nuclear reactor";
    - ii. any equipment or device designed or used for
      - (1) separating the isotopes of uranium or plutonium,
      - (2) processing or utilizing "spent fuel" or
      - (3) handling, processing or packaging "nuclear waste";
    - iii. any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of any "Insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
    - iv. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of, "nuclear waste," and includes the site on which any of the foregoing is located, all operations considered on such site and all premises used for such operations.
  - c. "Nuclear material" means "source material," "special nuclear material" or by-product material.
  - d. "Nuclear property damage" includes all forms of radioactive contamination of property.

- e. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- f. "Nuclear waste" means any nuclear waste material (a) containing "by-product material" other than the tailings of nuclear waste produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included within the definition of "nuclear facility" under Paragraph 3.b.i. or 3.b.ii.

- g. "Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- h. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

This endorsement does not change any other provision of the policy.

**In Witness Whereof**, we have caused this policy to be executed and attested, but this policy will not be valid unless countersigned by one of our duly authorized representatives, where required by law.



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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA COVERAGE FORM

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this policy.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## UNDERLYING COVERAGE REQUIREMENT FOR CERTIFIED ACTS OF TERRORISM

With respect to any one or more "certified acts of terrorism," we will be liable only for that portion of damages, subject to the Each Occurrence Limit stated in the Declarations, in excess of the total amounts stated as the applicable limits of the underlying policies listed in the Schedule of Underlying Insurance and the applicable limits of any other insurance providing coverage to the "Insured" during the Policy Period.

If you fail to comply with this Underlying Coverage Requirement for "Certified Acts of Terrorism" and you do not maintain your underlying limits as scheduled, we will only be liable to the same extent that we would have been had you fully complied with this Requirement.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

This exclusion does not apply to the extent that insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy.

This endorsement does not change any other provision of the policy.



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

**AUTO LIABILITY - FOLLOWING FORM**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

1. The following exclusion is added to Section **IV. - EXCLUSIONS:**

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, use or entrustment to others of any "auto." Use includes operation and "loading" or "unloading". 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".

This exclusion does not apply to the extent that insurance for such liability is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy

2. Paragraph **B.** under Section **V. DEFINITIONS** is replaced by the following:

**B.** "Auto" means an auto as it is defined in the applicable "underlying insurance".

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### EMPLOYERS LIABILITY EXCLUSION

Exclusion **Q.4.** is deleted from Section **IV. EXCLUSIONS** and the following exclusion is added to Section **IV. EXCLUSIONS**:

Bodily Injury to:

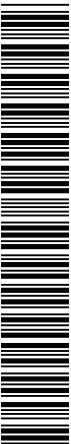
1. An employee of an "Insured" arising out of and in the course of:
  - a. employment by any "Insured"; or
  - b. performing duties related to the conduct of any "Insured" business; or

2. the spouse, child, parent, brother or sister of that employee as a consequence of Paragraph 1 above.

This exclusion applies:

1. whether any "Insured" may be liable as an employer or in any other capacity; and
2. to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This endorsement does not change any other provision of the policy.



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

### **CONTRACTORS LIMITATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

**A. Section IV. - Exclusions** is amended as follows:

1. Exclusions **F.** and **G.** are deleted.
2. The following exclusions are added:

This insurance does not apply to:

- a. Any liability assumed by any "Insured" under any "insured contract". However, this exclusion does not apply to the extent that insurance for such liability is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy;
- b. Any "property damage":
  - (1) To "your product" arising out of it or any part of it;
  - (2) To "your work" arising out of it or any part of it and included in the "products-completed operations hazard";
  - (3) To property leased or rented to, occupied or used by or in the care, custody or control of any "Insured" or as to which any "Insured" is for any purpose exercising physical control; or
  - (4) Arising out of the "explosion hazard", the "collapse hazard" or the "underground property damage hazard,"

However, this exclusion does not apply to the extent that insurance for such "property damage" is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy;

- c. Any liability arising out of any project insured under a consolidated (wrap-up) insurance program or any similar rating plan. This exclusion applies whether or not the consolidated (wrap-up) insurance program:
  - (1) Provides coverage identical to that provided by this Coverage Part;
  - (2) Has limits adequate to cover all "claims"; or
  - (3) Remains in effect.
- d. Any liability arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - (1) Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and/or
  - (2) Providing, or hiring independent professionals to provide, engineering, architectural or surveying services

in connection with construction work you perform.

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", offense or other act, error or omission involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

Professional services include:

- (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
- (2) Supervisory or inspection activities performed as part of any related architectural or engineering activities.

Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

**B. For the purposes of this endorsement, the following are added to Section V. - Definitions:**

1. "Collapse hazard" includes "structural property damage" and any resulting "property damage" to any other property at any time.
2. "Explosion hazard" includes "property damage" arising out of blasting or explosion. The "explosion hazard" does not include "property damage" arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.
3. "Structural property damage" means the collapse of or structural injury to any building or structure due to:
  - a. Grading of land, excavating, burrowing, filling, back-filling, tunneling, pile driving, cofferdam work or caisson work; or
  - b. Moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support of that building or structure.
4. "Underground property damage hazard" includes "underground property damage" and any resulting "property damage" to any other property at any time.
5. "Underground property damage" means "property damage" to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus used with them beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, burrowing, filling, back-filling or pile driving.

This endorsement does not change any other provision of the policy.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OREGON CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA COVERAGE PART

A. Provision 2. of Condition D. **Cancellation** under **Section VI - Conditions** is replaced by the following:

2. If this policy has been in effect for:
  - a. Fewer than 60 days and is not a renewal policy, we may cancel for any reason.
  - b. 60 days or more or is a renewal policy, we may cancel policy only for one or more of the following reasons:
    - (1) Nonpayment of premium;
    - (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
    - (3) Substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation or court decision;
    - (4) Failure to comply with reasonable loss control recommendations;
    - (5) Substantial breach of contractual duties, conditions or warranties;
    - (6) Determination by the commissioner that the continuation of a line of insurance or class of business to which the policy belongs will jeopardize our solvency or will place us in violation of insurance laws of Oregon or any other state;
    - (7) Loss or decrease in reinsurance covering the risk; or
    - (8) Any other reason approved by the commissioner by rule.

We will mail or deliver to the first Named Insured written notice of cancellation, stating the reason for the cancellation and when the cancellation is to take effect. This notice will be mailed or delivered to the first Named Insured's last mailing address known to us.

With respect to insurance provided under paragraph 2.b.(8) above, the cancellation will not be effective until at least 10 working days after the first Named Insured receives our notice.

With respect to insurance other than that provided under paragraph 2.b.(8) above, cancellation will not be effective until at least:

- a. 10 days after the first Named Insured receives our notice, if we cancel for nonpayment of premium; or
- b. 30 days after the first Named Insured receives our notice, if we cancel for any other reason.

B. The following are added and supersede any provision to the contrary:

**1. Nonrenewal**

We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal before the:

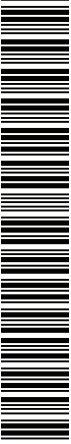
- a. Expiration date of the policy; or
- b. Anniversary date of the policy if the policy is written for a term of more than one year or without a fixed expiration date.

However, if this policy is issued for a term or more than one year and for additional consideration the premium is guaranteed, we may not refuse to renew the policy at its anniversary date.

Nonrenewal will not be effective until at least 45 days after the first Named Insured receives our notice.

**2. Mailing Of Notices**

If a notice of cancellation or nonrenewal is mailed, a post office certificate of mailing will be conclusive proof that the first Named Insured received the notice on the third calendar day after the date of the certificate of mailing.



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

**FOREIGN LIABILITY - FOLLOWING FORM**

The following exclusion is added to Section **IV - EXCLUSIONS**:

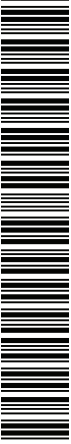
Any "bodily injury," "property damage," "personal injury," or "advertising injury" which occurs outside the United States of America, its territories and possessions, Puerto Rico, or Canada, except to the extent that such insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy.

This endorsement does not change any other provision of the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### FUNGI OR BACTERIA EXCLUSION



This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

The following is added to **Section IV - EXCLUSIONS:**

This insurance does not apply to:

1. "Bodily injury", "property damage", "personal injury" or "advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
2. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any "Insured" or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption, but only to the extent that insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy.

As used in this exclusion:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

This endorsement does not change any other provision of the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXTERIOR INSULATION AND FINISH SYSTEM EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA COVERAGE PART

**A. The following exclusion is added to SECTION IV. - EXCLUSIONS:**

This insurance does not apply to:

"Bodily injury," "property damage," "personal injury," "advertising injury" or "personal or advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction, or replacement, of any "exterior insulation and finish system," or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such system; or
2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system," or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.

**B For the purposes of this exclusion, the following definition is added to SECTION V. DEFINITIONS:**

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
3. A reinforced or unreinforced base coat;
4. A finish coat providing surface texture to which color may be added; and
5. Any flashing, caulking or sealant used with the system for any purpose.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION  
IN VIOLATION OF THE LAW EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

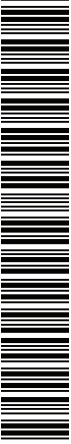
The following exclusion is added to Section IV - Exclusions:

This insurance does not apply to:

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

1. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
2. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
3. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
4. Any federal, state or local statute, ordinance or regulation, other than TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

This endorsement does not change any other provision of the policy.



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

## **SILICATE EXCLUSION**

The following exclusion is added to **Section IV - EXCLUSIONS**:

Any and all liability of any nature, including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, consultants or medical personnel, arising out of, caused by, resulting from, contributed to, aggravated by or related in any way, and either in whole or in part, to:

1. Any actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, use of, or presence of any "silicate," regardless of whether any other cause, event, material, substance, or product contributed to such liability;
2. Any "loss," cost, or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediation, disposing of, or in any way responding to or assessing the effects of, any "silicate," by any insured or by any other person or entity.

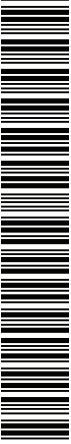
This exclusion applies regardless of whether the actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, use of, or presence of the "silicate" was sudden, accidental, gradual, intended, expected, unexpected, preventable, not preventable, manmade, naturally occurring, or any combination of the foregoing.

As used in this exclusion, "silicate" includes, but is not limited to, (a) silica in any form, from any source, (b) any compound, substance, product, mineral, dust, or material containing silica in any form, from any source, and (c) any salt produced by the action of silicic acid, in any form, from any source.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT - ELECTRONIC DATA**



This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

Section **V. DEFINITIONS** is amended as follows:

- 1. The following is added to Definition **M**.

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

- 2. For the purposes of this endorsement, the following definition is added:

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

This endorsement does not change any other provision of the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ECONOMIC OR TRADE SANCTIONS CONDITION ENDORSEMENT

The following is added to Section VI - CONDITIONS:

### **Economic or Trade Sanctions**

If coverage for a claim or suit under this policy is in violation of any United States of America economic or trade sanctions, including but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control ("OFAC"), then coverage for that claim or suit will be null and void.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT - FOLLOWING FORM

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

- 1. The following exclusion is added to Section **IV. - EXCLUSIONS:**

This insurance does not apply to:

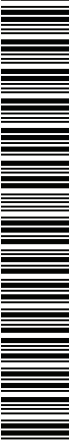
Any liability for or arising out of the ownership, maintenance, use or entrustment to others of any "mobile equipment". Use includes operation and "loading" or "unloading". This exclusion applies even if the claims against any "Insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by the "Insured".

This exclusion does not apply to the extent that insurance for such liability is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy

- 2. Paragraph **I.** under Section **V. DEFINITIONS** is replaced by the following:

- I. "Mobile equipment" means mobile equipment as it is defined in the applicable "underlying insurance".

This endorsement does not change any other provision of the policy.



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

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

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 any person or organization for whom you perform work under a written contract that requires you to obtain this agreement from us to the extent that such insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy.

This endorsement does not change any other provisions of the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

**A.** The following exclusion is added:

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

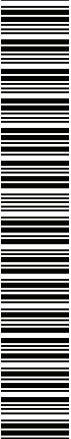
**B.** The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**C.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this policy.

This endorsement does not change any other provision of the policy.



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

## **WAR LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

Exclusion **M.** under Section IV - Exclusions is replaced by the following:

This insurance does not apply to:

- M.** "Bodily injury", "property damage", "personal injury" or "advertising injury", however caused, arising, directly or indirectly, out of:
1. War, including undeclared or civil war; or
  2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NON-CUMULATION OF LIABILITY (SAME OCCURRENCE)**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

The following is added to paragraph **D.** under **SECTION II - LIMITS OF INSURANCE:**

Non-Cumulation of Liability - Same Occurrence - If one "occurrence" causes "bodily injury" or "property damage" during the policy period and during the policy period of one or more prior, or future, commercial umbrella policy(ies) issued to you by us, then this policy's Each Occurrence Limit will be reduced by the amount of each payment made by us under the other policy(ies) because of such "occurrence."

This endorsement does not change any other provision of the policy.



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

## **EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

Exclusion **O.** under Section IV - Exclusions is replaced by the following:

This insurance does not apply to:

- O.** "Bodily injury", "personal injury" or "advertising injury" to:
1. A person arising out of any:
    - a. Refusal to employ that person;
    - b. Termination of that person's employment; or
    - c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
  2. The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs 1.a., 1.b., or 1.c. above is directed.

This exclusion applies:

1. Whether the injury-causing event described in Paragraphs 1.a., 1.b. or 1.c. above occurs before employment, during employment or after employment of that person;
2. Whether the insured may be liable as an employer or in any other capacity; and
3. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OREGON CHANGES - DOMESTIC PARTNERSHIP**

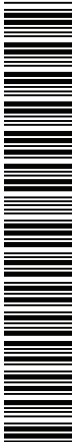
This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

The term "spouse" as it is used throughout this coverage part is replaced by the following:

Spouse or individual who is in a domestic partnership recognized under Oregon law.

This endorsement does not change any other provision of the policy.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PERSONAL AND ADVERTISING INJURY - FOLLOWING FORM

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

A. **SECTION I. COVERAGE** under the **INSURING AGREEMENTS** is replaced by the following:

### I. COVERAGE

- A. We will pay on behalf of the "Insured" those sums in excess of the "Retained Limit" that the "Insured" becomes legally obligated to pay by reason of liability imposed by law or assumed by the "Insured" under an "insured contract" because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. The amount we will pay for damages is limited as described in the **INSURING AGREEMENT, SECTION II. LIMITS OF INSURANCE**. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SECTION III. DEFENSE**.
- B. This insurance applies to:
1. "Bodily injury" or "property damage" only if:
    - a. The "bodily injury" or "property damage" occurs during the Policy Period; and
    - b. The "bodily injury" or "property damage" is caused by an "occurrence" happening anywhere; and
    - c. Prior to the Policy Period, no "Insured" listed under paragraphs 1.a., 2., 3. or 4. of definition F. under **SECTION V. DEFINITIONS**, and no employee authorized by you to give or receive notice of an "occurrence" or "claim", knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "Insured" or authorized employee knew, prior to the Policy Period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the Policy Period will be deemed to have been known prior to the Policy Period.
  2. "Personal and advertising injury" caused by an "offense" arising out of your business but only if the "offense" was committed during the Policy Period.
- C. "Bodily injury" or "property damage" which occurs during the Policy Period and was not, prior to the Policy Period, known to have occurred by any "Insured" listed under paragraphs 1.a., 2., 3. or 4. of definition F. under **SECTION V. DEFINITIONS**, or any employee authorized by you to give or receive notice of an "occurrence" or "claim", includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the Policy Period.
- D. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "Insured" listed under paragraphs 1.a., 2., 3. or 4. of definition F. under **SECTION V. DEFINITIONS**, or any employee authorized by you to give or receive notice of an "occurrence" or "claim":
1. Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  2. Receives a written or verbal demand or "claim" for damages because of "bodily injury" or "property damage"; or
  3. Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- E. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss or services or death resulting at any time from the "bodily injury".

**B. SECTION II. LIMITS OF INSURANCE** is amended as follows:

1. Paragraph **B.** is replaced by the following:

**B.** The General Aggregate Limit is the most we will pay for all damages covered under **SECTION I. COVERAGE** of the **INSURING AGREEMENTS**, except:

1. Damages included in the "products-complete operations hazard"; and
2. Coverages included in the policies listed in the Schedule of Underlying Insurance to which no underlying aggregate limit applies.

The amount stated on the Declarations as the General Aggregate Limit is the most we will pay for all damages arising out of any "bodily injury", "property damage" or "personal and advertising injury" subject to an aggregate limit in the "underlying insurance". The General Aggregate applies separately and in the same manner as the aggregate limits in the "underlying insurance".

2. Paragraph **D.** is replaced by the following:

**D.** Subject to **B.** or **C.** in **SECTION II. LIMITS OF INSURANCE**, whichever applies, the Each Occurrence Limit is the most we will pay for "bodily injury", "property damage" or "personal and advertising injury" covered under **SECTION I. COVERAGE** of the **INSURING AGREEMENTS** because of all:

1. "Bodily injury" or "property damage" arising out of one "occurrence"; and
2. "Personal and advertising injury" arising out of one "offense".

3. Provision **2.** of paragraph **G.** is replaced by the following:

2. the amount stated in the Declarations as the Self- Insured Retention as a result of any one "occurrence" or one "offense" not covered by the underlying policies listed in the Schedule of Underlying Insurance nor by any other insurance providing coverage to the "Insured" during the Policy Period;

**C. SECTION III. DEFENSE** is amended as follows:

1. Paragraph **A.** is replaced by the following:

**A.** We will have the right and duty to investigate any "claim" and defend any "suit" seeking damages covered by the terms and conditions of the policy when:

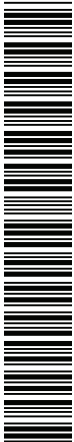
1. The applicable Limits of Insurance of the underlying policies listed in the Schedule of Underlying Insurance and the Limits of Insurance of any other insurance providing coverage to the "Insured" have been exhausted by actual payment of "claims" for any "occurrence" or "offense" to which this policy applies; or
2. Damages are sought for any one "occurrence" or "offense" which is covered by this policy but not covered by any underlying policies listed in the Schedule of Underlying Insurance or any other insurance providing coverage to the "Insured".

2. Paragraph **B.1.** is replaced by the following:

1. We will investigate any "claim" and defend any "suit" against the "Insured" seeking damages on account of any "occurrence" or "offense" covered by this policy. We have the right to investigate, defend and settle the "claim" or "suit" as we deem expedient.

3. Paragraph **D.** is replaced by the following:

**D.** In all other instances except paragraph **A.** in **SECTION III. DEFENSE**, we will not be obligated to assume charge of the investigation, settlement or defense of any "claim" or "suit" against the "Insured." We will, however, have the right and will be given the opportunity to participate in the settlement, defense and trial of any "claim" or "suit" relative to any "occurrence" or "offense" which, in our opinion, may create liability on our part under the terms of this policy. If we exercise such right, we will do so at our own expense.



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**D. SECTION IV. EXCLUSIONS** is amended as follows:

1. Exclusion **J.** is replaced by the following:

This insurance does not apply to:

- J.** "Personal and advertising injury" except to the extent that insurance is provided for such "personal and advertising injury" by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy.

2. Exclusion **K.** is deleted.

**E. SECTION V. DEFINITIONS** is amended as follows:

1. Definition **A.** is deleted and replaced by the following:

**A.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
2. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. The following is added to definition **C.:**

"Bodily injury" does not include "bodily injury" arising out of "personal and advertising injury".

3. Definition **D.** is replaced by the following:

"Claim" means any demand for monetary damages upon any "Insured" resulting from a covered "occurrence" or "offense".

4. Definition **J.** is replaced by the following:

**J.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

5. Definition **K.** is deleted and replaced by the following:

**K.** "Personal and advertising injury" means injury other than "bodily injury", arising out of one or more of the following "offenses":

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of the owner, landlord or lessor;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
6. The use of another's advertising idea in your "advertisement"; or
7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

"Personal and advertising injury" includes "consequential bodily injury".

6. The following definitions are added:

"Consequential bodily injury" means "bodily injury" arising out of "personal and advertising injury".

"Offense" means an offense included in the definition of "personal and advertising injury". All damages that arise from exposure to the same act, publication or infringement are considered one "offense".

**F. SECTION VI. CONDITIONS** is amended as follows:

1. Condition **F.** is amended as follows:

a. The title is replaced by the following:

**F. Duties In the Event Of An Occurrence, Offense, Claim Or Suit**

b. Paragraph **1.** is replaced by the following:

1. You must see to it that we are notified as soon as practicable of an "occurrence " or "offense" which may result in a "claim" or "suit" under this policy. To the extent possible, notice will include:

a. How, when and where the "occurrence" or "offense" took place;

b. The names and addresses of any injured person and witnesses;

c. The nature and location of any injury or damage arising out of the "occurrence" or "offense".

2. Paragraph **3.** of Condition **I.** is replaced by the following:

3. that the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of aggregate limits by payment of "claims" or "suits" for "occurrences" or "offenses" covered by "underlying insurance"; and

**G.** Wherever the defined term, "personal injury" or "advertising injury", appears in the following, such terms are deleted and replaced by the combined defined term "personal and advertising injury":

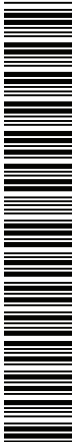
1. Commercial Umbrella Coverage Form provisions:

a. Exclusions **O.**, **P.** and **Q.** under **SECTION IV. EXCLUSIONS**; or

b. Definitions **F.** and **N.** under **SECTION V. DEFINITIONS**; or

2. Any endorsements that are made a part of this policy.

This endorsement does not change any other provision of the policy.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF DEFINITION OF INSURED

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA COVERAGE PART

Paragraph **F.5.** under **SECTION V. DEFINITIONS** is replaced by the following:

5. Any person or organization who qualifies as an insured in the "underlying insurance" and does not qualify as an "Insured" in paragraphs 1., 2., 3., 4., 6., 7., or 8. of this definition F., but not beyond the extent of any limitation imposed under any contract or agreement. However:
  - a. The coverage provided to such person or organization by this insurance:
    - (1) Applies only to the extent permitted by law; and
    - (2) Will not be broader than the coverage afforded by the applicable "underlying insurance"; and
  - b. If coverage provided to such person or organization is required by a contract or agreement, the limits of insurance afforded to that person or organization will be:
    - (1) The difference between the applicable "underlying insurance" limits and the minimum limits of insurance which you agreed to provide in a contract or agreement; or
    - (2) The amount of insurance available under the applicable Limits of Insurance shown in the Declarations of this policy

whichever is less.

If the minimum limits of insurance you agreed to provide such person or organization in a contract or agreement are wholly within the "underlying insurance", this policy shall not apply.

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

This endorsement does not change any other provision of the policy.

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

## **AMENDMENT OF POLLUTION EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

Exclusion **L. under SECTION IV. EXCLUSIONS** is replaced by the following:

This insurance does not apply to:

- L.**
1. "Bodily injury", "property damage", "personal injury", "advertising injury" or "personal and advertising injury" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
  2. Any loss, cost or expense arising out of any:
    - a. Request, demand, order or statutory or regulatory requirement that any "Insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
    - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

Paragraph 1. of this exclusion **L.** does not apply to the following:

- (1) "Bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) "Bodily injury" or "property damage" arising out of the heat, smoke or fumes from a "hostile fire".
- (3) With respect to any premises, site or location which is or was at any time owned or occupied by or rented or loaned to any "Insured":
  - (a) "Bodily injury" sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
  - (b) "Bodily injury" or "property damage" for which you may be held liable if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional "Insured" with respect to your ongoing operations performed for that additional "Insured" at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any "Insured", other than that additional "Insured".
- (4) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release or escape of "pollutants" at or from any premises, site or location on which any "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf are performing operations if the "pollutants" are not brought on or to the premises, site of location in connection with such operations by such "Insured", contractor or subcontractor.
- (5) "Bodily injury" or "property damage" arising out of the escape or fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception to the exclusion does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by the "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf.



- (6) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.
- (7) Fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" covered by "scheduled underlying insurance" or its parts, if:
  - (a) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
  - (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".
- (8) "Occurrences" that take place away from premises owned by or rented to an "Insured" with respect to "pollutants" not in or upon an "auto" covered by "underlying insurance" if:
  - (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" covered by "underlying insurance"; and
  - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

However, the exceptions to this exclusion L. in paragraphs (1), (2), (3), (4), (5), (6), (7) or (8) above apply only to the extent that insurance is afforded for such "bodily injury" or "property damage" by "underlying insurance". Provided, however, that the coverage afforded by this policy will be no broader than the coverage afforded by such "underlying insurance":

Regardless of the extent of "underlying insurance", none of the exceptions to this exclusion L. in paragraphs (1), (2), (3), (4), (5) or (6) above apply with respect to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape or "pollutants":

- (i) At or from any premises site or location which is or was at any time used by or for any "Insured" or others for handling, storage, disposal, processing or treatment of waste; or
- (ii) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "Insured", or any person or organization for whom you may be legally responsible; or
- (iii) At or from any premises, site or location on which any "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

Paragraph 2. of this exclusion L. does not apply to liability for damages because of "property damage" that the "Insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority to the extent that insurance is afforded for such damages by "underlying insurance". Provided, however, that the coverage afforded by this policy will be no broader than the coverage afforded by such "underlying insurance".

As used in this exclusion:

"Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF WATERCRAFT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

Provision **2.** of paragraph **Q.** under Section **IV. EXCLUSIONS** is replaced by the following:

This insurance does not apply to:

- Q.** The following items **1.** through **4.**, except to the extent that such insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy:
  - 2.** "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any watercraft if such watercraft is owned by, or chartered without a crew by or on behalf of, any "Insured". Use includes operation and "loading" or "unloading". 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". This exclusion does not apply to a watercraft while ashore on premises you own or rent.

This endorsement does not change any other provision of the policy.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF AIRCRAFT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

Provision **3.** of paragraph **Q.** under Section **IV. EXCLUSIONS** is replaced by the following:

This insurance does not apply to:

- Q.** The following items **1.** through **4.**, except to the extent that such insurance is provided by a policy listed in the Schedule of Underlying Insurance, and for no broader coverage than is provided by such policy:
  - 3.** "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, if such aircraft is owned or operated by or rented or loaned to any "Insured". Use includes operation and "loading" or "unloading". 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".

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR,  
BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION  
OF FEDERAL TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE PART

**A. Applicability Of The Provisions Of This Endorsement**

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
  - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part; or
  - b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
    - (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
    - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
    - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
  - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism," but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and
  - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism" will continue in effect unless we notify you of changes to that endorsement in response to federal law.

- B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
  - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

"Any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal injury" "advertising injury", or "personal and advertising injury" as may be defined in any applicable Coverage Part or "underlying insurance".

- C. The following exclusion is added:

#### **EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.

All other terms and provisions remain the same.

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

## CRISIS MANAGEMENT COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

### SCHEDULE

<b>Crisis Management Expense Aggregate Limit:</b>	<b>\$250,000</b>
<b>Liberty Mutual Preferred Public Relations Vendor:</b>	<b>Weber Shandwick</b>
<b>Liberty Mutual Claims:</b>	1 (844) 325-2467

For purposes of coverage afforded by this endorsement only:

**A. The following is added to Section I. COVERAGE:**

**CRISIS MANAGEMENT COVERAGE**

We will pay those sums necessary to reimburse you, or pay on your behalf, "crisis management expenses" arising from an "insured crisis event" to which this insurance applies. But:

1. This insurance applies only if:
  - a. The "insured crisis event" commences during the policy period;
  - b. The "insured crisis event" did not arise out of any fact, circumstance, pre-existing condition, or situation, that you, prior to the inception date of this policy, knew, or reasonably should have known, could lead to, cause or result in an "insured crisis event";
  - c. You notify us by telephone at the number listed for Liberty Mutual Claims as shown in the Schedule above within 7 days of the "insured crisis event";
  - d. The "crisis management expenses" are first incurred within 15 days after the "insured crisis event" commences;
  - e. The "crisis management expenses" are not incurred more than 120 days after the commencement of the "insured crisis event"; and
  - f. A claim for reimbursement of "crisis management expenses" is submitted within 120 days after incurring such "crisis management expenses."
2. We will have no duty under this Crisis Management Coverage to defend the "Insured" against any claim, suit or action seeking damages.
3. Payment of any "crisis management expenses" under the Crisis Management Coverage endorsement is in addition to, and will not reduce, any other Limits of Insurance under this policy, and will not be determinative of our obligations under this policy with respect to any claim or "suit", including any duty to defend or indemnify any "Insured" for such claim or "suit".
4. The amount we will pay is limited as described in Paragraph C. of the Crisis Management Coverage endorsement.
5. An "insured crisis event" will be deemed to commence at the time when any of your "key executives" first become aware of the man-made emergency situation that resulted in the "insured crisis event."



**B. The following exclusions are added to Section IV. EXCLUSIONS:**

This coverage does not apply to:

**1. Newly Acquired or Formed Organizations**

"Crisis management expenses" incurred by any organization you newly acquire, control or form, if the "insured crisis event" which led to such "crisis management expenses" commenced before you acquired, controlled or formed such organization.

**2. Infectious Diseases or Illnesses**

"Crisis management expenses" arising out of any infectious diseases or illnesses caused by any bacterium, virus, or fungus. However, this exclusion does not apply to "crisis management expenses" arising out of food-borne illnesses.

**3. Intentional Acts by You**

Intentional acts by you or your employees, provided that such acts were performed with the knowledge that it would directly lead to an "insured crisis event."

**C. The following is added to Section II. LIMITS OF INSURANCE:**

The Crisis Management Expense Aggregate Limit shown in the Schedule of the Crisis Management Coverage endorsement is the most we will pay for the sum of all "crisis management expenses" to which this endorsement applies, regardless of the number of:

1. "Insureds";
2. "Insured crisis events";
3. Persons or organizations making claims.

**D. The following are added to Section V. DEFINITIONS:**

1. "Insured crisis event" means an "occurrence" resulting from a man-made emergency situation, including, but not limited to:

- a. Intentional acts, except those committed by you or your employees, such as arson, a bombing, taking of hostages, a mass shooting, or terrorism (if coverage under the Terrorism Risk Insurance Act is elected under the policy);
- b. A building, structure or equipment collapse;
- c. An automobile, watercraft or aircraft accident;
- d. Spread of food-borne illness; or
- e. An explosion;

that a "key executive" reasonably believed in good faith has resulted, or may result, in:

- a. (1) Damages in excess of the "Retained Limit" because of "bodily injury" or "property damage" to which this insurance applies; or
  - (2) Multiple deaths, burns, dismemberment injuries, traumatic brain injuries, permanent paralysis injuries; and
  - b. Significant adverse regional or national media coverage about you.
2. "Crisis management expenses":
    - a. Means the following reasonable and necessary fees and expenses following an "insured crisis event":
      - (1) Expenses incurred directly by our Liberty Mutual Preferred Public Relations Vendor shown in the Schedule for the purpose of maintaining and restoring public confidence in you.
      - (2) Expenses incurred by the public relations vendor that was held on retainer by you at the time of the "insured crisis event" for providing public relations and media management services, but only for those expenses required for the purpose of maintaining and restoring public confidence in you related to the "insured crisis event."

- (3) Expenses incurred directly by your operations for the purpose of maintaining and restoring public confidence in you. These expenses may include printing, advertising, or mailing of materials to manage reputational risk.
- (4) Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations, for the purpose of providing public relations and media services.
- (5) Expenses you advance to third parties directly harmed by the "insured crisis event" for the purpose of mitigating the harm. These expenses may include funeral, psychological or grief counseling, temporary living, and travel expenses.

b. Does not include:

- (1) Any damages imposed upon any "Insured", including but not limited to any fine, sanction, penalty or punitive or exemplary damages, plus any equitable, injunctive or other non-monetary relief.
- (2) Any expenses you incur in the investigation, defense or settlement of a claim, suit or action for "bodily injury" or "property damage" or "personal injury," "advertising injury" or "personal and advertising injury" arising out of an "insured crisis event."
- (3) The base salary or wages of any of your employees.
- (4) Any ransom payment or other expense incurred to meet a demand made to redeem a hostage or captive.
- (5) Expenses incurred by any public relations or crisis management firm that is not listed as a Liberty Mutual Preferred Public Relations Vendor in the Schedule, or that was not held on retainer by you at the time of the "insured crisis event."
- (6) Any retainers or other contracted fees you paid a professional crisis management firm, public relations, media relations, or similar firm prior to an "insured crisis event."
- (7) Damages arising out of any employment-related practices, such as refusal to employ, termination, or any other practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at any person.

3. "Key executive" means:

- a. Chief Executive Officer;
- b. Chief Operating Officer;
- c. Chief Financial Officer;
- d. President;
- e. General Counsel or Chief Legal Officer;
- f. General Partner (if you are a partnership) or Sole Proprietor (if you are a proprietorship);
- g. Any person acting in the same capacity as any position listed in Paragraph a. through e. above; and
- h. Any risk manager responsible for insurance matters, or any other lawfully elected or appointed executive officer, official, director, trustee or commissioner that is responsible for insurance matters.

4. Definition D. of the policy does not apply to this endorsement.

E. The following is added to Section VI. Conditions:

**Duties in the Event of an Insured Crisis Event**

1. In the event you did not have a public relations or crisis management firm held on retainer at the time of the "insured crisis event" and would like to utilize a Liberty Mutual Preferred Public Relations Vendor, you must notify both the Liberty Mutual Preferred Public Relations Vendor and Liberty Mutual Claims at the phone number listed in the Schedule within 7 days of an "insured crisis event."



Due to the emergent nature of claims under this coverage, there may be circumstances in which expenses are incurred by a Liberty Mutual Preferred Public Relations Vendor prior to our having the opportunity to determine whether those expenses will be covered under this policy. In those circumstances, we will reimburse or pay expenses incurred for services from our Liberty Mutual Preferred Public Relations Vendor prior to our making a coverage determination. We reserve the right to decline expenses incurred after we have informed you that the claim is not covered.

2. In the event you choose to use the public relations or crisis management vendor that you held on retainer at the time of the "insured crisis event," or choose not to use any vendor, you must notify Liberty Mutual Claims at the phone number listed in the Schedule within 7 days of an "insured crisis event."
3. Additionally, you must provide us with written notice as soon as practicable. To the extent possible, such written notice should include:
  - a. How, when and where the "insured crisis event" took place;
  - b. The names and addresses of any affected parties and witnesses; and
  - c. The nature and location of any injury or damage arising out of the "insured crisis event."

This endorsement does not change any other provision of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL  
INFORMATION AND DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION EXCLUSION**

**A. The following exclusion is added to Section IV - EXCLUSIONS:**

This insurance does not apply to:

Any liability, damages, loss, injury, demand, "claim" or "suit" arising out of:

1. Any access to or disclosure of any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
2. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

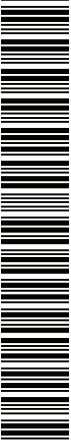
This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, fines, penalties (including but not limited to, fees or surcharges from affected financial institutions) or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph 1 or 2 above.

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

**B. The following definition is added to Section V - DEFINITIONS:**

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This endorsement does not change any other provisions of the policy.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OREGON - MARIJUANA EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA COVERAGE FORM

**A. The following exclusions are added to Section IV - Exclusions:**

1. Any liability arising out of, caused by, or attributable to, whether in whole or in part, the following:
  - a. The design, manufacture, warehousing, distribution, sale, serving, furnishing, use or possession of "marijuana;"
  - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "marijuana."
2. "Property damage" to "marijuana."

Exclusions 1. and 2. above apply even if the "claim" against any "insured" alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured" whose conduct would be excluded by 1. or 2. above.

However, this exclusion does not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served or furnished for bodily:

- a. Ingestion;
- b. Inhalation;
- c. Absorption; or
- d. Consumption.

**C. The following definition is added to Section V - Definitions:**

"Marijuana" means any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic, including, but not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:
  - (1) Resin, oil or wax;
  - (2) Hash or hemp; or
  - (3) Infused liquid or edible marijuana;

whether derived from any plant or part of any plant set forth in Paragraph C.a. above or not.



Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number:  
**BKS (21) 53 72 98 68** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Common Policy Declarations**

**Named Insured & Mailing Address**

BATESON ENTERPRISES LLC  
583 LITTLE VALLEY RD  
ROSEBURG, OR 97470

**Agent Mailing Address & Phone No.**

(541) 882-5507  
GREAT BASIN INSURANCE  
460 E 2ND AVE  
EUGENE, OR 97401-2419

**Named Insured Is:** LIMITED LIABILITY COMPANY

**Named Insured Business Is:** EXCAVATION CONTRACTOR

*In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.*

**SUMMARY OF COVERAGE PARTS AND CHARGES - CUSTOM PROTECTOR**

This policy consists of this Common Policy Declarations page, Common Policy Conditions, Coverage Parts (which consist of coverage forms and other applicable forms and endorsements, if any, issued to form a part of them) and any other forms and endorsements issued to be part of this policy.

COVERAGE PART	CHARGES
Commercial Inland Marine	\$1,498.00
Commercial General Liability	\$4,109.00

**Total Charges for all of the above coverage parts: \$5,607.00**  
**Certified Acts of Terrorism Coverage: \$72.00 (Included)**

*Note: This is not a bill*

**IMPORTANT MESSAGES**

- This policy is auditable. Please refer to the conditions of the policy for details or contact your agent.
- Notice: The Employment-Related Practices Exclusion CG 21 47 is added to this policy to clarify there is no coverage for liability arising out of employment-related practices. Please read this endorsement carefully.

Issue Date 05/12/20

Authorized Representative

To report a claim, call your Agent or 1-800-366-6446

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **BKS (21) 53 72 98 00** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

### Common Policy Declarations

#### Named Insured

#### Agent

BATESON ENTERPRISES LLC  
583 LITTLE VALLEY RD  
ROSEBURG, OR 97470

(541) 882-5507  
GREAT BASIN INSURANCE  
460 E 2ND AVE  
EUGENE, OR 97401-2419

### SUMMARY OF LOCATIONS

This policy provides coverage for the following under one or more coverage parts. Please refer to the individual Coverage Declarations Schedules, or, the individual Coverage Forms for locations or territory definition for that specific Coverage Part.

0001 583 Little Valley Rd, Roseburg, OR 97471-9357

### POLICY FORMS AND ENDORSEMENTS

This section lists the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

FORM NUMBER	TITLE
CG 00 01 04 13	Commercial General Liability Coverage Form - Occurrence
CG 03 00 01 96	Deductible Liability Insurance
CG 21 06 05 14	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability - With Limited Bodily Injury Exception
CG 21 18 10 17	Oregon - Marijuana Exclusion
CG 21 47 12 07	Employment-Related Practices Exclusion
CG 21 67 12 04	Fungi or Bacteria Exclusion
CG 21 70 01 15	Cap on Losses from Certified Acts of Terrorism
CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism

In witness whereof, we have caused this policy to be signed by our authorized officers.

Mark Touhey  
Secretary

David Long  
President

To report a claim, call your Agent or 1-844-325-2467  
DS 70 21 11 16



Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number:  
**BKS (21) 53 72 98 68** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Common Policy Declarations**

**Named Insured**

**Agent**

BATESON ENTERPRISES LLC  
583 LITTLE VALLEY RD  
ROSEBURG, OR 97470

(541) 882-5507  
GREAT BASIN INSURANCE  
460 E 2ND AVE  
EUGENE, OR 97401-2419

**POLICY FORMS AND ENDORSEMENTS - CONTINUED**

This section lists all of the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

**FORM NUMBER**

**TITLE**

CG 21 86 12 04	Exclusion - Exterior Insulation and Finish Systems
CG 21 88 01 15	Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)
CG 21 96 03 05	Silica or Silica-Related Dust Exclusion
CG 22 79 04 13	Exclusion - Contractors - Professional Liability
CG 24 26 04 13	Amendment of Insured Contract Definition
CG 83 20 12 08	Contractors Amendment of Pollution Exclusion (Job Sites)
CG 84 94 12 08	Exclusion - Consolidated Insurance Programs Wrap-Up
CG 84 99 08 09	Non-Cumulation Liability Limits Same Occurrence
CG 85 84 04 13	Additional Insured - Designated Owners, Lessees or Contractors - Completed Operations
CG 88 10 04 13	Commercial General Liability Extension
CG 88 60 12 08	Each Location General Aggregate Limit
CG 88 65 12 08	Voluntary Property Damage Extension
CG 88 67 12 08	Property Damage - Borrowed Equipment - \$100,000 Limit
CG 88 70 12 08	Construction Project(s)-General Aggregate Limit (Per Project)
CG 88 72 12 08	Off Premises Property Damage Including Care, Custody or Control
CG 88 77 12 08	Medical Expense At Your Request Endorsement
CG 88 80 12 08	Property Damage - Customers' Goods (\$100,000 Limit)
CG 88 86 12 08	Exclusion - Asbestos Liability
CL 01 00 03 99	Common Policy Conditions
CL 01 36 11 05	Amendatory Endorsement - Oregon
CL 06 00 01 15	Certified Terrorism Loss
CL 07 00 10 06	Virus or Bacteria Exclusion

To report a claim, call your Agent or 1-844-325-2467

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number:  
**BKS (21) 53 72 98 68** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Common Policy Declarations**

<b>Named Insured</b>	<b>Agent</b>
BATESON ENTERPRISES LLC 583 LITTLE VALLEY RD ROSEBURG, OR 97470	(541) 882-5507 GREAT BASIN INSURANCE 460 E 2ND AVE EUGENE, OR 97401-2419

**POLICY FORMS AND ENDORSEMENTS - CONTINUED**

This section lists all of the Forms and Endorsements for your policy. Refer to these documents as needed for detailed information concerning your coverage.

<b>FORM NUMBER</b>	<b>TITLE</b>
CL 08 10 08 17	Cannabis Items and Activities Exclusion Oregon
CL 16 60 06 06	Conditional Nuclear, Biological, And Chemical Terrorism Exclusion - (With Limited Exception)
CM 76 13 07 13	Waiver of Theft Deductible
IL 00 03 09 08	Calculation of Premium
IL 00 17 11 98	Common Policy Conditions
IL 00 21 09 08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 01 42 09 08	Oregon Changes - Domestic Partnership
IL 02 79 09 08	Oregon Changes - Cancellation and Nonrenewal
IM 20 75 04 10	Amendatory Endorsement - Oregon
IM 70 00 04 04	Contractors' Equipment Coverage
IM 78 54 04 04	Loss Payable Options
IM 79 02 04 04	Loss Payable Schedule
NP 74 26 04 13	Notice to Policyholder Fully Earned Minimum Premium Endorsements

To report a claim, call your Agent or 1-844-325-2467

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **BKS (21) 53 72 98 00** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Commercial Inland Marine  
Declarations**

**Named Insured**

**Agent**

BATESON ENTERPRISES LLC

(541) 882-5507  
GREAT BASIN INSURANCE

**SUMMARY OF CHARGES**

Explanation of Charges	DESCRIPTION	PREMIUM
	<u>Contractors Equipment with Small Tools</u>	<u>\$1,442.00</u>
	<u>Commercial Inland Marine Schedule Totals</u>	<u>\$1,442.00</u>
	<u>Certified Acts of Terrorism Coverage</u>	<u>\$56.00</u>

**Total Advance Charges: \$1,498.00**  
*Note: This is not a bill*

To report a claim, call your Agent or 1-844-325-2467



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**SCHEDULE OF COVERAGES**  
**CONTRACTORS' EQUIPMENT**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

**PROPERTY COVERED**

(check one)

Scheduled Equipment (Refer to Equipment Schedule)

Schedule On File

**"LIMIT"**

**Catastrophe Limit --** The most "we" pay for loss in any one occurrence is: \$ 169,570

**COVERAGE EXTENSIONS**

Additional Debris Removal Expenses \$ 5,000

**SUPPLEMENTAL COVERAGES**

Employee Tools \$ 5,000

Equipment Leased or Rented From Others \$ 25,000

Newly Purchased Equipment (check one)

Percentage of Catastrophe Limit 30 %

Dollar Limit \$

Pollutant Cleanup and Removal \$ 25,000

Rental Reimbursement

-- Reimbursement Limit \$ 5,000

-- Waiting Period 72 Hours

Spare Parts and Fuel \$ 5,000

**COINSURANCE** (check one)

80%       90%       100%       OTHER      %

**REPORTING CONDITIONS** (check if applicable)

**Equipment Leased or Rented From Others**

-- Reporting Rate      \$

-- Deposit Premium      \$

-- Minimum Premium      \$

**VALUATION** (check if applicable)

Actual Cash Value       Replacement Cost

Indicated on Equipment Schedule

**DEDUCTIBLE** (check one)

Flat Deductible Amount      \$      500

Percentage Deductible      %

Maximum Deductible Amount      \$

Minimum Deductible Amount      \$

**ADDITIONAL INFORMATION**



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**EQUIPMENT SCHEDULE  
CONTRACTORS' EQUIPMENT  
VALUATION BASIS**

(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)

**SCHEDULED EQUIPMENT**

**AA** = Agreed Amount      **ACV** = Actual Cash Value      **RP** = Replacement Cost

<b>Item No.</b>	<b>Valuation</b>	<b>Description of Equipment</b>	<b>"Limit"</b>
1	ACV	2007 KABOTA EXCAVATOR, S#KX1613R4AS/32896	\$ 29,000
2	ACV	2016 Caterpillar Compact Track Loader Model 259D S#FTL07156	\$ 62,570
3	ACV	2007 CLCR EXCAVATOR S#PCA01610	\$ 78,000
			\$
			\$
			\$
			\$
			\$
			\$



Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **L.9.a**  
**BKS (21) 53 72 98 00**  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Commercial General Liability**  
**Declarations**  
Basis: Occurrence

Named Insured	Agent
BATESON ENTERPRISES LLC	(541) 882-5507 GREAT BASIN INSURANCE

**SUMMARY OF LIMITS AND CHARGES**

Commercial General Liability Limits of Insurance	DESCRIPTION	LIMIT
	Each Occurrence Limit	1,000,000
	Damage To Premises Rented To You Limit (Any One Premises)	1,000,000
	Medical Expense Limit (Any One Person)	15,000
	Personal and Advertising Injury Limit	1,000,000
	General Aggregate Limit (Other than Products - Completed Operations)	2,000,000
	Products - Completed Operations Aggregate Limit	2,000,000

Explanation of Charges	DESCRIPTION	PREMIUM
	General Liability Schedule Totals	4,093.00
	Certified Acts of Terrorism Coverage	16.00

**Total Advance Charges: \$4,109.00**  
*Note: This is not a bill*

To report a claim, call your Agent or 1-844-325-2467

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **BKS (21) 53 72 98 00** L.9.a  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Commercial General Liability  
Declarations Schedule**

Named Insured	Agent
BATESON ENTERPRISES LLC	(541) 882-5507 GREAT BASIN INSURANCE

**SUMMARY OF CLASSIFICATIONS - BY LOCATION**

0001 583 Little Valley Rd, Roseburg, OR97471-9357

Insured: BATESON ENTERPRISES LLC

**CLASSIFICATION - 94007**

Excavation

COVERAGE DESCRIPTION	PREMIUM BASED ON - Members of LLC or LLP Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	31,100 Dollars Of Payroll	30.135	\$937.00
<i>Total:</i>			\$937.00
Products/Completed Operations		23.619	\$735.00
<i>Total:</i>			\$735.00

**CLASSIFICATION - 94007**

Excavation

COVERAGE DESCRIPTION	PREMIUM BASED ON - Employees Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	Dollars Of Payroll - if any	30.135	
<i>Total:</i>			
Products/Completed Operations		23.619	
<i>Total:</i>			

To report a claim, call your Agent or 1-844-325-2467

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **L.9.a**  
**BKS (21) 53 72 98 00**  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Commercial General Liability  
Declarations Schedule**

Named Insured	Agent
BATESON ENTERPRISES LLC	(541) 882-5507 GREAT BASIN INSURANCE

**SUMMARY OF CLASSIFICATIONS - BY LOCATION**

**CLASSIFICATION - 95410**  
Grading Of Land

COVERAGE DESCRIPTION	PREMIUM BASED ON - Members of LLC or LLP Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	Dollars Of Payroll - if any	12.160	
<i>Total:</i>			
Products/Completed Operations		12.317	
<i>Total:</i>			

**CLASSIFICATION - 95410**  
Grading Of Land

COVERAGE DESCRIPTION	PREMIUM BASED ON - Employees Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	37,142 Dollars Of Payroll	12.160	\$452.00
<i>Total:</i>			\$452.00
Products/Completed Operations		12.317	\$457.00
<i>Total:</i>			\$457.00

To report a claim, call your Agent or 1-844-325-2467

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Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **BKS (21) 53 72 98 00** L.9.a  
 Policy Period:  
**From 07/10/2020 To 07/10/2021**  
 12:01 am Standard Time  
 at Insured Mailing Location

**Commercial General Liability  
 Declarations Schedule**

Named Insured	Agent
BATESON ENTERPRISES LLC	(541) 882-5507 GREAT BASIN INSURANCE

**SUMMARY OF CLASSIFICATIONS - BY LOCATION - continued**

**CLASSIFICATION - 91581**  
 Contractors - Subcontracted Work - In Connection With  
 Construction, Reconstruction, Erection or Repair -  
 Not Buildings

COVERAGE DESCRIPTION	PREMIUM BASED ON -	RATED / PER 1,000	PREMIUM
Premise/Operations	100,000 Dollars Of Total Cost	7.077	\$708.00
<i>Total:</i>			<i>\$708.00</i>
Products/Completed Operations		5.081	\$508.00
<i>Total:</i>			<i>\$508.00</i>

**CLASSIFICATION - 91585**  
 Contractors - Subcontracted Work - In Connection With  
 Construction, Reconstruction, Repair or Erection Of  
 Buildings NOC

COVERAGE DESCRIPTION	PREMIUM BASED ON -	RATED / PER 1,000	PREMIUM
Premise/Operations	Dollars Of Total Cost - if any	4.427	
<i>Total:</i>			
Products/Completed Operations		2.366	
<i>Total:</i>			

To report a claim, call your Agent or 1-844-325-2467



Coverage Is Provided In:  
Ohio Security Insurance Company

Policy Number: **L.9.a**  
**BKS (21) 53 72 98 00**  
Policy Period:  
**From 07/10/2020 To 07/10/2021**  
12:01 am Standard Time  
at Insured Mailing Location

**Commercial General Liability  
Declarations Schedule**

Named Insured	Agent
BATESON ENTERPRISES LLC	(541) 882-5507 GREAT BASIN INSURANCE

**SUMMARY OF OTHER COVERAGE**

COVERAGE DESCRIPTION	PREMIUM	
Contractors Custom Protector Coverages	See Policy Forms and Endorsements List	\$195.00
CG8320 - Contractors Amendment of Pollution Exclusion (Job Sites)		\$21.00
CG85840413	Additional Insured - Designated Owners, Lessees or Contractors - Completed Operations	\$80.00
<b>Commercial General Liability Schedule Total</b>		<b>\$4,093.00</b>

To report a claim, call your Agent or 1-844-325-2467



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## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERAGES

#### COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

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

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured 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:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) Any insured; or
- (ii) Any person or organization for whom you may be legally responsible; or

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of



the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

#### g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

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" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
  - (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

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

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

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

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

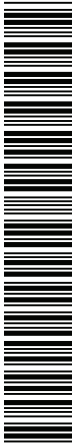
This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.



**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

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

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire 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.

**COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

**a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

**b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

## 2. Exclusions

This insurance does not apply to:

### a. **Knowing Violation Of Rights Of Another**

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. **Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. **Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

### d. **Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. **Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### f. **Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. **Quality Or Performance Of Goods - Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. **Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. **Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

### j. **Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

### k. **Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

### l. **Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

### m. **Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.



**n. Pollution-related**

Any loss, cost or expense arising out of any:

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

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**COVERAGE C - MEDICAL PAYMENTS****1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletics contests.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage A.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 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.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 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 \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
  - (1) Agrees in writing to:
    - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
    - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and



- (2) Provides us with written authorization to:
- (a) Obtain records and other information related to the "suit"; and
  - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

### 2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

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

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

#### (2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
- (1) With respect to liability arising out of the maintenance or use of that property; and
  - (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage **C**;

- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage **A**; and
  - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
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.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

#### 1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

## 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. 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. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

## 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

## 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

### a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

### b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "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.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

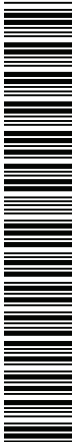
**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.



## SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
  - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
    - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;

- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;



- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
  - (a) When all of the work called for in your contract has been completed.
  - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
  - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

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

**DEDUCTIBLE LIABILITY INSURANCE**

This endorsement modifies insurance provided under the following:

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

**SCHEDULE**

<b>Coverage</b>	<b>Amount and Basis of Deductible</b>	
	<b>PER CLAIM</b>	<b>or PER OCCURRENCE</b>
Bodily Injury Liability	\$	\$
OR		
Property Damage Liability	\$ 1,000	\$
OR		
Bodily Injury Liability and/or Property Damage Liability Combined	\$	\$

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**APPLICATION OF ENDORSEMENT** (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused):

- A. Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B. You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
  - 1. PERCLAIM BASIS. If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
    - a. Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
    - b. Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
    - c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:
      - (1) "Bodily injury";
      - (2) "Property damage"; or
      - (3) "Bodily injury" and "property damage" combined

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as the result of any one "occurrence".

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", person includes an organization.

2. PER OCCURRENCE BASIS. If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:
- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
  - b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
  - c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
    - (1) "Bodily injury";
    - (2) "Property damage"; or
    - (3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

- C. The terms of this insurance, including those with respect to:
1. Our right and duty to defend the insured against any "suits" seeking those damages; and
  2. Your duties in the event of an "occurrence," claim, or "suit" apply irrespective of the application of the deductible amount.
- D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

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

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

- B. The following is added to Paragraph 2. **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OREGON - MARIJUANA EXCLUSION

This endorsement modifies insurance provided under the following:

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

**A.** The following exclusion is added:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
  - a. The design, manufacture, distribution, sale, serving, furnishing, use or possession of "marijuana";
  - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "marijuana"; or
2. "Property damage" to "marijuana".

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 that which is described in Paragraph **A.1.** or **A.2.** above.

However, this exclusion does not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served or furnished for bodily:

- a. Ingestion;
- b. Inhalation;
- c. Absorption; or
- d. Consumption.

**B.** The following definition is added to the **Definitions** section:

"Marijuana":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **B.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:
  - (1) Resin, oil or wax;
  - (2) Hash or hemp; or
  - (3) Infused liquid or edible marijuana;

whether derived from any plant or part of any plant set forth in Paragraph **B.2.a.** above or not.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EMPLOYMENT - RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph 2. Exclusions of **Section I - Coverage A - Bodily Injury And Property Damage Liability:**

#### 2., Exclusions

This insurance does not apply to:

#### Fungi or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

**B.** The following exclusion is added to Paragraph 2. Exclusions of **Section I - Coverage B - Personal And Advertising Injury Liability:**

#### 2. Exclusions

This insurance does not apply to:

#### Fungi or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

**C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION OF PUNITIVE DAMAGES  
RELATED TO A CERTIFIED ACT OF TERRORISM**

This endorsement modifies insurance provided under the following:

- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART
- OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
- POLLUTION LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- RAILROAD PROTECTIVE LIABILITY COVERAGE PART
- UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- 1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

- 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



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## EXCLUSION - EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
  2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  3. A reinforced or unreinforced base coat;
  4. A finish coat providing surface texture to which color may be added; and
  5. Any flashing, caulking or sealant used with the system for any purpose.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONDITIONAL EXCLUSION OF TERRORISM INVOLVING  
NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM  
(RELATING TO DISPOSITION OF FEDERAL  
TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. Applicability Of The Provisions Of This Endorsement**

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or

b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

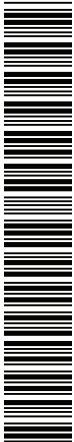
(1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

(3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

2. If the provisions of this endorsement become applicable, such provisions:

a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and



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- b. **Remain applicable unless we notify you of changes in these provisions, in response to federal law.**
3. **If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.**
- B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:
1. "Terrorism" means activities against persons, organizations or property of any nature:
    - a. That involve the following or preparation for the following:
      - (1) Use or threat of force or violence; or
      - (2) Commission or threat of a dangerous act; or
      - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
    - b. When one or both of the following applies:
      - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
      - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
  2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

- C. The following exclusion is added:

#### **EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph 2., Exclusions of **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

#### 2. Exclusions

This insurance does not apply to:

##### Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

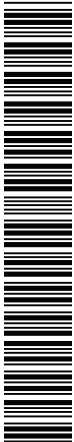
**B.** The following exclusion is added to Paragraph 2., Exclusions of **Section I - Coverage B - Personal And Advertising Injury Liability**:

#### 2. Exclusions

This insurance does not apply to:

##### Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
  - b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.
- C.** The following definitions are added to the **Definitions** Section:
1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
  2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - CONTRACTORS - PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph 2. **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
  - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.
2. Subject to Paragraph 3. below, professional services include:
  - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
  - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

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 failure to render any professional services by you or on your behalf with respect to the operations described above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

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

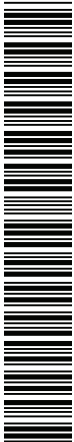
The definition of "insured contract" in the **Definitions** section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONTRACTORS AMENDMENT OF POLLUTION EXCLUSION (JOB SITES)

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following is added to Paragraph **(1)(d)** of Exclusion **f.** of **Section I - Coverage A - Bodily Injury And Property Damage Liability**:
- (iv)** "Bodily injury" or "property damage" sustained outside a building and arising out of the actual discharge, dispersal, seepage, migration, release or escape of "pollutants" brought on or to any premises, site or location in connection with operations being performed by you or on your behalf by a contractor or subcontractor.
- As used in this endorsement, the actual discharge, dispersal, seepage, migration, release or escape of "pollutants" must:
- (aa)** Commence on a clearly identifiable day during the policy period; and
  - (bb)** End, in its entirety, within seventy-two (72) hours of the commencement of the discharge, dispersal, seepage, migration, release or escape of "pollutants"; and
  - (cc)** Be discovered and reported to us within fifteen (15) days of the clearly identifiable day that the discharge, dispersal, seepage, migration, release or escape of "pollutants" commences; and
  - (dd)** Be neither expected nor intended from the standpoint of any insured; and
  - (ee)** Be unrelated to any previous discharge, dispersal, seepage, migration, release or escape; and
  - (ff)** Not originate at or from a storage tank or other container, duct or piping which:
    - a.** Is below the surface of the ground or water; or
    - b.** At any time has been buried under the surface of the ground or water and then is subsequently exposed.
- B.** For the purpose of coverage provided by this endorsement, the following is added to the definition of "property damage" of **Section V-Definitions** and applies only as respects this endorsement.  
Land or water, whether below ground level or not, is not tangible property.
- C.** Coverage provided hereunder does not apply to any discharge, dispersal, seepage, migration, release or escape that is merely threatened or alleged rather than shown to have actually occurred.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - CONSOLIDATED INSURANCE PROGRAMS (WRAP-UP)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraphs 2. of **Section I - Coverage A - Bodily Injury And Property Damage Liability, Coverage B - Personal And Advertising Injury** and **Coverage C - Medical Payments**:

### 2. Exclusions

This insurance does not apply to:

"Bodily injury", "property damage", "personal injury and advertising injury" or medical expenses arising directly or indirectly out of your current ongoing operations or included within the "products-completed operations hazard" at any site or location where you or your subcontractors or employees working on your behalf are performing or previously performed operations if any insured under this policy entered into contracts or agreements commonly referred to as consolidated insurance programs (Wrap-Up) providing general liability coverage at that site or location.

However, this exclusion does not apply to other jobs or work that you performed at such site or location if such other jobs or work were not done as part of contracts or agreements commonly referred to as consolidated insurance programs (Wrap-Up).

This exclusion applies whether or not the consolidated insurance programs (Wrap-Up):

- a. Provide coverage identical to that provided by this coverage part;
- b. Have limits adequate to cover all claims; or
- c. Remain in effect.

- B. The following is added to **Section IV - Commercial General Liability Conditions** Paragraph 5. **Premium Audit**:

In computing premium for this policy, we will not include any payroll or costs paid to your subcontractors for work at any site or location where any insured under this policy had entered into contracts or agreements commonly referred to as consolidated insurance programs (Wrap-Up) providing insurance coverage at that site or location prior to your work at such site or location.

A copy of the consolidated insurance program (Wrap-Up) certificate or similar documents issued to you verifying coverage must be provided to us when we audit this policy.

COMMERCIAL GENERAL LIABILITY  
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NON-CUMULATION OF LIABILITY LIMITS  
(SAME OCCURRENCE)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph 5. under **Section III - Limits Of Insurance**:

Non-Cumulation of Liability - Same Occurrence - If one "occurrence" causes "bodily injury" or "property damage" during the policy period and during the policy period of one or more prior, or future, general liability policies issued to you by us, then this policy's Each Occurrence Limit will be reduced by the amount of each payment made by us under the other policies because of such "occurrence."

For purposes of this endorsement, the term "us" also includes all policies issued by any company within the Liberty Mutual Agency Markets division of Liberty Mutual Group.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - DESIGNATED OWNERS, LESSEES  
OR CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

CITY OF ST HELENS

PO BOX 278

ST HELENS, OR 97051

**Location And Description Of Completed Operations:**

INSTALL PUMPS

12/15/17 - 1/25/2018

OREGON

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

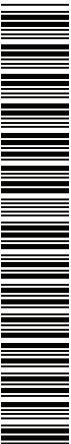
**A. Paragraph 2.** under **Section II - Who Is An Insured** is amended to include as an insured any person or organization shown in the Schedule, whom you have agreed to add as an additional in a written contract or written agreement. Such person or organization is an additional insured but only with respect to liability for "bodily injury" or "property damage":

1. Caused by "your work" performed for that additional insured that is the subject of the written contract or written agreement and at the location designated in and described in the Schedule of this endorsement; and
2. Included in the "products-completed operations hazard".

However:

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

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



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

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

The insurance does not apply to:

1. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
2. "Bodily injury" or "property damage" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services including:
  - a. The preparing, approving or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; and
  - b. Supervisory, inspection, architectural or engineering activities.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section II - Limits of Insurance:**

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

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

whichever is less.

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

**D.** With respect to the insurance afforded by this endorsement, **Section IV - Commercial General Liability Conditions** is amended as follows:

1. The following is added to Paragraph **2. Duties in The Event Of Occurrence, Offense, Claims Or Suit:**

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

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

2. Paragraph **4.,** of **Section IV - Commercial General Liability Conditions** is amended as follows:

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

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

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

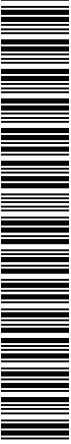
COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

#### A. NON-OWNED AIRCRAFT

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

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

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

#### B. NON-OWNED WATERCRAFT

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

This exclusion does not apply to:

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

#### C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

2. The following is added to Section IV - Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

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

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

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

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:

- a. The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

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

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

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

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

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

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

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

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

- a. Any one premise:

(1) While rented to you; or

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

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

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

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

#### E. MEDICAL PAYMENTS EXTENSION

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

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

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

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

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

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

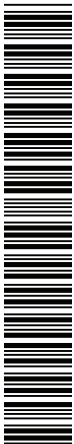
2. Paragraph **1.d.** is replaced by the following:

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

#### G. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT

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

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



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

However:

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

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

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

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

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

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

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

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

This insurance does not apply to:

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

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

- d. "Bodily injury" or "property damage" occurring after:
  - (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

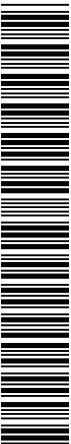
#### **N. LIBERALIZATION CLAUSE**

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

#### **O. BODILY INJURY REDEFINED**

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

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



**P. EXTENDED PROPERTY DAMAGE**

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

**a. Expected Or Intended Injury**

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

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

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

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EACH LOCATION GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

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- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability**, and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments**, which can be attributed only to operations at a single "location" owned by or rented to you:
1. A separate Each Location General Aggregate Limit applies to each "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Each Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Each Location General Aggregate Limit for that "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Each Location General Aggregate Limit for any other "location".
  4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Each Location General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability**, and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments**, which cannot be attributed only to operations at a single "location" owned by or rented to you:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Each Location General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Each Location General Aggregate Limit.
- D.** For the purposes of this endorsement, the following definition is added to **Section V - Definitions**:  
"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E.** The provisions of **Section III - Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply as stipulated.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## VOLUNTARY PROPERTY DAMAGE EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

### A. COVERAGE

Subject to Section **B - Limits Of Insurance** and Section **C - Deductible** of this endorsement:

The following is added to Paragraph **1. Insuring Agreement** of **Section I - Coverage A-Bodily Injury And Property Damage Liability**:

At your request, Property Damage coverage provided under Paragraph **1.a.** for "property damage" to property of others that:

- (1) Is caused by the insured, and
- (2) Arises out of your business operations for which this policy provides liability coverage will apply without regard to the insured's legal obligation to pay damages.

### B. LIMITS OF INSURANCE

As respects the coverage afforded by this endorsement, **Section III - Limits Of Insurance** is replaced by the following:

Regardless of the number of insureds, claims made or "suits" brought, or persons or organizations making claims or bringing "suits":

1. Subject to 2. below, the most we will pay for "property damage" arising from any one "occurrence" under this endorsement is **\$5,000**. This amount is part of and not in addition to the each occurrence limit described in Paragraph **5.** of **Section III - Limits Of Insurance**.
2. The most we will pay for the sum of all "property damage" in an annual policy period is **\$25,000**. This amount is part of and not in addition to the General Aggregate Limit described in Paragraph **2.** of **Section III - Limits Of Insurance**.

### C. DEDUCTIBLE

We will not pay for "property damage" in any one "occurrence" until the amount of "property damage" exceeds **\$250**. If the policy to which this endorsement is attached contains a "property damage" deductible, that deductible shall apply if it is greater than **\$250**.

**D. EXCLUSIONS**

For the purposes of the coverage provided by this endorsement, the following exclusion is added:  
This insurance does not apply to damage to property owned by any insured.

**E. CONDITIONS**

For the purposes of the coverage provided by this endorsement, **Section IV - Commercial General Liability Conditions** is amended as follows:

1. The following conditions are added:
  - a. Any payment made under this endorsement shall not be interpreted as an admission of liability by you or us.
  - b. In the event of a loss covered by this endorsement, you shall, at our request, replace the damaged property or furnish labor and materials necessary for repairs at your actual cost, excluding profit or overhead charges.
2. The following is added to Condition **4. Other Insurance**, Paragraph **b. Excess Insurance**.

The insurance afforded by this endorsement is excess over any other insurance, whether primary, excess, contingent or on any other basis that applies to "property damage" covered by this endorsement.

3. Condition **7. - Separation of Insureds** is deleted and replaced with the following:

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or suit is brought.

However, this condition does not apply if damages are to the property of any insured.

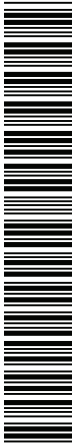
**F. DEFINITIONS**

For the purposes of the coverage provided by this endorsement, Paragraph **17.** of **Section V - Definitions** is replaced by the following:

17. "Property damage" means physical injury to tangible property. It does not include:
  - a. Loss of use of property, whether physically injured or not; or
  - b. Injury or loss caused by or arising from disappearance or theft.

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

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



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY DAMAGE - BORROWED EQUIPMENT  
(\$100,000 LIMIT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**Schedule**

<b>Property Damage - Borrowed Equipment Occurrence Limit</b>	<b>\$100,000</b>
<b>Property Damage - Borrowed Equipment Aggregate Limit</b>	<b>\$100,000</b>

For the purposes of the coverage provided by this endorsement:

- A.** Under **Section I - Coverages, Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, j. Damage To Property**, item **(4)** does not apply to "property damage" to borrowed equipment while that equipment is not being used to perform operations at a job site.
- B.** The following is added to **Section III - Limits Of Insurance**:
1. Subject to **2.** below, the Property Damage - Borrowed Equipment Occurrence Limit shown in the Schedule is the most we will pay due to "property damage" arising out of any one "occurrence" to borrowed equipment while that equipment is not being used to perform operations at a job site. This limit is part of and not in addition to the Each Occurrence Limit applicable to **Coverage A - Bodily Injury And Property Damage Liability**.
  2. The Property Damage - Borrowed Equipment Aggregate Limit shown in the Schedule is the most that is payable under this coverage regardless of the number of claims or suits made against you and is part of, and not in addition to the General Aggregate Limit.
- C.** Under **Section IV - Commercial General Liability Conditions, 4. Other Insurance, b. Excess Insurance**, the following is added:

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

Nothing contained in this endorsement shall be held to vary, alter, waive, or extend any of the terms, conditions, provisions, agreements or limitations of the policy, other than as stated above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONSTRUCTION PROJECT(S) - GENERAL AGGREGATE LIMIT (PER PROJECT)

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability**, and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments**, which can be attributed only to ongoing operations at a single construction project away from premises owned by or rented to you:
1. A separate Construction Project General Aggregate Limit applies to each construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations .
  2. The Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Construction Project General Aggregate Limit for that construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Construction Project General Aggregate Limit for any other construction project.
  4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Construction Project General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverage A - Bodily Injury And Property Damage Liability**, and for all medical expenses caused by accidents under **Section I - Coverage C Medical Payments**, which cannot be attributed only to ongoing operations at a single construction project away from premises owned by or rented to you:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Construction Project General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Construction Project General Aggregate Limit.
- D.** If the applicable construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E.** The provisions of **Section III - Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OFF PREMISES PROPERTY DAMAGE INCLUDING CARE, CUSTODY OR CONTROL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

**Property Damage - Off Premises Care, Custody Or Control Occurrence Limit** 25000

**Property Damage - Off Premises Care, Custody Or Control Aggregate Limit** 25000

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

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

#### A. COVERAGE

Subparagraph **j.(4)** of Paragraph **2.**, **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced with the following:

- (4) Personal property of others in the care, custody, or control of an insured at premises owned, occupied by, or rented to an insured;

Subparagraphs **j.(5)** and **(6)** of Paragraph **2.**, **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** are deleted.

#### B. EXCLUSIONS

The following are added to Paragraph **2.**, **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability**:

This insurance shall not apply to:

1. "Property damage" :
  - a. To property owned by any Named Insured, any person qualifying as an insured in Paragraph **1.** of **Section II - Who Is An Insured**, or any "employee" of any Named Insured;
  - b. To property on any premises owned, rented, leased, operated or used by you; or
  - c. To property while in transit to or from any premises owned, rented, leased, operated or used by you.
2. "Property damage" to property included in the "products-completed operations hazard".
3. "Property damage" to borrowed equipment if coverage is provided by another endorsement attached to this policy described as **Property Damage - Borrowed Equipment**.

**C. LIMITS OF INSURANCE**

The following is added to **Section III - Limits Of Insurance**:

1. Subject to 2. below, the Property Damage - Off Premises Care, Custody Or Control Occurrence Limit shown in the Schedule is the most we will pay due to "property damage" to property of others as a result of any one "occurrence". This limit is part of and not in addition to the Each Occurrence Limit applicable to **Coverage A - Bodily Injury And Property Damage Liability** described in Paragraph 5. of **Section III - Limits Of Insurance**.
2. The Property Damage - Off Premises Care, Custody Or Control Aggregate Limit shown in the Schedule is the most that is payable under this coverage regardless of the number of claims or "suits" made against you. This limit is part of, and not in addition to the General Aggregate Limit described in Paragraph 2. of **Section III - Limits Of Insurance**.

**D. DEDUCTIBLE**

For the purposes of the coverage provided by this endorsement:

We will not pay for "property damage" in any one "occurrence" until the amount of "property damage" exceeds **\$250**. If the policy to which this endorsement is attached contains a "property damage" deductible, that deductible shall apply if it is greater than **\$250**.

**E. CONDITIONS**

For the purposes of the coverage provided by this endorsement, **Section IV - Commercial General Liability Conditions** is amended as follows:

1. The following condition is added:

In the event of a loss covered by this endorsement, you shall, at our request, replace the damaged property or furnish labor and materials necessary for repairs at your actual cost, excluding profit or overhead charges.

2. The following is added to condition **4. Other Insurance**, Paragraph **b. Excess Insurance**:

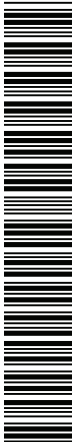
The insurance afforded by this endorsement is excess over any other insurance, whether primary, excess, contingent or on any other basis that applies to "property damage" covered by this endorsement.

3. Condition **7. Separation of Insureds** is replaced with the following:

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

However, this condition does not apply if damages are to the property of any insured.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MEDICAL EXPENSE AT YOUR REQUEST ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to **Section I - Coverage C - Medical Payments**:

If **Medical Payments** or **Medical Expenses** are not otherwise excluded from the policy, medical expenses will be paid only if an insured has requested that we pay such expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY DAMAGE - CUSTOMERS' GOODS  
(\$100,000 LIMIT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**Schedule**

<b>Property Damage - Customers' Goods Occurrence Limit</b>	<b>\$100,000</b>
<b>Property Damage - Customers' Goods Aggregate Limit</b>	<b>\$100,000</b>

- A.** Under **Section I - Coverages, Coverage A-Bodily Injury And Property Damage Liability, 2. Exclusions, j. Damage To Property**, items **(3), (4) and (6)** do not apply to "property damage" to "customers' goods" while on your premises.
- B.** For purposes of the coverage afforded by this endorsement:
1. Subject to **2.** below, the Property Damage - Customers' Goods Occurrence Limit shown in the Schedule is the most we will pay due to "property damage" to "customers' goods" while on your premises arising out of any one "occurrence." This limit is part of and not in addition to the Each Occurrence limit applicable to **Coverage A - Bodily Injury And Property Damage Liability.**
  2. The Property Damage - Customers' Goods Aggregate Limit shown in the Schedule is the most that is payable under this coverage regardless of the number of claims or "suits" made against you and is part of, and not in addition to the General Aggregate Limit.
- C.** Under **Section IV - Commercial General Liability Conditions, 4. Other Insurance, b. Excess Insurance**, the following is added:
- The insurance afforded by this endorsement is excess over any of the other insurance, whether primary, excess, contingent or on any other basis, that is property insurance.
- D.** Under **Section V - Definitions**, the following definition is added:
- "Customers' goods" means property of your customer on your premises for the purpose of being worked on or used in your manufacturing process.

Nothing contained in this endorsement shall be held to vary, alter, waive, or extend any of the terms, conditions, provisions, agreements or limitations of the policy, other than as stated above.



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

## **EXCLUSION - ASBESTOS LIABILITY**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS AND COMPLETED OPERATIONS COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising, in whole or in part, either directly or indirectly out of the manufacture, storage, processing, mining, use, sale, installation, removal, disposal, distribution, handling, inhalation, ingestion, absorption, or existence of, exposure to or contact with asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust; or
2. Any loss, cost or expense arising out of any:
  - a. Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust; or
  - b. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of asbestos, asbestos contained in goods, products or materials, asbestos fibers or asbestos dust.

## COMMON POLICY CONDITIONS

1. **Assignment** -- This policy may not be assigned without "our" written consent.
2. **Cancellation** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.
 

"We" may cancel this policy, or one or more of its parts, by written notice sent to "you" at "your" last mailing address known to "us". If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before the cancellation is effective. If "we" cancel this policy for any other reason, "we" will give "you" notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

"Your" return premium, if any, will be calculated according to "our" rules. It will be refunded to "you" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.
3. **Change, Modification, or Waiver of Policy Terms** - - A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.
4. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations at any time. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.
5. **Examination of Books and Records** -- "We" may examine and audit "your" books and records that relate to this policy during the policy period and within three years after the policy has expired.

## AMENDATORY ENDORSEMENT OREGON

1. Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

**Cancellation and Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" a written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy, or one or more of its parts, by written notice mailed or delivered to "you" at "your" last mailing address known to "us". If the notice is mailed, proof of mailing will be sufficient proof of notice. The notice will contain the effective date and the reason or reasons for cancellation or nonrenewal.

If this policy has been in effect for less than 60 days, "we" may cancel for any reason. "We" will give "you" notice at least ten days before cancellation is effective.

If this policy has been in effect for 60 days or more, or if it is a renewal of a policy issued by "us":

- a. "We" may cancel this policy only at the anniversary date unless one or more of the following reasons apply:
- 1) nonpayment of premium;
  - 2) fraud or material misrepresentation made by "you" or with "your" knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
  - 3) substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation, or court decision;
  - 4) failure to comply with reasonable loss control recommendations;

- 5) substantial breach of contractual duties, conditions, or warranties;

- 6) a determination by the Director that the continuation of a line of insurance or class of business to which the policy belongs will jeopardize "our" solvency or will place "us" in violation of the insurance laws of Oregon or any other state;

- 7) loss or decrease in reinsurance covering the risk; or

- 8) any other reason approved by the Director by rule.

- b. Cancellation for nonpayment of premium will not be effective until at least ten working days after "you" receive "our" notice.

- c. Cancellation for any reason other than nonpayment of premium will not be effective:

- 1) until at least 30 days after "you" receive "our" notice, for a property or output policy that does not include commercial liability coverage; or
- 2) until ten working days after "you" receive "our" notice for any other type of policy.

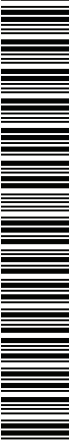
"Your" return premium, if any, will be calculated on a pro rata basis. It will be refunded to "you" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

"We" may cancel this policy or coverage on any anniversary date by giving "you" written notice at least 45 days prior to the anniversary date on which cancellation is to be effective.

If "we" decide not to renew this policy, nonrenewal will not be effective until at least 45 days after "you" receive "our" notice.

- 2. Under Common Policy Conditions, the following condition is added:

**Renewal** -- If "we" decide to renew this policy with less favorable "terms" or higher rates, "we" will give "you" and "your" agent, if any, written notice at least 45 days prior to the renewal date. This provision does not apply if the change is a rate, form, or plan filed with the Director and applicable to the entire line of insurance or class of business to which the policy belongs, or to a premium increase based on the altered nature or extent of the risk insured against.



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## CERTIFIED TERRORISM LOSS

1. The following definitions are added.
  - a. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States:
    - 1) to be an act of terrorism;
    - 2) to be a violent act or an act that is dangerous to human life, property, or infrastructure;
    - 3) to have resulted in damage:
      - a) within the United States; or
      - b) to an air carrier (as defined in section 40102 of title 49, United States Code); to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or at the premises of any United States mission;
    - 4) to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion; and
    - 5) to have resulted in insured losses in excess of five million dollars in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended.
  - b. "Certified terrorism loss" means loss that results from a "certified act of terrorism".
2. The "terms" of any terrorism exclusion that is part of or that is attached to this Coverage Part are amended by the following provision:
 

This exclusion does not apply to "certified terrorism loss".
3. The following provision is added.
 

If the Secretary of the Treasury determines that the aggregate amount of "certified terrorism loss" has exceeded one hundred billion dollars in a calendar year (January 1 through December 31), and "we" have met "our" insurer deductible under the Terrorism Risk Insurance Act, as amended, "we" will not pay for any portion of "certified terrorism loss" that exceeds one hundred billion dollars. If the "certified terrorism loss" exceeds one hundred billion dollars in a calendar year (January 1 through December 31), losses up to one hundred billion dollars are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury under the Terrorism Risk Insurance Act, as amended.
4. The following provisions are added.
  - a. Neither the "terms" of this endorsement nor the "terms" of any other terrorism endorsement attached to this Coverage Part provide coverage for any loss that would otherwise be excluded by this Coverage Part under:
    - 1) exclusions that address war, military action, or nuclear hazard; or
    - 2) any other exclusion; and
  - b. the absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this Coverage Part under:
    - 1) exclusions that address war, military action, or nuclear hazard; or
    - 2) any other exclusion.

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## VIRUS OR BACTERIA EXCLUSION

### DEFINITIONS

#### Definitions Amended --

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

### PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

1. The following exclusion is added under Perils Excluded, item 1.:

#### Virus or Bacteria --

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but is not limited to, any loss, cost, or expense as a result of:

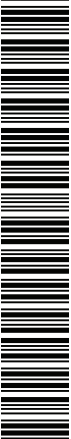
- a. any contamination by any virus, bacterium, or other microorganism; or
- b. any denial of access to property because of any virus, bacterium, or other microorganism.

2. **Superseded Exclusions --** The Virus or Bacteria exclusion set forth by this endorsement supersedes the "terms" of any other exclusions referring to "pollutants" or to contamination with respect to any loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

### OTHER CONDITIONS

#### Other Terms Remain in Effect --

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.



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## CANNABIS ITEMS AND ACTIVITIES EXCLUSION OREGON

1. The following definitions are added:
  - a. "Cannabis" means marihuana as defined under 21 U.S.C. § 802 of the Controlled Substances Act.
  - b. "Cannabis activities" means the:
    - 1) cooking;
    - 2) delivery;
    - 3) distribution;
    - 4) growing;
    - 5) harvesting;
    - 6) manufacturing;
    - 7) processing;
    - 8) production;
    - 9) sale;
    - 10) storage;
    - 11) transportation; or
    - 12) warehousing;
 of any quantity of "cannabis items".
  - c. "Cannabis items" means:
    - 1) "cannabis";
    - 2) drug paraphernalia, as defined under 21 U.S.C. § 863 of the Controlled Substances Act, that is used, or designed to be used, with "cannabis" in any form; and
    - 3) any:
      - a) compound;
      - b) concentrate;
      - c) extract
      - d) material;
      - e) mixture
      - f) preparation; or
      - g) product;
 containing any quantity of "cannabis".
2. If this policy provides property coverage, the following exclusion is added with respect to such coverage:
 

**Cannabis Items And Activities - Property Exclusion**

  - a. "We" do not pay for loss of or damage to:
    - 1) "cannabis items"; or
    - 2) any other property when the loss or damage arises out of any "cannabis activities" conducted by:
      - a) any person or entity insured under this policy, or
      - b) anyone acting at the direction or on behalf of any person or entity insured under this policy.

This includes, but is not limited to, any loss or damage caused by or resulting from smoke, vapor, gas, condensation, humidity, moisture, or any other substance discharged, dispersed, disposed of, emitted, escaped, leached, leaked, migrated, produced, released, seeped, or spilled during or as a result of such "cannabis activities".
  - b. To the extent that this policy provides coverage for loss caused by fire or explosion, this exclusion does not apply to direct loss of or damage to covered property caused by a fire or explosion resulting from "cannabis activities" or "cannabis items".
3. If this policy provides liability coverage, the following exclusion is added with respect to such coverage:
 

**Cannabis Items And Activities - Liability Exclusion**

"We" do not provide liability coverage for any person or entity insured under this policy for liability arising out of:

  - a. the possession of "cannabis items"; or

- b. any "cannabis activities". This includes, but is not limited to, any liability for loss or damage caused by or resulting from smoke, vapor, gas, condensation, humidity, moisture, or any other substance discharged, dispersed, disposed of, emitted, escaped, leached, leaked, migrated, produced, released, seeped, or spilled during or as a result of such "cannabis activities".
- 4. The "terms" of this endorsement apply even if "cannabis activities" and the possession of "cannabis items" are legal or permissible in any capacity under Oregon law or the law of the state in which the loss or damage occurs.

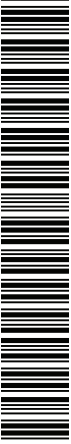
- 5. To the extent that the "terms" of this endorsement conflict with any other "terms" of this policy, this endorsement will control with respect to "cannabis items" and "cannabis activities".

However, this endorsement will not be construed to diminish, modify, narrow, or negate any exclusion in this policy that applies to:

- a. contraband;
- b. controlled substances;
- c. criminal or illegal acts; or
- d. illegal transportation or trade.

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**CONDITIONAL NUCLEAR, BIOLOGICAL, AND  
CHEMICAL TERRORISM EXCLUSION  
(WITH LIMITED EXCEPTION)**

**NOTICE**

**The Terrorism Risk Insurance Program (the Program), as established under federal law, is scheduled to terminate while your policy is in effect.**

**The Terrorism Exclusion found in this endorsement will apply only if the federal government does not renew, extend, or otherwise replace the Program or if the conditions, definitions, or requirements of the Program are changed by the federal government and federal law no longer requires that we make Terrorism Coverage available to you.**

1. The Terrorism Exclusion set forth by this endorsement becomes effective on the earliest of the following:
    - a. the date that the federal Terrorism Risk Insurance Program (the Program) established by the Terrorism Risk Insurance Act has terminated with respect to the type of insurance provided by the Coverage Part to which this endorsement applies; or
    - b. the effective date of a renewal, extension, or replacement of the Program, if federal law no longer requires that "we" make terrorism coverage available to "you" and the Program has been renewed, extended, or replaced subject to changes that:
      - 1) redefine terrorism; or
      - 2) increase "our" financial exposure under the Program; or
      - 3) impose requirements on insurance coverage for terrorism that differ from the terms, amounts, or other limitations that otherwise govern coverage for loss or damage under the "terms" of the Coverage Part to which this endorsement applies.
- If a condition described above under items 1.a. and 1.b. occurs prior to the effective date of the policy period to which this endorsement applies, the Terrorism Exclusion set forth by this endorsement applies as of the effective date of that policy period.
2. If the Terrorism Exclusion set forth by this endorsement becomes effective, this Terrorism Exclusion:
    - a. supersedes any other endorsements that address "certified acts of terrorism", "certified terrorism loss", "non-certified acts of terrorism", and or "non-certified terrorism loss" that also apply to the Coverage Part to which this endorsement applies, but only with respect to loss or damage caused by one or more incidents of terrorism that occur on or after the effective date of this Terrorism Exclusion; and
    - b. remains in effect unless "we" notify "you" of changes to this Terrorism Exclusion.

3. If none of the conditions described above under items 1.a. and 1.b. occur, any other endorsements that address "certified acts of terrorism", "certified terrorism loss", "non-certified acts of terrorism", and or "non-certified terrorism loss" that also apply to the Coverage Part to which this endorsement applies continue to apply until "we" notify "you" of changes to such other endorsements.
4. The word terrorism, when shown in this endorsement in quotation marks, has the following meaning:
- "Terrorism" means activities against persons, organizations, or property of any nature:
- a. that involve the following or preparation for the following:
    - 1) use or threat of force or violence; or
    - 2) commission or threat of a dangerous act; or
    - 3) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
  - b. when one or both of the following applies:
    - 1) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
    - 2) it appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social, or economic objectives, or to express (or express opposition to) a philosophy or ideology.

5. The following exclusion is added:

#### **TERRORISM EXCLUSION**

Subject to the Fire Exception, "we" will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

- a. the "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation, or radioactive contamination; or
- b. radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- c. the "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- d. pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

**Fire Exception** -- If "terrorism" results in fire, "we" will pay for the loss or damage caused by that fire, subject to the "limit" and all "terms" that apply to the affected property. This Fire Exception applies only to direct loss or damage by fire to covered property. Therefore, for example, this Fire Exception does not apply to insurance provided under Income, Earnings, Extra Expense, or Legal Liability coverages, endorsements, coverage parts, or policy forms.

6. When the Terrorism Exclusion set forth by this endorsement applies due to an incident of "terrorism" described above under items 5.a. or 5.b., that Terrorism Exclusion supersedes the Nuclear Hazard Exclusion in the Coverage Part to which this endorsement applies.
7. The following provisions are added.
  - a. Neither the "terms" of this endorsement nor the "terms" of any other terrorism endorsement attached to the Coverage Part to which this endorsement applies provide coverage for any loss or damage that would otherwise be excluded by that Coverage Part under:
    - 1) exclusions that address war, military action, or nuclear hazard; or
    - 2) any other exclusion.
  - b. The absence of any other terrorism endorsement does not imply coverage for any loss or damage that would otherwise be excluded by the Coverage Part to which this endorsement applies under:
    - 1) exclusions that address war, military action, or nuclear hazard; or
    - 2) any other exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WAIVER OF THEFT DEDUCTIBLE

This endorsement modifies insurance provided under the following:

CONTRACTORS' EQUIPMENT COVERAGE  
CONTRACTORS' EQUIPMENT COVERAGE - Blanket Equipment Form

The following is added to your policy:

Waiver of Deductible:

In the event of a theft loss to covered "contractors' equipment", we agree to waive up to \$10,000 of the applicable deductible if:

1. the stolen "contractors' equipment" is "Properly Registered" on the National Equipment Register (NER) database; and
2. NER warning decals are on the stolen "contractors' equipment"; at the time of theft. (equipment can be registered with NER by calling 866-663-7872 or at [www.NER.net](http://www.NER.net)); and
3. Following the theft loss, "you" must:
  - 1) Report the theft to the local law enforcement agency having jurisdiction as soon as "you" become aware of the theft; and
  - 2) Report the claim to "us" in accordance with the terms and conditions of this policy

"Properly Registered" means providing National Equipment Register (NER) with the specific manufacturer, model number, serial number, and year manufactured either through your on-line entry of this information in the NER website or sending this information on an electronic spreadsheet directly to NER prior to the theft.

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

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. INSPECTIONS AND SURVEYS

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

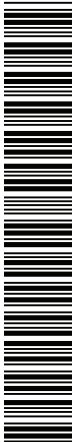
### E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.



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If you die, your rights and duties under this policy will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OREGON CHANGES - DOMESTIC PARTNERSHIP

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

**A.** The term "spouse" is replaced by the following:

Spouse or individual who is in a domestic partnership recognized under Oregon law.

**B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Care Coverage - Broadened Coverage For Named Individual Endorsement is attached.

**C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of your household, including a ward or foster child.

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

## **OREGON CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERGEPART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

**2.** If this policy has been in effect for:

- a.** Fewer than 60 days and is not a renewal policy, we may cancel for any reason.
- b.** 60 days or more or is a renewal policy, we may cancel only for one or more of the following reasons:
  - (1)** Nonpayment of premium;
  - (2)** Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
  - (3)** Substantial increase in the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to rules, legislation or court decision;
  - (4)** Failure to comply with reasonable loss control recommendations;
  - (5)** Substantial breach of contractual duties, conditions or warranties;
  - (6)** Determination by the commissioner that the continuation of a line of insurance or class of business to which the policy belongs will jeopardize our solvency or will place us in

violation of the insurance laws of Oregon or any other state; or

- (7)** Loss or decrease in reinsurance covering the risk.
- c.** 60 days or more or is a renewal policy, we may cancel for any other reason approved by the commissioner by rule, but only with respect to insurance provided under the following:
  - (1)** A package policy that includes commercial property and commercial liability insurance;
  - (2)** Commercial Automobile Coverage Part;
  - (3)** Commercial General Liability Coverage Part;
  - (4)** Commercial Property Coverage Part - Legal Liability Coverage Form;
  - (5)** Commercial Property Coverage Part - Mortgageholders Errors And Omissions Coverage Form;
  - (6)** Employment-related Practices Liability Coverage Part;
  - (7)** Farm Coverage Part - Farm Liability Coverage Form;
  - (8)** Liquor Liability Coverage Part;
  - (9)** Products/Completed Operations Liability Coverage Part; or
  - (10)** Medical Professional Liability Coverage Part.

**B.** Paragraph **3.** of the **Cancellation** Common Policy Condition is amended by the addition of the following:

3. We will mail or deliver to the first Named Insured written notice of cancellation, stating the reason for cancellation.

**C.** The following is added to the **Cancellation** Common Policy Condition:

**7. Number Of Days' Notice Of Cancellation:**

- a. With respect to insurance provided under **2.c.(1)** through **(10)** above, cancellation will not be effective until at least 10 working days after the first Named Insured receives our notice.
- b. With respect to insurance other than that provided under **2.c.(1)** through **(10)** above, cancellation will not be effective until at least:
  - (1) 10 days after the first Named Insured receives our notice, if we cancel for nonpayment of premium; or
  - (2) 30 days after the first Named Insured receives our notice, if we cancel for any other reason.

**D.** Paragraph **6.** of the **Cancellation** Common Policy Condition does not apply.

**E.** The following are added and supersede any provision to the contrary:

**1. Nonrenewal**

We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal before the:

- a. Expiration date of the policy; or
- b. Anniversary date of the policy if the policy is written for a term of more than one year or without a fixed expiration date.

However, if this policy is issued for a term of more than one year and for additional consideration the premium is guaranteed, we may not refuse to renew the policy at its anniversary date.

Nonrenewal will not be effective until at least 45 days after the first Named Insured receives our notice.

**2. Mailing Of Notices**

- a. If notice of cancellation or nonrenewal is mailed, a post office certificate of mailing will be conclusive proof that the first Named Insured received the notice on the third calendar day after the date of the certificate of mailing.
- b. The following provision applies with respect to coverage provided under the Farm Coverage Part:

If the first Named Insured has affirmatively consented to our use of an electronic record to deliver notice of cancellation or nonrenewal and has not withdrawn such consent, then the electronic record delivering notice of cancellation or nonrenewal satisfies the requirement that the notice of cancellation or nonrenewal be provided, or made available, to the first Named Insured in writing if we send the first Named Insured the electronic record with a request for a return receipt and we receive the return receipt. If we do not receive the return receipt, we may cancel or nonrenew the policy only after providing or delivering the notice of cancellation or nonrenewal to the first Named Insured in writing, subject to Paragraph **2.a.** above.



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## AMENDATORY ENDORSEMENT OREGON

1. Under What Must Be Done In Case Of Loss, the first paragraph of Proof Of Loss is deleted and replaced by the following:

**Proof Of Loss--** "You" must send "us", within 90 days after "our" request, a signed, sworn proof of loss. This must include the following information:

2. What Must Be Done In Case Of Loss is amended to include the following provision:

**Notice Of Our Intent --** Unless "we" need more time to investigate "your" claim, "we" will give "you" notice of "our" intent to accept or deny "your" claim within 30 days after receipt of a duly executed proof of loss.

If "we" deny "your" claim, "we" will give "you" written notice of "our" denial. "Our" notice will identify any provision of this policy on which the denial is based.

If "we" need more time to investigate "your" claim, "we" will give "you" notice of "our" need for more time within 30 days after receipt of a duly executed proof of loss. "Our" notice will state why more time is needed.

If "our" investigation cannot be completed within 45 days of the date of "our" initial notice, "we" will give "you" written notice to state why more time is needed. "We" will give "you" such notice within 45 days of the date of "our" initial notice.

"We" will continue to give "you" written notice every 45 days thereafter to state why more time is needed until "we" give "you" notice of "our" intent to accept or deny "your" claim.

3. Under Other Conditions, Appraisal is amended to include the following:

This provision is non-binding on both parties and will apply only if "you" and "we" voluntarily agree to appraisal.

4. Under Other Conditions, Misrepresentation, Concealment, or Fraud is amended to include the following:

All statements made by or on "your" behalf, in the absence of fraud, will be deemed representations and not warranties. No such statements that arise from an error in the application will be used in defense of a claim under the policy unless:

- a. the statements are contained in a written application; and
- b. a copy of the application is endorsed upon or attached to the policy when issued.

In order to use any representation by or on "your" behalf in defense of a claim, "we" must show that the representations were material and that "we" relied on them.

## CONTRACTORS' EQUIPMENT COVERAGE

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described here-in subject to all the "terms" of the Contractors' Equipment Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

### DEFINITIONS

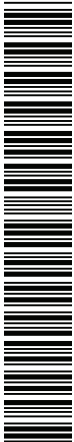
1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Contractors' equipment" means machinery, equipment, and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operations or projects.

"Contractors' equipment" also means:

- a. self-propelled vehicles designed and used primarily to carry mounted equipment; or

- b. vehicles designed for highway use that are unlicensed and not operated on public roads.

4. "Equipment schedule" means a schedule of "contractors' equipment" that is attached to this policy and that describes each piece of covered equipment.
5. "Jobsite" means any location, project, or work site where "you" are in the process of construction, installation, erection, repair, or moving.
6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
  - a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
  - b. declarations or supplemental declarations which pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.



10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

2) "contractors' equipment" of others in "your" care, custody, or control.

b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- 1) that are described on the "equipment schedule"; and
- 2) when Scheduled Equipment is indicated on the "schedule of coverages".

## 2. Schedule On File --

a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

- 1) "your" "contractors' equipment"; and
- 2) "contractors' equipment" of others in "your" care, custody, or control.

b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- 1) that are listed in a schedule which "you" must submit to "us" and "we" keep on file, the schedule must contain a description of each item to be covered and a "limit" for each item; and
- 2) when Schedule on File is indicated on the "schedule of coverages".

## PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

### 1. Scheduled Equipment --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:
  - 1) "your" "contractors' equipment"; and

## PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Leased Or Rented Property** -- "We" do not cover property that "you" lease or rent to others.

4. **Loaned Property** -- "We" do not cover property that "you" loan to others.
5. **Underground Mining Operations** -- "We" do not cover property while stored or operated underground in connection with any mining operations.
6. **Vehicles** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:
- self-propelled vehicles designed and used primarily to carry mounted equipment; or
  - vehicles designed for highway use that are unlicensed and not operated on public roads.
7. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

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## COVERAGE EXTENSIONS

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**Provisions That Apply To Coverage Extensions** -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

### Debris Removal --

- Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- We Do Not Cover** -- This coverage does not include costs to:
  - extract "pollutants" from land or water; or
  - remove, restore, or replace polluted land or water.
- Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

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## SUPPLEMENTAL COVERAGES

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**Provisions That Apply To Supplemental Coverages** -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

### 1. Employee Tools --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to tools owned by "your" employees.
- b. **Coverage Limitation** -- "We" only cover tools owned by "your" employees while at a:
  - 1) premises that "you" own or operate; or
  - 2) "jobsite".
- c. **Limit** -- The most "we" pay in any one occurrence for loss to employee tools is \$5,000.

### 2. Equipment Leased Or Rented From Others --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" have leased or rented from others.
- b. **Limit** -- The most "we" pay in any one occurrence for equipment leased or rented from others is \$25,000.

### 3. Newly Purchased Property --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to additional "contractors' equipment" that "you" purchase during the policy period.
- b. **Limit** -- The most that "we" pay for any loss under this supplemental coverage is the least of the:
  - 1) actual cash value of the covered property; or
  - 2) "limit" for newly purchased property indicated on the "schedule of coverages". If no "limit" is indicated, then 30% of the Catastrophe Limit indicated on the "schedule of coverages" applies to this coverage.

- c. **Time Limitation** -- "We" extend coverage to the additional "contractors' equipment" that "you" purchase for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- 1) this policy expires;
- 2) 60 days after "you" obtain the additional "contractors' equipment"; or
- 3) "you" report the additional "contractors' equipment" to "us".

- d. **Additional Premium** -- "You" must pay any additional premium due from the date "you" purchase the additional "contractors' equipment".

**4. Pollutant Cleanup And Removal --**

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.

- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.

- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** -- The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

**5. Rental Reimbursement --**

- a. **Coverage** -- In the event of a direct physical loss by a covered peril to "your" "contractors' equipment", "we" reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable.

The deductible amount indicated on the "schedule of coverages" does not apply to a loss covered under this supplemental coverage.

- b. **Waiting Period** -- "We" will not reimburse "you" for the rental of equipment until after the first 72-hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss to "your" "contractors' equipment" caused by a covered peril.

- c. **Incurred Rental Expenses** -- After the waiting period has passed, "we" will only reimburse "you" for the rental expenses that "you" actually incur.

- d. **Coverage After Expiration Date** -- "We" will continue to reimburse "you" for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.

- e. **Coverage Limitations** -- "We" will not reimburse "you":

- 1) if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you"; or
- 2) for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.

- f. **Limit** -- The most "we" reimburse "you" in any one occurrence for rental expenses is \$5,000.



## 6. Spare Parts And Fuel --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:
- 1) spare parts and accessories for "contractors' equipment"; and
  - 2) fluids for vehicles and "contractors' equipment"; fluids include gasoline, oil, and hydraulic fluid.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to spare parts and accessories is \$5,000.

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## PERILS COVERED

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"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

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## PERILS EXCLUDED

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1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

- a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

- c. **War And Military Action** -- "We" do not pay for loss caused by:

- 1) war, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Contamination or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- b. Criminal, Fraudulent, Dishonest Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- 1) "you";
- 2) others who have an interest in the property;
- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- d. Mechanical Breakdown** -- "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.
- But if a mechanical, structural, or electrical breakdown or malfunction results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- e. Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- f. Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

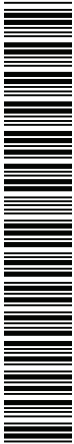
- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

- g. Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- h. Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.



- i. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

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## WHAT MUST BE DONE IN CASE OF LOSS

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1. **Notice** -- In case of a loss, "you" must:
  - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
  - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
  - a. **Payment of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
  - b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
  - a. the time, place, and circumstances of the loss;
  - b. other policies of insurance that may cover the loss;
  - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
  - d. changes in title of the covered property during the policy period; and
  - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

## VALUATION

1. **Actual Cash Value** -- The value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation) unless replacement cost is indicated on the "schedule of coverages".
2. **Replacement Cost** -- The value of covered property will be based on the replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".
  - a. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
  - b. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
  - c. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.
3. **Pair Or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

## HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Flat Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence unless Percentage Deductible is indicated on the "schedule of coverages".
3. **Percentage Deductible** -- When a percentage deductible is indicated on the "schedule of coverages", "we" pay only that part of "your" loss over the deductible amount as determined below.
  - a. **Determining The Deductible Amount** -- The deductible amount is determined by applying the percentage indicated on the "schedule of coverages" to the value of the covered property that is involved in the loss. The value is determined by the provisions described under the Valuation section of this policy.
  - b. **Two Or More Items** -- If a loss involves two or more pieces of equipment, the percentage indicated on the "schedule of coverages" will apply only to the covered property with the highest value.
  - c. **Minimum and Maximum Deductible** -- The percentage deductible will not exceed the Maximum Deductible amount and will not be less than the Minimum Deductible amount indicated on the "schedule of coverages".
4. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 3., 5., 6., and 7. under How Much We Pay, "we" pay the lesser of:
  - a. the amount determined under Valuation;



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- b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
- c. the "limit" that applies to the covered property. However, the most "we" pay for loss in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages".

#### 5. Coinsurance --

- a. **When Coinsurance Applies** -- "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
- b. **How We Determine Our Part Of The Loss** -- "Our" part of the loss is determined using the following steps:
  - 1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
  - 2) divide the "limit" for covered property by the result determined in **b.1)** above;
  - 3) multiply the total amount of loss, after the application of any deductible, by the result determined in **b.2)** above.

The most "we" pay is the amount determined in **b.3)** above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

- c. **If There Is More Than One Limit** -- If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
- d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

- e. **When Coinsurance Does Not Apply** -- Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".

- 6. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

#### 7. Insurance Under More Than One Policy --

- a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

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## LOSS PAYMENT

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### 1. Loss Payment Options --

- a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:
  - 1) pay the value of the lost or damaged property;
  - 2) pay the cost of repairing or replacing the lost or damaged property;

- 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
- 4) take all or any part of the property at the agreed or appraised value.

- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

## 2. Your Losses --

- a. **Adjustment And Payment Of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** -- An insured loss will be payable 30 days after:
  - 1) a satisfactory proof of loss is received, and
  - 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

## 3. Property Of Others --

- a. **Adjustment And Payment of Loss To Property of Others** -- Losses to property of others may be adjusted with and paid to:
  - 1) "you" on behalf of the owner; or
  - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** -- If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

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## REPORTING CONDITIONS

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**Equipment Leased Or Rented From Others** -- If indicated on the "schedule of coverages", the following reporting conditions apply.

### 1. Reports --

- a. **You Will Report To Us** -- Within 30 days after the end of the policy period, "you" will report to "us" the total amount of "your" expenditures for "contractors' equipment" that "you" lease or rent from others.
- b. **Cancellation** -- If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.

### 2. Premium Computation And Adjustment --

- a. The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total equipment expenditures by the reporting rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.
- b. "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".

### 3. Provisions That Affect How Much We Pay --

The following provisions apply to reports that are submitted and may affect How Much We Pay:

- a. **Failure To Submit Reports** -- If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".



- b. Reported Values Are Less Than The Full Value** -- If "your" last report before a loss shows less than the actual value of "your" expenditures for "contractors' equipment" that "you" lease or rent from others, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total expenditures "you" reported divided by "your" actual expenditures for "contractors' equipment" that "you" lease or rent from others during the reporting period.
- c. We Will Not Pay More Than The Limit** -- "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

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## OTHER CONDITIONS

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- 1. Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.
- If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.
- The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

- 2. Benefit to Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
- 3. Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
- 4. Estates** -- This provision applies only if the insured is an individual.
- a. Your Death** -- On "your" death, "we" cover the following as an insured:
- 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
  - 2) "your" legal representative.
- This person or organization is an insured only with respect to property covered by this coverage.
- b. Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.

**5. Misrepresentation, Concealment, Or Fraud --**  
This coverage is void as to "you" and any other insured if, before or after a loss:

- a. "you" or any other insured have willfully concealed or misrepresented:
  - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
  - 2) "your" interest herein.
- b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.

**6. Policy Period --** "We" pay for a covered loss that occurs during the policy period.

**7. Recoveries --** If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

- a. "you" must notify "us" promptly if "you" recover property or receive payment;
- b. "we" must notify "you" promptly if "we" recover property or receive payment;
- c. any recovery expenses incurred by either are reimbursed first;
- d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
- e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.

**8. Restoration Of Limits --** A loss "we" pay under this coverage does not reduce the applicable "limit" unless it is a total loss to a scheduled item. In the event of a total loss to a scheduled item, "we" refund the unearned premium on that item.

**9. Subrogation --** If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

**10. Suit Against Us --** No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

**11. Territorial Limits --** "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

## LOSS PAYABLE OPTIONS

If indicated on the Loss Payable Schedule, the following conditions apply to the property described on the schedule. The following conditions apply in addition to the policy "terms" which are contained in the Difference In Conditions Coverage(s).

### LOSS PAYABLE

Any loss will be adjusted with "you" and will be payable to "you" and the loss payee described on the schedule as "your" and their interests appear.

### LENDER'S LOSS PAYABLE

Any loss will be payable to "you" and the loss payee described on the schedule as interests appear. If more than one loss payee is named, they will be paid in order of precedence.

The insurance for the loss payee continues in effect even when "your" insurance may be void because of "your" acts, neglect, or failure to comply with the coverage "terms". The insurance for the loss payee does not continue in effect if the loss payee is aware of changes in ownership or substantial increase in risk and does not notify "us".

If "we" cancel this policy, "we" notify the loss payee at least ten days before the effective date of cancellation if "we" cancel for "your" nonpayment of premium, or 30 days before the effective date of cancellation if "we" cancel for any other reason.

"We" may request payment of the premium from the loss payee, if "you" fail to pay the premium.

If "we" pay the loss payee for a loss where "your" insurance may be void, the loss payee's right to collect that portion of the debt from "you" then belongs to "us". This does not affect the loss payee's right to collect the remainder of the debt from "you". As an alternative, "we" may pay the loss payee the remaining principal and accrued interest in return for a full assignment of the loss payee's interest and any instruments given as security for the debt.

If "we" choose not to renew this policy, "we" give written notice to the loss payee at least ten days before the expiration date of this policy.

### CONTRACT OF SALE

Any loss will be adjusted with "you" and will be payable to "you" and the loss payee described on the schedule as "your" and their interests appear.

The loss payee shown on the schedule is a person or organization "you" have entered into a contract with for the sale of covered property.

When covered property is the subject of a contract of sale, the word "you" also means the loss payee.

### LOSS PAYABLE SCHEDULE

(The entries required to complete this endorsement will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- Loss Payable
- Lender's Loss Payable
- Contract of Sale

### SCHEDULE

Location Number

1

Address

583 Little Valley Rd

Roseburg

OR

974719357

Covered Property

2007 CLCR EXCAVATOR S#PCA01610 LIMIT \$78,000

Name and Address of Loss Payee

US BANK ISAOA  
619 SE MAIN ST  
ROSEBURG  
OR  
97470



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## LOSS PAYABLE SCHEDULE

(The entries required to complete this endorsement will be shown below or on the "schedule of coverages".)

Indicate applicable provision:

- Loss Payable  
 Lender's Loss Payable  
 Contract of Sale
- 

### SCHEDULE

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Location Number

1

Address

583 Little Valley Rd

Roseburg

OR

974719357

Covered Property

2016 Caterpillar Compact Track Loader Model 259D S

Name and Address of Loss Payee

Caterpillar Financial Services Corp

2120 West End Ave

NASHVILLE

TN

37208

## IMPORTANT NOTICE NOTICE TO POLICYHOLDERS

This explanation is not a part of your insurance policy, and it does not alter any of its provisions or conditions. No coverage is provided by this notice nor can it be construed to replace any provision in your policy or policies with us, or any forms attached to your policy or policies.

The following information only gives a general explanation which may have occurred from your prior (or old) policy. Read your policy carefully to determine rights, duties, and what is and is not covered. Only the provisions of your policy determine the scope of your insurance protection.

This notice has been prepared to provide you with information since one of the forms listed below maybe attached to your policy.

### Fully Earned and Minimum Premium Endorsements\*

- CG 04 37 - Electronic Data Liability**
- CG 20 03 - Additional Insured - Concessionaires Trading Under Your Name**
- CG 20 10 - Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization**
- CG 89 79 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations - Scheduled Person Or Organization - Arising Out Of Your Ongoing Operations**
- CG 90 47 - Additional Insured - Owners, Lessees or Contractors - Scheduled Person Or Organization - Caused In Whole Or In Part**
- CG 90 43 - Additional Insured - Owners, Lessees Or Organizations - Scheduled Person Or Organization - Including Primary/Non-Contributory And Waiver Of Subrogation**
- CG 90 44 - Additional Insured - Owners, Lessees Or Contractors - Completed - Operations - Including Primary And Non Contributory And Waiver Of Subrogation**
- CG 20 11 - Additional Insured - Managers Or Lessors Of Premises**
- CG 20 15 - Additional Insured - Vendors**
- CG 20 26 - Additional Insured - Designated Person Or Organization**
- CG 20 28 - Additional Insured - Lessor Of Leased Equipment**
- CG 20 29 - Additional Insured - Grantor Of Franchise**
- CG 20 32 - Additional Insured - Engineers, Architects Or Surveyors Not Engaged By The Named Insured**
- CG 20 34 - Additional Insured - Lessor Of Leased Equipment - Automatic Status When Required In Lease Agreement With You**
- CG 20 37 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations**
- CG 89 80 - Additional Insured - Owners, Lessees Or Contractors - Completed Operations - Arising Out Of Your Work**
- CG 84 56 - Additional Insured - Boat Shows**
- CG 85 83 - Blanket Additional Insured Contractors - Products - Completed Operations**
- CG 85 84 - Additional Insured Contractors Products - Completed Operations**
- CG 86 11 - Additional Insured Automatic Status When Required In Construction Agreement With You - Contractors - Completed Operations**
- CG 89 95 - Additional Insured - Automatic Status When Required In Construction Agreement With You - Products/Completed Operations**
- CG 88 83 - Amendment of Other Insurance Condition - Designated Persons or Organizations**
- CG 89 98 - Amendment of Other Insurance Condition**

One of the above endorsement(s) may be attached to your policy. With the attachment of the endorsement a premium charge has been made along with a fully earned or minimum premium amount which will be retained if the policy is cancelled or issued for less than a one year period.

Please refer any questions you may have to your insurance agent.

\* Not applicable in Ohio.



# Council Communication

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## Department Report - Public Works

Meeting Date:	March 8, 2021	Primary Staff Contact:	Lila Bradley
Department:	Public Works	E-Mail:	LBradley@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

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Lila Bradley will provide the City Council with an update during the meeting.

# Council Communication

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## COVID-19 Update

Meeting Date:	March 8, 2021	Primary Staff Contact:	Ronald F Chandler
Department:	Administration	E-Mail:	RChandler@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

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- On February 25, 2021 Governor Brown extended her declaration of a state of emergency for COVID-19 for 60 days, until May 2<sup>nd</sup>. The Governor reviews and reevaluates each of her emergency orders every 60 days. I extended Lincoln City's emergency declaration order to match the Governors.
- Staff will discuss the City facility reopening plan.

**Attachments:**

emergency declaration order extension to may 2 2021 (PDF)



1 The State of Oregon declaration of emergency has again been extended by the  
2 governor, in this instance to May 2, 2021; and

3  
4 **NOW, THEREFORE, PURSUANT TO THE AUTHORITY GRANTED IN LINCOLN CITY**  
5 **MUNICIPAL CODE, CHAPTER 2.72 AND RESOLUTION 2020-06, THE CITY**  
6 **MANAGER OF THE CITY OF LINCOLN CITY DOES HEREBY ORDER AS FOLLOWS:**

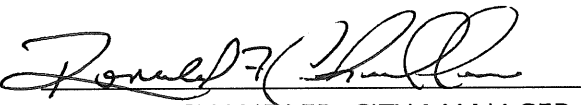
7  
8 **SECTION 1. RECITALS.** The above recitals are true and correct and are  
9 incorporated herein by this reference.

10  
11 **SECTION 2. EXTENSION OF EMERGENCY DECLARATION.** The duration of  
12 the City of Lincoln City emergency declaration in Resolution 2020-06 and Resolution  
13 2020-11 is hereby amended and extended from March 3, 2021 to and through May 2,  
14 2021, consistent with State of Oregon emergency declarations.

15  
16 **SECTION 3. AMENDMENT.** All other provisions of the Emergency Declaration not  
17 specifically amended herein remain in full force and effect.

18 **SECTION 4. EFFECTIVE DATE.** This Order is effective immediately upon its  
19 signature by the City Manager.

20  
21  
22 **ORDERED THIS** 1<sup>st</sup> **day of March, 2021.**

23  
24  
25  
26   
27 **RONALD CHANDLER, CITY MANAGER**

# Council Communication

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## Echo Mountain Complex Fire Update

Meeting Date:	March 8, 2021	Primary Staff Contact:	Ronald F Chandler
Department:	Administration	E-Mail:	RChandler@lincolncity.org
Secondary Dept:		Secondary Contacts:	
Approval:	Ronald F Chandler	Estimated Time:	

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FEMA has begun moving manufactured Housing Units onto a newly constructed site on Logan Road that will provide temporary housing to qualified Lincoln County wildfire survivors and their families.

FEMA will interview qualifying families over the next two weeks to provide an orientation for use of FEMA housing.