

City and County of San Francisco  
Office of Contract Administration  
Purchasing Division

First Amendment

THIS AMENDMENT (this "Amendment") is made as of July 1, 2011, in San Francisco, California, by and between **Addiction, Research and Treatment, Incorporated dba BAART, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City") acting by and through its Director of the Office of Contract Administration.

RECITALS

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the contract period, increase the contract amount, and update standard contractual clauses;

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number **4152-09/10 on June 21, 2010;**

NOW, THEREFORE, Contractor and the City agree as follows:

**1. Definitions.** The following definitions shall apply to this Amendment:

**1a. Agreement.** The term "Agreement" shall mean the Agreement dated July 1, 2010 from the RFP 06-2008, dated March 13, 2008, Contract Numbers BPHM11000077 and DPHM12000026 between Contractor and City, as amended by the this First Amendment.

**1b. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.** The Agreement is hereby modified as follows:

**2a. Section 2. Term of the Agreement** currently reads as follows:

**2. Term of the Agreement**

Subject to Section 1, the term of this Agreement shall be from July 1, 2010 to December 31, 2011.

**Such section is hereby amended in its entirety to read as follows:**

**2. Term of the Agreement**

Subject to Section 1, the term of this Agreement shall be from July 1, 2010 to June 30, 2015.

**2b. Section 5. Compensation** of the Agreement currently reads as follows:

**5. Compensation**

Compensation shall be made in monthly payments on or before the 30th day of each month for work, as set forth in Section 4 of this Agreement, that the Director of the Public Health Department, in his or her sole discretion, concludes has been performed as of the 30th day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Eight Million Two Hundred Two Thousand Six Hundred Twenty One Dollars (\$8,202,621)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by The Department of Public Health as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

Such section is hereby amended in its entirety to read as follows:

5. Compensation

Compensation shall be made in monthly payments on or before the 30th day of each month for work, as set forth in Section 4 of this Agreement, that the Director of the Public Health Department, in his or her sole discretion, concludes has been performed as of the 30th day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Nine Million Nine Hundred Ninety Thousand Dollars (\$9,990,000)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by The Department of Public Health as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

3. **Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after July 1, 2011.

4. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.


IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

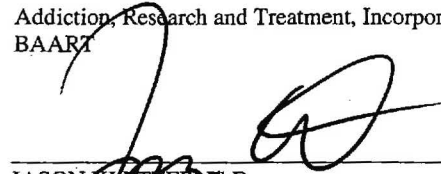
CITY

CONTRACTOR

Recommended by:

Addiction, Research and Treatment, Incorporated dba  
BAART


  
\_\_\_\_\_  
BARBARA GARCIA, MPA.  
Director of Health  
Department of Public Health

  
\_\_\_\_\_  
JASON KLETTER, PhD.  
President  
111 Market Street, 4<sup>th</sup> Floor  
San Francisco, California 94103

Approved as to Form:

City vendor number: 49728

Dennis J. Herrera  
City Attorney

By:   
\_\_\_\_\_  
TERENCE HOWZELL  
Deputy City Attorney

Approved:

  
\_\_\_\_\_  
NAOMI KELLY  
Director of the Office of Contract Administration, and  
Purchaser

11 DEC 19 04 5:40

P-550 (5-10) BAART

RECEIVED

July 1, 2011

RECEIVED  
PURCHASING DEPARTMENT  
11 DEC 16 PM 2:40

**Appendix A**  
**Community Behavioral Health Services**  
**Services to be provided by Contractor**

**1. Terms**

A. Contract Administrator:

In performing the Services hereunder, Contractor shall report to Mario Hernandez, Contract Administrator for the City, or his designee.

B. Reports:

Contractor shall submit written reports as requested by the City. The format for the content of such reports shall be determined by the City. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

C. Evaluation:

Contractor shall participate as requested with the City, State and/or Federal government in evaluative studies designed to show the effectiveness of Contractor's Services. Contractor agrees to meet the requirements of and participate in the evaluation program and management information systems of the City. The City agrees that any final written reports generated through the evaluation program shall be made available to Contractor within thirty (30) working days. Contractor may submit a written response within thirty working days of receipt of any evaluation report and such response will become part of the official report.

D. Possession of Licenses/Permits:

Contractor warrants the possession of all licenses and/or permits required by the laws and regulations of the United States, the State of California, and the City to provide the Services. Failure to maintain these licenses and permits shall constitute a material breach of this Agreement.

E. Adequate Resources:

Contractor agrees that it has secured or shall secure at its own expense all persons, employees and equipment required to perform the Services required under this Agreement, and that all such Services shall be performed by Contractor, or under Contractor's supervision, by persons authorized by law to perform such Services.

F. Admission Policy:

Admission policies for the Services shall be in writing and available to the public. Except to the extent that the Services are to be rendered to a specific population as described in the programs listed in Section 2 of Appendix A, such policies must include a provision that clients are accepted for care without discrimination on the basis of race, color, creed, religion, sex, age, national origin, ancestry, sexual orientation, gender identification, disability, or AIDS/HIV status.

G. San Francisco Residents Only:

Only San Francisco residents shall be treated under the terms of this Agreement. Exceptions must have the written approval of the Contract Administrator.

H. Grievance Procedure:

Contractor agrees to establish and maintain a written Client Grievance Procedure which shall include the following elements as well as others that may be appropriate to the Services: (1) the name or title of the person or persons authorized to make a determination regarding the grievance; (2) the opportunity for the aggrieved party to discuss the grievance with those who will be making the determination; and (3) the right of a client dissatisfied with the decision to ask for a review and recommendation from the community advisory board or planning council that has purview over the aggrieved service. Contractor shall provide a copy of this procedure, and any amendments thereto, to each client and to the Director of Public Health or his/her designated agent (hereinafter referred to as

"DIRECTOR"). Those clients who do not receive direct Services will be provided a copy of this procedure upon request.

I. Infection Control, Health and Safety:

(1) Contractor must have a Bloodborne Pathogen (BBP) Exposure Control plan as defined in the California Code of Regulations, Title 8, Section 5193, Bloodborne Pathogens (<http://www.dir.ca.gov/title8/5193.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, training, immunization, use of personal protective equipment and safe needle devices, maintenance of a sharps injury log, post-exposure medical evaluations, and recordkeeping.

(2) Contractor must demonstrate personnel policies/procedures for protection of staff and clients from other communicable diseases prevalent in the population served. Such policies and procedures shall include, but not be limited to, work practices, personal protective equipment, staff/client Tuberculosis (TB) surveillance, training, etc.

(3) Contractor must demonstrate personnel policies/procedures for Tuberculosis (TB) exposure control consistent with the Centers for Disease Control and Prevention (CDC) recommendations for health care facilities and based on the Francis J. Curry National Tuberculosis Center: Template for Clinic Settings, as appropriate.

(4) Contractor is responsible for site conditions, equipment, health and safety of their employees, and all other persons who work or visit the job site.

(5) Contractor shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as BBP and TB and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.

(6) Contractor shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(7) Contractor assumes responsibility for procuring all medical equipment and supplies for use by their staff, including safe needle devices, and provides and documents all appropriate training.

(8) Contractor shall demonstrate compliance with all state and local regulations with regard to handling and disposing of medical waste.

J. Acknowledgment of Funding:

Contractor agrees to acknowledge the San Francisco Department of Public Health in any printed material or public announcement describing the San Francisco Department of Public Health-funded Services. Such documents or announcements shall contain a credit substantially as follows: "This program/service/activity/research project was funded through the Department of Public Health, City and County of San Francisco."

K. Client Fees and Third Party Revenue:

(1) Fees required by federal, state or City laws or regulations to be billed to the client, client's family, or insurance company, shall be determined in accordance with the client's ability to pay and in conformance with all applicable laws. Such fees shall approximate actual cost. No additional fees may be charged to the client or the client's family for the Services. Inability to pay shall not be the basis for denial of any Services provided under this Agreement.

(2) Contractor agrees that revenues or fees received by Contractor related to Services performed and materials developed or distributed with funding under this Agreement shall be used to increase the gross program funding such that a greater number of persons may receive Services. Accordingly, these revenues and fees shall not be deducted by Contractor from its billing to the City.

L. Billing and Information System

CONTRACTOR agrees to participate in the CITY'S Community Behavioral Health Services (CBHS) Billing and Information System (BIS) and to follow data reporting procedures set forth by the CBHS BIS and Quality Improvement Units.

M. Patients Rights:

All applicable Patients Rights laws and procedures shall be implemented.

N. Under-Utilization Reports:

For any quarter that CONTRACTOR maintains less than ninety percent (90%) of the total agreed upon units of service for any mode of service hereunder, CONTRACTOR shall immediately notify the Contract Administrator in writing and shall specify the number of underutilized units of service.

O. Quality Improvement:

CONTRACTOR agrees to develop and implement a Quality Improvement Plan based on internal standards established by CONTRACTOR applicable to the SERVICES as follows:

- (1) Staff evaluations completed on an annual basis.
- (2) Personnel policies and procedures in place, reviewed and updated annually.
- (3) Board Review of Quality Improvement Plan.

P. Working Trial Balance with Year-End Cost Report

If CONTRACTOR is a Non-Hospital Provider as defined in the State of California Department of Mental Health Cost Reporting Data Collection Manual, it agrees to submit a working trial balance with the year-end cost report.

Q. Harm Reduction

The program has a written internal Harm Reduction Policy that includes the guiding principles per Resolution # 10-00 810611 of the San Francisco Department of Public Health Commission.

R. Compliance with Community Behavioral Health Services Policies and Procedures

In the provision of SERVICES under CBHS contracts, CONTRACTOR shall follow all applicable policies and procedures established for contractors by CBHS, as applicable, and shall keep itself duly informed of such policies. Lack of knowledge of such policies and procedures shall not be an allowable reason for noncompliance.

S. Space owned, leased or operated by San Francisco Department of Public Health providers, including satellite sites, and used by CLIENTS or STAFF shall meet local fire codes. Providers shall undergo of fire safety inspections at least every three (3) years and documentation of fire safety, or corrections of any deficiencies, shall be made available to reviewers upon request.”

2. **Description of Services**

Detailed description of services are listed below and are attached hereto

- Appendix A-1 ART Turk Clinic: Drug MediCal Non-Perinatal/Private Pay Subsidy
- Appendix A-2 FACET Drug MediCal Perinatal/FACET Augmentation
- Appendix A-3: ART Market Clinic: Drug MediCal Non-Peri-natal/Private Pay Subsidy/PAES

**Appendix B**  
**Calculation of Charges**

**1. Method of Payment**

A. Invoices furnished by CONTRACTOR under this Agreement must be in a form acceptable to the Contract Administrator and the CONTROLLER and must include the Contract Progress Payment Authorization number or Contract Purchase Number. All amounts paid by CITY to CONTRACTOR shall be subject to audit by CITY. The CITY shall make monthly payments as described below. Such payments shall not exceed those amounts stated in and shall be in accordance with the provisions of Section 5, COMPENSATION, of this Agreement.

Compensation for all SERVICES provided by CONTRACTOR shall be paid in the following manner. For the purposes of this Section, "General Fund" shall mean all those funds which are not Work Order or Grant funds. "General Fund Appendices" shall mean all those appendices which include General Fund monies.

(1) Fee For Service (Monthly Reimbursement by Certified Units at Budgeted Unit Rates)

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15<sup>th</sup>) calendar day of each month, based upon the number of units of service that were delivered in the preceding month. All deliverables associated with the SERVICES defined in Appendix A times the unit rate as shown in the appendices cited in this paragraph shall be reported on the invoice(s) each month. All charges incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

(2) Cost Reimbursement (Monthly Reimbursement for Actual Expenditures within Budget):

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15<sup>th</sup>) calendar day of each month for reimbursement of the actual costs for SERVICES of the preceding month. All costs associated with the SERVICES shall be reported on the invoice each month. All costs incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

B. Final Closing Invoice

(1) Fee For Service Reimbursement:

A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) calendar days following the closing date of each fiscal year of the Agreement, and shall include only those SERVICES rendered during the referenced period of performance. If SERVICES are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY. CITY'S final reimbursement to the CONTRACTOR at the close of the Agreement period shall be adjusted to conform to actual units certified multiplied by the unit rates identified in Appendix B attached hereto, and shall not exceed the total amount authorized and certified for this Agreement.

(2) Cost Reimbursement:

A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) alendar days following the closing date of each fiscal year of the Agreement, and shall include only those costs incurred during the referenced period of performance. If costs are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY.

C. Payment shall be made by the CITY to CONTRACTOR at the address specified in the section entitled "Notices to Parties."

D. Upon **the effective date** of this Agreement, contingent upon prior approval by the CITY'S Department of Public Health **of an invoice or claim submitted by Contractor, and** of each year's revised Appendix A (Description of Services) and each year's revised Appendix B (Program Budget and Cost Reporting Data Collection Form), and within each fiscal year, the CITY agrees to make an initial payment to CONTRACTOR not to exceed twenty-five per cent (25%) of the General Fund portion of the CONTRACTOR'S allocation for the applicable fiscal year.



CONTRACTOR agrees that within that fiscal year, this initial payment shall be recovered by the CITY through a reduction to monthly payments to CONTRACTOR during the period of October 1 through March 31 of the applicable fiscal year, unless and until CONTRACTOR chooses to return to the CITY all or part of the initial payment for that fiscal year. The amount of the initial payment recovered each month shall be calculated by dividing the total initial payment for the fiscal year by the total number of months for recovery. Any termination of this Agreement, whether for cause or for convenience, will result in the total outstanding amount of the initial payment for that fiscal year being due and payable to the CITY within thirty (30) calendar days following written notice of termination from the CITY.

**2. Program Budgets and Final Invoice**

A. Program Budgets are listed below and are attached hereto.

- Budget Summary
- CRDC B-1 through B-3
- Appendix B-1 ART Turk Clinic: Drug MediCal Non-Perinatal/Private Pay Subsidy
- Appendix B-2 FACET Drug MediCal Perinatal/FACET Augmentation
- Appendix B-3: ART Market Clinic: Drug MediCal Non-Peri-natal/Private Pay Subsidy/PAES

**B. COMPENSATION**

Compensation shall be made in monthly payments on or before the 30<sup>th</sup> day after the DIRECTOR, in his or her sole discretion, has approved the invoice submitted by CONTRACTOR. The breakdown of costs and sources of revenue associated with this Agreement appears in Appendix B, Cost Reporting/Data Collection (CR/DC) and Program Budget, attached hereto and incorporated by reference as though fully set forth herein. The maximum dollar obligation of the CITY under the terms of this Agreement shall not exceed **Nine Million Nine Hundred Ninety Thousand Dollars (\$9,990,000)** for the period of **July 1, 2010 through June 30, 2015**.

CONTRACTOR understands that, of this maximum dollar obligation, **\$0.00** is included as a contingency amount and is neither to be used in Appendix B, Budget, or available to CONTRACTOR without a modification to this Agreement executed in the same manner as this Agreement or a revision to Appendix B, Budget, which has been approved by the Director of Health. CONTRACTOR further understands that no payment of any portion of this contingency amount will be made unless and until such modification or budget revision has been fully approved and executed in accordance with applicable CITY and Department of Public Health laws, regulations and policies/procedures and certification as to the availability of funds by the Controller. CONTRACTOR agrees to fully comply with these laws, regulations, and policies/procedures.

(1) For each fiscal year of the term of this Agreement, CONTRACTOR shall submit for approval of the CITY's Department of Public Health a revised Appendix A, Description of Services, and a revised Appendix B, Program Budget and Cost Reporting Data Collection form, based on the CITY's allocation of funding for SERVICES for the appropriate fiscal year. CONTRACTOR shall create these Appendices in compliance with the instructions of the Department of Public Health. These Appendices shall apply only to the fiscal year for which they were created. These Appendices shall become part of this Agreement only upon approval by the CITY.

(2) CONTRACTOR understands that, of the maximum dollar obligation stated above, the total amount to be used in Appendix B, Budget and available to CONTRACTOR for the entire term of the contract is as follows, not withstanding that for each fiscal year, the amount to be used in Appendix B, Budget and available to CONTRACTOR for that fiscal year shall conform with the Appendix A, Description of Services, and a Appendix B, Program Budget and Cost Reporting Data Collection form, as approved by the CITY's Department of Public Health based on the CITY's allocation of funding for SERVICES for that fiscal year.

July 1, 2010 through December 31, 2010 (BPHM0700039)	\$2,430,173
January 1, 2011 through June 30, 2011	\$2,430,172

July 1, 2011 through June 30, 2012	\$4,858,422
July 1, 2012 through June 30, 2015	<u>271,233</u>
July 1, 2010 through June 30, 2015	\$9,990,000

(3) CONTRACTOR understands that the CITY may need to adjust sources of revenue and agrees that these needed adjustments will become part of this Agreement by written modification to CONTRACTOR. In event that such reimbursement is terminated or reduced, this Agreement shall be terminated or proportionately reduced accordingly. In no event will CONTRACTOR be entitled to compensation in excess of these amounts for these periods without there first being a modification of the Agreement or a revision to Appendix B, Budget, as provided for in this section of this Agreement.

C. CONTRACTOR further understands that \$2,430,173 of the period from July 1, 2010 through December 31, 2010 in the Contract Number BPHM007000039 is included in this Agreement. Upon execution of this Agreement, all the terms under this Agreement will supersede the Contract Number BPHM07000039 for the Fiscal Year 2010-2011.

D. CONTRACTOR agrees to comply with its Budget as shown in Appendix B in the provision of SERVICES. Changes to the budget that do not increase or reduce the maximum dollar obligation of the CITY are subject to the provisions of the Department of Public Health Policy/Procedure Regarding Contract Budget Changes. CONTRACTOR agrees to comply fully with that policy/procedure.

E. No costs or charges shall be incurred under this Agreement nor shall any payments become due to CONTRACTOR until reports, SERVICES, or both, required under this Agreement are received from CONTRACTOR and approved by the DIRECTOR as being in accordance with this Agreement. CITY may withhold payment to CONTRACTOR in any instance in which CONTRACTOR has failed or refused to satisfy any material obligation provided for under this Agreement.

F. In no event shall the CITY be liable for interest or late charges for any late payments.

G. CONTRACTOR understands and agrees that should the CITY'S maximum dollar obligation under this Agreement include State or Federal Medi-Cal revenues, CONTRACTOR shall expend such revenues in the provision of SERVICES to Medi-Cal eligible clients in accordance with CITY, State, and Federal Medi-Cal regulations. Should CONTRACTOR fail to expend budgeted Medi-Cal revenues herein, the CITY'S maximum dollar obligation to CONTRACTOR shall be proportionally reduced in the amount of such unexpended revenues. In no event shall State/Federal Medi-Cal revenues be used for clients who do not qualify for Medi-Cal reimbursement.

## **Appendix I**

### **Emergency Response (Applicable to sites and/or programs located in San Francisco only)**

CONTRACTOR will develop and maintain an Agency Disaster and Emergency Response Plan containing Site Specific Emergency Response Plan(s) for each of its service sites operating in San Francisco. The agency-wide plan should address disaster coordination between and among service sites. CONTRACTOR will update the Agency/site(s) plan as needed and CONTRACTOR will train all employees regarding the provisions of the plan for their Agency/site(s). CONTRACTOR will attest on its annual Community Programs' Contractor Declaration of Compliance whether it has developed and maintained an Agency Disaster and Emergency Response Plan, including a site specific emergency response plan for each of its service sites. CONTRACTOR is advised that Community Programs Contract Compliance Section staff will review these plans during a compliance site review. Information should be kept in an Agency/Program Administrative Binder, along with other contractual documentation requirements for easy accessibility and inspection.

In a declared emergency, CONTRACTOR'S employees shall become emergency workers and participate in the emergency response of Community Programs, Department of Public Health. Contractors are required to identify and keep Community Programs staff informed as to which two staff members will serve as CONTRACTOR'S prime contacts with Community Programs in the event of a declared emergency.

**Appendix K**  
**THE DECLARATION OF COMPLIANCE**

Each Fiscal Year, CONTRACTOR attests with a Declaration of Compliance that each program site has an Administrative Binder that contains all of the forms, policies, statements, and documentation required by Community Programs. The Declaration of Compliance also lists requirements for site postings of public and client information, and client chart compliance if client charts are maintained. CONTRACTOR understands that the Community Programs Business Office of Contract Compliance may visit a program site at any time to ensure compliance with all items of the Declaration of Compliance.

5



# CERTIFICATE OF LIABILITY INSURANCE

ADDICRESE

DATE (MM/DD/YYYY)  
7/6/2011

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

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

PRODUCER Commercial Lines - (650) 413-4200 Wells Fargo Insurance Services USA, Inc. - CA Lic#: 0D08408 959 Skyway Road San Carlos, CA 94070	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED Addiction Research and Treatment, Inc. 1111 Market Street, 4th Floor San Francisco, CA 94103	INSURER A:	Markel Insurance Company 38970
	INSURER B:	Cypress Insurance Company 10855
	INSURER C:	Comhusker Casualty Company 20044
	INSURER D:	Travelers Casualty & Surety Co. of America 31194
	INSURER E:	
	INSURER F:	

COVERAGES                      CERTIFICATE NUMBER: 2990359                      REVISION NUMBER: See below

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		8502SS3102643	04/01/2011	04/01/2012	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Included MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		1002SS3102653	04/01/2011	04/01/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	3300056826111	04/01/2011	04/01/2012	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C		N/A	NCW001387	04/01/2011	04/01/2012	
A	Professional Liability & Medical Malpractice		8502SS3102642	04/01/2011	04/01/2012	\$1,000,000 occ. \$3,000,000 agg.

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

MCA 036 04 07, M GL 23 20 4 07 The City and County of San Francisco its officers, agents and employees are named additional insured as respects General and Auto Liability per endorsement forms attached.

NOTE: As per form(s) included here in the description of operations.

**CERTIFICATE HOLDER****CANCELLATION**

City and County of San Francisco  
Contracts Division  
1380 Howard Street  
San Francisco, CA 94103

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

### Certificate of Insurance (Con't)

#### OTHER Coverage

INSR LTR	TYPE OF INSURANCE	ADDL INSR	WVD SUBR	POLICY NUMBER	EFFECTIVE DATE (MM/DD/YY)	EXPIRATION DATE (MM/DD/YY)	LIMIT
D	Crime-Employee Theft			105303501	07/01/2011	07/01/2012	\$1,250,000

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

**COMMERCIAL GENERAL LIABILITY PLUS EXTENSION**

Various provisions in this endorsement modify coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this endorsement the words "you" and "your" refer to the Named Insured shown in the declarations. The words "we," "us" and "our" refer to the company providing this insurance.

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

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

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations, or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

**SCHEDULE**

Medical Payments	Increased to \$10,000 per person (unless excluded)
Supplementary Payments	
Bail Bonds	Up to \$5000
Loss of Earnings	Up to \$500 a day
Damage to Premises Rented to You	Up to the General Liability Each Occurrence Limit
Non-Owned Watercraft	increased to 51 feet long
Non-Owned Aircraft	If rented or loaned with a paid crew
Property Damage from Elevator Use	Included
Broadened Definition of Insured	Included
Mental Anguish Resulting from Bodily Injury	Included
Advertising Injury from Televised or Videotaped Material	Included
Broadened Definition of Mobile Equipment	Included
Per Location and Per Project Aggregates	Included
Additional Insured - Managers or Lessors of Premises	Included
Additional Insured - Vendors (Limited)	Included
Additional Insured-By Written Contract, Agreement or Permit	Included
Additional Insured-Mortgagee, Assignee, or Receiver	Included
Extended "Property Damage" - Expected or Intended Injury	Included
Property Damage to Borrowed Equipment	Up to \$10,000 per "occurrence"
Property Damage to "Customers' Goods"	Up to \$10,000 per "occurrence"
Medical Personnel Coverage	Up to \$100,000 per "occurrence" if no other coverage form applies
Limited "Product Withdrawal" Expense Coverage	\$10,000 per "Product Withdrawal"
Waiver of Transfer of Rights of Recovery	Included
Duties in the Event of "Occurrence", Claim or "Suit"	Included
Unintentional Failure to Disclose Hazards	Included
Liberalization	Included

**I. Medical Payments**

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

**SECTION III - LIMITS OF INSURANCE**, paragraph 7. is deleted in its entirety and replaced by the following:

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

**II. SUPPLEMENTARY PAYMENTS - BAIL BONDS AND LOSS OF EARNINGS**

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**, paragraphs 1.b. and 1.d. are deleted in their entirety and replaced by the following:

**SECTION III - LIMITS OF INSURANCE**, paragraph 7. is deleted in its entirety and replaced by the following:

- b. Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Bodily Injury Liability Coverage applies. 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 \$500 a day because of time off from work;

**III. DAMAGE TO PREMISES RENTED TO YOU**

- A. When Damage To Premises Rented To You Limit is shown in the Declarations, Exclusion J. of Coverage A, Section I is replaced by the following:

**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. 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"

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

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage damage 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**.

- C. **SECTION III - LIMITS OF INSURANCE**, Paragraph 6. is replaced by the following:

6. Subject to 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 case of damage by fire, lightning, explosion, smoke, or sprinkler leakage while rented to you or temporarily occupied by you with permission of the owner

The Damage To Premises Rented To You limit is the Each Occurrence Limit shown in the General Liability Declarations.

- D. **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, paragraph 4.b.(1)(b) is deleted and replaced by the following:

(b) That is fire, lightning, explosion, smoke or sprinkler leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

- E. **SECTION V - DEFINITIONS**, paragraph 9.a. is deleted and replaced by the following:

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 sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

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

**SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Exclusion g. - Aircraft, Auto or Watercraft, paragraph (2), is deleted in its entirety and replaced with the following:

(2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge.

The following is added to g.

(6) An aircraft not owned by any insured that is rented or loaned to you with a paid crew.

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

**V. PROPERTY DAMAGE COVERAGE ARISING OUT OF ELEVATOR USE**

**SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Exclusion j. is amended to include the following:

Paragraphs (3), (4) and (6) shall not apply to liability arising out of the use of elevators.

If other valid and collectible insurance applies to a loss because of "property damage" arising out of the use of elevators, this Coverage Form shall apply excess of the other insurance, whether this other insurance is primary, excess, contingent, or issued on any other basis.

## VI. WHO IS AN INSURED

**SECTION II - WHO IS AN INSURED**, is amended by the following:

A. Paragraph 2. is amended to include the following as insureds:

- a. Any legally incorporated entity of which you own at least 51% of the voting stock on the inception date of this Coverage Form and on the date of any covered "occurrence", claim or "suit"

This insurance shall not apply to any entity that is already an insured under any other insurance provided by any company or that would be an insured but for the exhaustion of its limits of insurance

B. Newly Acquired or Formed Organizations

Paragraph 3.a. is deleted in its entirety and replaced with:

a. Coverage for your newly acquired or formed organization shall be:

1. Effective on the date of acquisition or affirmation; and
2. Afforded until the end of the policy period of this Coverage Form.

C. The following is added to Paragraph 2.a.:

Paragraph (1) does not apply to executive officers, or to managers at the supervisory level or above

## VII. MENTAL ANGUISH COVERAGE THAT RESULTS FROM BODILY INJURY

**SECTION V- DEFINITIONS**, Item 3., Bodily Injury, is deleted in its entirety and replaced with the following:

3. "Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, and also includes mental anguish or emotional distress provided such mental anguish or emotional distress results from any of these; and
- b. Death resulting from bodily injury, sickness or disease

## VIII. ADVERTISING INJURY

A. **SECTION V- DEFINITIONS**, Item 14, Personal and Advertising Injury, paragraphs d. and e. are deleted in their entirety and replaced with the following:

- d. Oral, written or professionally produced televised or videotaped publication of material in any manner that slanders or libels a person or organization, or disparages a person's or organization's goods, products or services;
- e. Oral, written or professionally produced televised or videotaped publication of material in any manner that violates a person's right to privacy;

B. **SECTION I - COVERAGES**, **COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY**, Exclusions b. and c. are deleted in their entirety and replaced with the following:

- b. "Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication of material in any manner, if done by you or at your direction with knowledge of its falsity;

- c. "Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication of material whose first publication took place before the beginning of the policy period.

**IX. MOBILE EQUIPMENT**

SECTION V - DEFINITIONS, Item 12, Mobile Equipment, paragraph f.(1) is amended to add the following:

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

**X. PER LOCATION AND PER PROJECT AGGREGATES**

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

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

- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per Location or Per Project General Aggregate Limit.
- D. For the purposes of this section of this endorsement, "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- F. The provisions of Limits of Insurance (SECTION III) not otherwise modified by this endorsement shall continue to apply as stipulated.

**XI. ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES**

WHO IS AN INSURED (SECTION II) is amended to include as an additional insured any person or organization who leases to you or manages property you rent or lease, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in connection with that part of the premises leased or rented to you and shown on the Declarations. The following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization who leases to you or manages property you rent or lease.

**XII. ADDITIONAL INSUREDS - VENDORS (LIMITED)**

The following provision applies only if the policy to which this endorsement is attached provides insurance for "bodily injury" and "property damage" included in the "products-completed operations hazard":

WHO IS AN INSURED (SECTION II) is amended to include as an additional insured any person or organization (referred to below as vendor) with whom you agree in a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
  - h. Any failure to maintain the product in a merchantable condition; or
  - i. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (1) The exceptions contained in subparagraphs d. or f.; or
    - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products
2. This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container entering into, accompanying or containing such products.

**XIII. ADDITIONAL INSURED - BY WRITTEN CONTRACT, AGREEMENT OR PERMIT**

The following paragraph is added to WHO IS AN INSURED (Section II):

4. Any person or organization for whom you are required by written contract, agreement or permit to provide insurance is an insured, subject to the following additional provisions:
- a. The contract, agreement or permit must be in effect during the policy period shown in the Declarations, and must have been executed prior to the "bodily injury", "property damage", or "personal and advertising injury".
  - b. The person or organization is an insured only to the extent you are held liable due to:
    - (1) The ownership, maintenance or use of that part of premises you own, rent, lease or occupy subject to the following additional provisions:
      - (a) This insurance does not apply to any "occurrence" which takes place after you cease to be a tenant in any premises leased to or rented to you;
      - (b) This insurance does not apply to any structural alterations, new construction or demolition operations performed by or on behalf of the person or organization;
    - (2) Your ongoing operations for that insured, whether the work is performed by you or for you;
    - (3) The maintenance, operation or use by you of equipment leased to you by such person or organization, subject to the following additional provisions:
      - (a) The insurance does not apply to any "occurrence" which takes place after the equipment lease expires;
      - (b) This insurance does not apply to "bodily injury" or "property damage" arising out of the sole negligence of such person or organization;
    - (4) Permits issued by any state or political subdivision with respect to operations performed by you or on your behalf, subject to the following additional provision:
 

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of operations performed for that state or municipality

c. The insurance with respect to any architect, engineer, or surveyor, added as an "insured" by this coverage, does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering or failure to render any professional services by or for you, including:

(1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and

(2) Supervisory, inspection or engineering services.

d. This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

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

No coverage will be provided if, in the absence of this endorsement, no liability will be imposed by law on you. Coverage will be limited to the extent of your negligence or fault according to the applicable principles of comparative fault.

This Additional Insured provision does not apply to Managers or Lessors of Premises, Vendors, or Mortgagees, Assignees, or Receivers. For Managers or Lessors of Premises, refer to ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES. For Vendors, refer to ADDITIONAL INSURED - VENDORS. For Mortgagees, Assignees or Receivers, refer to ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER.

#### **XIV. ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER**

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of premises by you.

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

#### **XV. EXTENDED "PROPERTY DAMAGE" - EXPECTED OR INTENDED INJURY**

Exclusion 2.a. of SECTION I - COVERAGES, COVERAGE A is deleted in its entirety and replaced by the following:

a. "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.

#### **XVI. PROPERTY DAMAGE - BORROWED EQUIPMENT**

A. Paragraph (4) of Exclusion j. of SECTION I - COVERAGES, COVERAGE A does not apply to "property damage" to borrowed equipment while that equipment is:

1. Not being used to perform operations; and
2. Away from an insured's premises

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

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

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

**XVII. PROPERTY DAMAGE - "CUSTOMERS' GOODS"**

- A. Paragraphs (3), (4), and (6) of Exclusion J. of SECTION I - COVERAGES, COVERAGE A does not apply to "property damage" to "customer's goods" while on your premises.
- B. The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.
- C. SECTION III - LIMITS OF INSURANCE is amended to add the following:

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

**XVIII. MEDICAL PERSONNEL**

The following applies only if no other similar coverage is included on or added to the policy to which this endorsement is attached:

The following is added to SECTION I - COVERAGES, COVERAGE A - Bodily Injury and Property Damage Liability - Insuring Agreement:

- A. We will pay those sums the insured becomes legally obligated to pay as a result of an "occurrence" arising out of your employed registered nurse, licensed practical nurse, certified emergency medical technician or certified paramedic performing professional health care services. This applies only to those professional health care services arising out of duties related to the conduct of your business. The registered nurse, licensed practical nurse, certified emergency medical technician or certified paramedic must be your "employee"
- B. SECTION II - WHO IS AN INSURED is amended to include the above designated "employees" for acts within the scope of their employment by you while performing duties related to the conduct of your business including duties arising out of his or her providing or failure to provide professional health services.
- C. SECTION III - LIMITS OF INSURANCE is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under Medical Personnel coverage is \$100,000 for all professional health services sustained by any one person

**XIX. LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE**

THIS COVERAGE ONLY PROVIDES REIMBURSEMENT TO YOU FOR EXPENSES INCURRED BECAUSE OF A COVERED "PRODUCT WITHDRAWAL". THIS COVERAGE DOES NOT PROVIDE ANY LIABILITY COVERAGE OR COVERAGE FOR THE COST OR EXPENSE OF DEFENDING ANY CLAIM OR SUIT.

- A. The following is added to Section I - Coverages:

**SECTION I - LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE**

**1. Insuring Agreement**

- (a) We will reimburse you for "product withdrawal expense" incurred by you because of a "product withdrawal" to which this insurance applies.

The amount of such reimbursement is limited as described in Section III - Limits of Insurance. No other obligation or liability to pay sums or perform acts or services is covered.

- (b) This insurance applies to a "product withdrawal" only if the "product withdrawal" is initiated in the "coverage territory" during the policy period because:

- (1) You determine that the "product withdrawal" is necessary; or
- (2) An authorized government entity has ordered you to conduct a "product withdrawal".

- (c) We will reimburse "product withdrawal expenses" only if:
- (1) The expenses are incurred within one year of the date the "product withdrawal" was initiated;
  - (2) The expenses are reported to us within one year of the date the expenses were incurred; and
  - (3) The product that is the subject of the "product withdrawal" was produced after the inception date of this policy or the date this endorsement was added, whichever is earlier.
- (d) The initiation of a "product withdrawal" will be deemed to have been made only at the earliest of the following times:
- (1) When you first announced, in any manner, to the general public, your vendors, or to your employees (other than those directly involved in making the determination) your decision to conduct or participate in a "product withdrawal". This applies regardless of whether the determination to conduct a "product withdrawal" is made by you or is requested by a third party; or
  - (2) When you first received, either orally or in writing, notification of an order from an authorized government entity to conduct a "product withdrawal".
- (e) "Product withdrawal expenses" incurred to withdraw "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product withdrawal".

## 2. Exclusions

This insurance does not apply to "product withdrawal expenses" arising out of:

### (a) Breach Of Warranty And Failure To Conform To Intended Purpose

Any "product withdrawal" initiated due to the failure of "your product" to accomplish their intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure is reasonably expected to cause "bodily injury" or physical damage to tangible property other than "your product".

### (b) Infringement Of Copyright, Patent, Trade Secret, Trade Dress Or Trademark

Any "product withdrawal" initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

### (c) Deterioration, Decomposition Or Chemical Transformation

Any "product withdrawal" initiated due to transformation of a chemical nature, deterioration or decomposition of "your product". This exclusion does not apply if it is caused by:

- (1) An error in manufacturing, design or processing;
- (2) Transportation of "your product"; or
- (3) "Product tampering"

### (d) Goodwill, Market Share, Revenue, Profit Or Redesign

The costs of goodwill, market share, revenue or "profit" or the costs of redesigning "your product"

### (e) Expiration Of Shelf Life

Any "product withdrawal" initiated due to expiration of the designated shelf life of "your product"



(f) **Known Defect**

A "product withdrawal" initiated because of a "defect" in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the date when this Coverage Part was first issued to you or prior to the time "your product" leaves your control or possession.

(g) **Otherwise Excluded Products**

A recall of any specific products for which "bodily injury" or "property damage" is excluded under Coverage A - Bodily Injury and Property Damage Liability by endorsement

(h) **Governmental Ban**

A recall when "your product" or a component contained within "your product" has been:

- (1) Banned from the market by an authorized government entity prior to the policy period; or
- (2) Distributed or sold by you subsequent to any governmental ban.

(i) **Defense Of Claim**

The defense of a claim or "suit" against you for liability arising out of a "product withdrawal".

(j) **Third Party Damages, Fines And Penalties**

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured

(k) **Pollution-Related Expenses**

Any loss, cost, or expense due to any:

- (1) Request, demand, order, 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"

B. For purposes of this endorsement, Section III - LIMITS OF INSURANCE is replaced by the following:

**SECTION III - LIMITS OF INSURANCE**

The most that we will reimburse you for under this coverage is \$10,000 regardless of the number of:

- (a) Insureds;
- (b) "Product withdrawals" initiated; or
- (c) Number of "your products" withdrawn.

The \$10,000 limit is the most that we will reimburse you for the sum of all "product withdrawal expenses" incurred for all "product withdrawals" initiated during the policy period.

C. For the purposes of this coverage, the Duties In The Event Of Occurrence, Claim Or Suit Condition under Section IV - Conditions is replaced by the following:

**2. Duties In The Event Of A "Defect" Or A "Product Withdrawal"**

- a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened "defect" in "your product", or any governmental investigation, that may result in a "product withdrawal". To the extent possible, notice should include:
- (1) How, when and where the "defect" was discovered;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature, location and circumstances of any injury or damage arising out of use or consumption of "your product".

b. If a "product withdrawal" is initiated, you must:

- (1) Immediately record the specifics of the "product withdrawal" and the date where it was initiated; and
- (2) Notify us as soon as practicable

You must see to it that we receive written notice of the "product withdrawal" as soon as practicable.

c. You must promptly take all reasonable steps to mitigate the expenses associated with a "product withdrawal". Any "profit" that you receive from mitigating the expenses will be deducted from the amount of reimbursement that you will receive for "product withdrawal expenses".

d. You and any other involved insured must:

- (1) Immediately send us copies of pertinent correspondence received in connection with the "product withdrawal";
- (2) Authorize us to obtain records and other information; and
- (3) Cooperate with us in our investigation of the "product withdrawal".

D. For the purposes of this coverage, the following is added to Section IV - Conditions:

**Concealment Or Fraud**

We will not provide coverage under Section I to you, or any other insured, who at any time:

1. Engaged in fraudulent conduct; or
2. Intentionally concealed or misrepresented a material fact concerning a "product withdrawal" or "product withdrawal expenses" incurred by you under Section I of this coverage

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

Item B., Transfer of Rights of Recovery Against Others to Us of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended by the addition of the following:

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

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

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, Item 2., Duties in the Event of Occurrence, Claim or Suit, is amended to include the following:

- e. Your obligation to notify us as soon as practicable of an "occurrence", offense, claim or "suit" is satisfied if you send us written notice as soon as practicable after any of your "executive officers", directors, partners, insurance managers or legal representatives becomes aware of or should have become aware of such "occurrence", offense, claim or "suit".

**XXII. UNINTENTIONAL FAILURE TO DISCLOSE ALL HAZARDS**

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

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

**XXIII. LIBERALIZATION**

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

- 11. If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state

**XXIV. DEFINITIONS**

The following definitions are added:

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

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines, other than "autos", you hold for sale; or
- (2) Rowboats or canoes out of water at the described premises;
- g. The following property while outside of buildings:
  - (1) Grain, hay, straw or other crops;
  - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than trees, shrubs or plants held for sale)

2. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.
3. "Product tampering" is an act of intentional alteration of "your product" which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

When "product tampering" is known, suspected or threatened, a "product withdrawal" will be limited to those batches of "your product" which are known or suspected to have been tampered with.

For 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 application software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

4. "Product withdrawal" means the recall or withdrawal:

- a. From the market; or
- b. From use by any other person or organization;

of "your products" or products which contain "your products", because of known or suspected "product tampering", which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

For 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.

5. "Product withdrawal expenses" means those reasonable and necessary extra expenses, listed below, paid and directly related to a "product withdrawal":
  - a. Costs of notification;
  - b. Costs of stationery, envelopes, production of announcements and postage or facsimiles;
  - c. Costs of overtime paid to your regular non-salary employees and costs incurred by your employees, including costs of transportation and accommodations;
  - d. Costs of computer time;
  - e. Costs of hiring independent contractors and other temporary employees;
  - f. Costs of transportation, shipping or packaging;
  - g. Costs of warehouse or storage space; or
  - h. Costs of proper disposal of "your products" or products that contain "your products" that can not be reused, not exceeding your purchase price or your cost to produce the products.
6. "Profit" means the positive gain from business operation after subtracting for all expenses.

All other terms and conditions remain the same

## Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### COMMERCIAL AUTOMOBILE PLUS EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

#### BUSINESS AUTO COVERAGE FORM

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

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations page or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

#### SCHEDULE

Broad Form "Insured"	Broadened to include subsidiaries and newly formed or acquired organizations
Blanket Additional Insured	Included
Supplementary Payments	\$3,000
Ball Bonds	Up to \$500 per day
Loss of Earnings	Deleted for owned autos - excess basis
Fellow "Employee" Exclusion	Deleted for owned autos - excess basis
Hired Car Physical Damage	Up to \$75,000
Loss of Use for Hired Cars	Up to \$1,000 per "accident"
Transportation Expense	Up to \$50 per day/\$1,500 maximum
Glass Breakage Amendment	Deductible waived if glass repaired and not replaced
Rental Reimbursement	Up to \$100 per day/Up to 30 days/\$3,000 maximum
Personal Effects Coverage	Up to \$500 in the event of a total theft of a covered "auto"
Customized Furnishings Coverage	Up to \$500 per "accident"
Duties in the Event of "Accident", Claim, "Suit" or "Loss"	Broadened
Unintentional Failure to Disclose Hazards	Included
Mental Anguish Resulting from "Bodily Injury"	Included
Accidental Airbag Discharge Coverage	Included
Auto Loan or Lease Gap Coverage	Included
Towing and Labor - Private Passenger Type Vehicles	Up to \$100 per disabliement

Temporary Substitute Auto - Physical Damage Coverage	Included
Extra Expense - Broadened Coverage	Included
Audio, Visual and Data Electronic Equipment Coverage	Up to \$1,000
Blanket Waiver of Subrogation	Included

## 1. BROAD FORM INSURED

Section II, A.1., Who Is An Insured, is amended to add the following:

- d. Any legally incorporated entity of which you own at least 51% of the voting stock on the effective date of this endorsement. However, "insured" does not include any entity that is an "insured" under any other automobile liability policy provided by any company.
- e. Any newly acquired or formed organization of which you own at least 51% of voting stock. Coverage for your newly acquired or formed organization shall be:
  - (1) Effective on the date of acquisition or formation; and
  - (2) Afforded until the end of the policy period of this endorsement or the next anniversary of its inception date, whichever is earlier, provided that you notify us in writing before the earlier date, informing us of the newly acquired or formed organization.

This insurance does not apply to:

- (1) Damages arising out of "bodily injury" or "property damage" caused by an "accident" that occurred before the date of acquisition or formation;
- (2) Any newly acquired or formed organization that is already an "insured" under any other valid and collectible "auto" insurance provided by any company.

## 2. BLANKET ADDITIONAL INSURED

The following is added to Section II, A.1., Who Is An Insured:

- f. Any person or organization for whom you are required by an "insured contract" to provide insurance is an "insured" subject to the following additional provisions:
  - (1) The "insured contract" must be in effect during the policy period shown in the Declarations, and must have executed prior to the "bodily injury" or "property damage".
  - (2) This person or organization is an "insured" only to the extent you are liable due to your ongoing operations for that "insured", whether the work is performed by you or for you, and only to the extent you are liable for an "accident" occurring while a covered "auto" is being driven by you or one of your employees.
  - (3) There is no coverage provided to this person or organization for "bodily injury" to its employees, nor for "property damage" to its property.
  - (4) Coverage for this person or organization shall be limited to the extent of your negligence or fault according to applicable principles of comparative negligence or fault.
  - (5) The defense of any claim or "suit" must be tendered by this person or organization as soon as practicable to all other insurers which potentially provide insurance for such claim or "suit".
  - (6) The coverage provided will not exceed the lesser of:
    - (a) The coverage and/or limits of this policy; or
    - (b) The coverage and/or limits required by the "insured contract".
  - (7) A person's or organization's status as an "insured", including persons or organizations added by endorsements or amendments of coverage, ends when your operations for that "insured" are completed.

### 3. COVERAGE EXTENSIONS - SUPPLEMENTARY PAYMENTS

Section II, A.2.a., sub-paragraphs (2) and (4) are replaced as follows:

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

### 4. FELLOW "EMPLOYEE" EXCLUSION

Under Section II - Liability Coverage, Exclusion B.5., related to the fellow "employee", does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire. Coverage is excess over any other collectible insurance.

### 5. HIRED CAR PHYSICAL DAMAGE AND LOSS OF USE

The following additional extension is added to Section III; Physical Damage Coverage, A.4., Coverage Extensions:

#### Hired Car Physical Damage and Loss of Use

If Comprehensive, Specified Perils, or Collision coverages are provided under this policy for any "auto" that is not a hired "auto", then Hired Car Physical Damage Coverage, subject to the following limit, is provided for those coverages.

The most we will pay for any one "accident" or "loss" is \$75,000 or the Actual Cash Value or Cost of Repair, whichever is smallest. Hired Car Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit and excess provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" shown in the Declarations.

For each hired "auto", the limit of insurance shown above shall be reduced by a deductible. That deductible shall be equal to the greatest deductible that applies to any owned covered "auto".

Section III, Physical Damage Coverage, A. 4. b., Loss of Use, is amended to provide the following limits in lieu of as shown:

Our payment is limited to the lesser of:

- (1) Necessary and actual expenses incurred; or
- (2) A maximum of \$1000 per "accident".

### 6. TRANSPORTATION EXPENSE

Section III, Physical Damage Coverage A.4.a. is amended to provide a limit of \$50 per day and a maximum limit of \$1500 in lieu of as shown.

### 7. GLASS BREAKAGE

Section III, Physical Damage Coverage, A.3.a. is deleted and replaced by the following:

- a. Glass breakage; however, with respect to private passenger "autos", any deductible shown in the Declarations shall not apply to glass breakage if the glass is repaired rather than replaced in a manner that we deem acceptable.

### 8. RENTAL REIMBURSEMENT COVERAGE

The following is added to Section III, A., Physical Damage Coverage:

#### Rental Reimbursement

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage. However:

- a. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
  - (1) The number of days reasonably required to repair or replace the covered auto. If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered auto and return it to you.

(2) 30 days.

b. Our payment is limited to the lesser of the following amounts:

(1) Necessary and actual expenses incurred.

(2) \$100 per day up to a maximum limit of \$3,000.

This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under item 5. **TRANSPORTATION EXPENSE** above.

## 9. PERSONAL EFFECTS COVERAGE

The following is added to **Section III, A., Physical Damage Coverage**:

### Personal Effects Coverage

We will pay up to \$500 for loss to wearing apparel and other personal effects which are:

a. Owned by an insured; and

b. In or on your covered auto.

This coverage applies only in the event of a total theft of your covered auto and no deductible applies to this coverage.

## 10. CUSTOMIZED FURNISHINGS COVERAGE

The following is added to **Section III, A., Physical Damage Coverage, Item 4., Coverage Extensions**:

### Customized Furnishings Coverage

a. We will pay with respect to a covered "auto" for "loss" to custom furnishings including, but not limited to:

(1) Special carpeting and insulation;

(2) Height-extending roofs;

(3) Custom murals, paintings, or other decals or graphics.

b. Our limit of liability for loss to custom furnishings in any one "accident" shall be the least of:

(1) The actual cash value of the stolen or damaged property;

(2) The amount necessary to repair or replace the property; or

(3) \$500.

c. This coverage does not apply to electronic equipment.

## 11. DUTIES IN THE EVENT OF "ACCIDENT", CLAIM, "SUIT" OR "LOSS"

**Section IV, Business Auto Conditions, A.2.a.** is deleted in its entirety and replaced with the following:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". You must include:

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

Knowledge by your "employee" of an "accident" or "loss" will not constitute such knowledge by you, unless the "accident" or "loss" is known to:



- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An officer of the corporation or an insurance manager, if you are a corporation.

Section IV, Business Auto Conditions, A.2.b.(2) is deleted in its entirety and replaced with the following:

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit";

Knowledge by your "employee" of documents received concerning a claim or "suit" will not be deemed to be knowledge by you, unless the documents are known to any of your executive officers or partners or your insurance manager.

## 12. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Section IV, Business Auto Conditions, B. General Conditions Item 2. is deleted in its entirety and replaced by the following:

### 2. CONCEALMENT, MISREPRESENTATION OR FRAUD

This policy is void in any case of fraud by you at any time as it relates to this policy. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This policy;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this policy.

Any unintentional failure to disclose or misrepresentation of a material fact at any time by you or any other "insured" will not result in a denial of coverage under this policy because of such concealment or misrepresentation.

## 13. MENTAL ANGUISH WHEN RESULTING FROM BODILY INJURY

Section V, Definitions, Item C., "Bodily Injury" is deleted in its entirety and replaced by the following:

"Bodily injury" means:

1. Bodily injury, sickness or disease sustained by a person, and also includes mental anguish or emotional distress provided such mental anguish or emotional distress results from any of these; and
2. Includes death resulting from bodily injury, sickness or disease.

## 14. ACCIDENTAL AIRBAG DISCHARGE

The following is added to Section III, Physical Damage Coverage, B., Exclusion 3.a.:

However, the mechanical and electrical breakdown portion of this exclusion does not apply to the accidental discharge of an airbag. This coverage for airbags is excess over any other collectible insurance or warranty that may apply.

## 15. AUTO LOAN OR LEASE GAP COVERAGE

Section III, Physical Damage Coverage, C., Limit of Insurance, is amended to add the following:

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the Physical Damage Coverage Section of the policy; and
2. Any:

- a. Overdue lease/loan payments and financial penalties associated with those payments at the time of the "loss";
- b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
- c. Nonrefundable security deposits;
- d. All refunds paid or payable to you as a result of the early termination of the lease agreements;
- e. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
- f. Carry-over balances from previous loans or leases.

This coverage will only apply when no provision for this or similar coverage is included in the original lease agreement written on the covered leased "auto".

#### 16. TOWING AND LABOR LIMIT

The following replaces Section III, Physical Damage Coverage, A.2. Towing:

We will pay up to \$100 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

#### 17. TEMPORARY SUBSTITUTE AUTO - PHYSICAL DAMAGE COVERAGE

The following is added to SECTION I - COVERED AUTOS, paragraph C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos:

If Physical Damage coverage is provided by this Coverage Form, then you have coverage for:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss" or destruction.

#### 18. EXTRA EXPENSE - BROADENED COVERAGE

The following is added to SECTION III - PHYSICAL DAMAGE COVERAGE, paragraph A. Coverage:

5. We will pay for the expense of returning a stolen covered "auto" to you.

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

##### A. Coverage

1. We will pay with respect to a covered "auto" for "loss" to any electronic equipment that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of "loss", and such equipment is designed to be solely operated by use of power from the "auto's" electrical system, in or upon the covered "auto".
2. We will pay with respect to a covered "auto" for "loss" to any accessories used with the electronic equipment described in A.1. above. However, this does not include tapes, records or discs.

##### B. Exclusions

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusions relating to Audio, Visual and Data Electronic Equipment, also apply to this coverage. In addition, the following exclusions apply:

We will not pay for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" for the monitoring of the covered "auto's" operating system; or

2. Both:

- a. an integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto"; and
- b. permanently installed in the opening of the dash or console normally used by the manufacturer for the installation of a radio.

C. Limit of Insurance

With respect to this coverage, the LIMIT OF INSURANCE provision of PHYSICAL DAMAGE COVERAGE is replaced by the following:

1. The most we will pay for "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss";
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
  - c. \$1,000.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

1. If "loss" to the audio, visual or data electronic equipment or accessories used with the equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Comprehensive or Collision Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible does not apply to "loss" to audio, visual or data electronic equipment caused by fire or lightning.
2. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Specified Causes of Loss Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.
3. If "loss" occurs solely to the audio, visual or data electronic equipment or accessories used with this equipment, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.
4. In the event that there is more than one applicable deductible, only the highest deductible will apply. In no event will more than one deductible apply.

20. BLANKET WAIVER OF SUBROGATION

The following is added to SECTION IV, A.5., Transfer Of Rights Of Recovery Against Others To Us:

We waive the right of recovery we may have for payments made for "bodily injury" or "property damage" on behalf of persons or organizations added as "insureds" under Section II - LIABILITY COVERAGE - A.1.d. and e. BROAD FORM "INSURED" and A.1.f. BLANKET ADDITIONAL INSURED.

All other terms and conditions remain the same.