

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

Second Amendment

THIS AMENDMENT (this "Amendment") is made as of July 1, 2013, in San Francisco, California, by and between HealthRIGHT 360 ("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 increase the contract amount;

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number 4151-09/10 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 23-2009, dated July 31, 2009, Contract Numbers BPHG11000009 and DPHG11000260 between Contractor and City, as amended by the

First Amendment: dated March 20, 2012 Contract Number BPHG11000009 and DPHG13000133 and this second 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 remain the same as below:**

Subject to Section 1, the term of this Agreement shall be from July 1, 2010 to December 31, 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 **Nine Million Nine Hundred Ninety Nine Thousand Dollars (\$9,999,000)**. 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.

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 **Nineteen Million One Hundred Twenty Nine Thousand Six Hundred Ninety Five Dollars (\$19,129,695)**. 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 the date of this Amendment.

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.

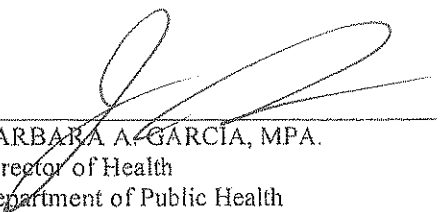
IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY

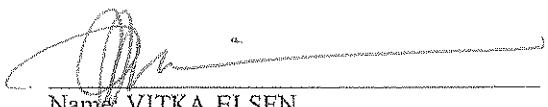
CONTRACTOR:

Recommended by:

HealthRIGHT 360



BARBARA A. GARCIA, MPA.
Director of Health
Department of Public Health



Name: VITKA ELSEN
Title: Executive Director
P. O. Box 29917
San Francisco, CA 94129

City vendor number: 08817

Approved as to Form:

Dennis J. Herrera
City Attorney

By: 

KATHY MURPHY

Deputy City Attorney

Approved:

JACI FONG
Director of the Office of Contract Administration, and
Purchaser

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Appendix B
Calculation of Charges

1. Method of Payment

Actual Cost

Contractor shall submit monthly invoices in the format attached in Appendix F, by the fifteenth (15th) working day of each month for reimbursement of the actual costs for Services of the immediately 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.

2. Program Budgets and Final Invoice

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

Appendix B Budget Summary

Appendix B-1 Jail Psychiatric Services

B. Contractor understands that of the maximum dollar obligation **Nineteen Million One Hundred Twenty Nine Thousand Six Hundred Ninety Five Dollars (\$19,129,695)** listed in Section 5 of this Agreement, **\$1,365,822** is included as a contingency amount and is neither to be used in Program Budgets attached to this Appendix, or available to Contractor without a modification to this Agreement executed in the same manner as this Agreement or a revision to the Program Budgets of Appendix B, which has been approved by Contract Administrator. 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 Controller. Contractor agrees to fully comply with these laws, regulations, and policies/procedures.

July 1, 2010 through June 30, 2011	\$3,191,010
July 1, 2011 through June 30, 2012	\$3,191,010
July 1, 2012 through June 30, 2013	\$3,251,958
July 1, 2013 through June 30, 2014	\$3,251,958
July 1, 2014 through June 30, 2015	\$3,251,958
July 1, 2015 through December 31, 2015	<u>\$1,625,979</u>
July 1, 2010 through December 31, 2015	\$17,763,873

C. Contractor agrees to comply with its Program Budgets of 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.

D. A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) calendar days following the closing date 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.

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	A	B	C	D	E
1				Appendix B	Page 1
2				Document Date	7/1/2013
3	DEPARTMENT OF PUBLIC HEALTH CONTRACT BUDGET SUMMARY				
4	BY PROGRAM				
5	Contractor's Name			Contract Term	
6	HealthRIGHT 360			7/1/13 - 6/30/14	
7	(Check One) New Renewal Modification X				
8	If modification, Effective Date of Mod.: 7/1/2013.			No. of Mod.: 2	
9	Program	Jail Psychiatric Services	n/a	n/a	Total
10	Program Narrative Page No.(s)	Exhibit A			
11	Program Term	7/1/13 - 6/30/14			7/1/13 - 6/30/14
12	Expenditures				
13	Salaries & Benefits	2,784,348			2,784,348
14	Operating Expense	119,186			119,186
15	Capital Expenditure	-			
16	Direct Cost	2,903,534			2,903,534
17	Indirect Cost	348,424			348,424
18	Indirect Percentage (%) of direct cost (Line 16)	12.00%			12.00%
19	Total Expenditures	3,251,958			3,251,958
20	DPH Revenues				
21	COUNTY OTHER	3,251,958			3,251,958
22					-
23	General Fund Contingency (12%)				-
24					
25					
26					
27					
28	TOTAL DPH REVENUES	3,251,958			3,251,958
29	Other Revenues				
30					
31					
32					
33					
34	Total Revenues	3,251,958			3,251,958
35	Total Units of Service	See DPH #1A			See DPH #1A
36	Cost Per Unit of Service	See DPH #1A			See DPH #1A
37	Full Time Equivalent (FTE)	-			-
38	Prepared by: Carrie Gustafson	Telephone No.: 995-1715			
39	DPH-CO Review Signature:	_____			
40	DPH #1				

	A	B	C	D	E	F
1					Appendix B	Page 2
2					Document Date	7/1/2013
3						
4	SUMMARY OF CLIENT SERVICES					
5	BY PROGRAM					
6						
7	Program Name	Jail Psychiatric Services		TERM:	7/1/13 - 6/30/14	
8	(Same as Line 9 on DPH #1)					
9						
10		Total	No. of	No. of	Cost Per	
11	Mode and Service Function	Cost	Clients	Units	Unit	
12	15/30 Assessment/Evaluation	602,288	5,500	6,000	100.38	
13	15/40 Individual Treatment	1,956,945	INCL	26,305	74.39	
14	15/10 Collateral Services	194,045	INCL	3,400	57.07	
15	50/10 Case Management	448,404	INCL	11,000	40.76	
16	Discharge Planning	50,276	900	1,794	28.02	
17						
18						
19	Total:	3,251,958		48,499		
20						
21	Program Name			TERM:		
22	(Same as Line 9 on DPH #1)					
23						
24		Total	No. of	No. of	Cost Per	
25	Mode and Service Function	Cost	Clients	Units	Unit	
26						
27						
28						
29						
30						
31						
32						
33						
34	Program Name			TERM:		
35	(Same as Line 9 on DPH #1)					
36						
37		Total	No. of	No. of	Cost Per	
38	Mode and Service Function	Cost	Clients	Units	Unit	
39						
40						
41						
42						
43						
44						
45						
46	DPH #1A					

	A	B	C	D	E	F	G	H	I	J	K
1									Appendix B-1		Page 1
2									Document Date		7/1/2013
3											
4	Program Name	Jail Psychiatric Services									
5	(Same as Line 9 on DPH #1)										
6											
7		Salaries & Benefits Detail									
8											
9											
10											
11			TERM	7/1/13 - 6/30/14							
12		POSITION TITLE	FTE	SALARIES							
13	Administrative Assistant		1.90	92,280							
14	Deputy Director		1.00	90,190							
15	Director - JPS		1.00	96,257							
16	Director - JAS		1.00	90,235							
17	Case Managers		1.00	37,707							
18	Coordinator		1.00	47,121							
19	Program Director		1.00	92,836							
20	Psychiatrists (MD)		0.76	121,222							
21	Psychologists (PhD)		1.00	95,212							
22	Counselor		2.50	183,438							
23	Medical Director		0.80	132,822							
24	Site Manager		3.00	156,941							
25	Therapist		16.15	1,027,435							
26											
27											
28		TOTALS	32.11	2,263,697							
29											
30											
31	EMPLOYEE FRINGE BENEFITS		23%	520,650							
32											
33											
34	TOTAL SALARIES & BENEFITS			2,784,348							
35	DPH #2										

	A	B	C	D	E	F	G	H	I
1							Appendix B-1		Page 3
2							Document Date		7/1/2013
3									
4	Program Name	Jail Psychiatric Services							
5	(Same as line 9 on DPH #1)								
6									
7									
8									
9	1. Salaries and Benefits								
10									
11					TERM	7/1/13 - 6/30/14			
12					FTE	SALARIES			
13	President								
14	Chief Executive Officer			0.2420		56,879			
15	Chief Financial Officer			0.2420		24,204			
16	Administrative Support			0.7261		19,266			
17	Accounting Department			1.4522		58,245			
18	Human Resources Department			0.7261		23,731			
19									
20									
21									
22									
23	EMPLOYEE FRINGE BENEFITS			23%		41,938			
24	TOTAL SALARIES & BENEFITS			3.3885		224,264			
25									
26	2. Operating Cost								
27									
28	Expenditure Category								
29	Rental of Property					14,631			
30	Utilities (Elec, Water, Gas, Phone, Scavenger)					12,199			
31	Building Maintenance Supplies and Repair					8,961			
32	Office Supplies and Postage					16,534			
33	Insurance, Audit, and Legal					22,057			
34	Staff Training					230			
35	Rental of Equipment					97			
36	Staff Travel					17,985			
37	Consultants and Subcontractors					31,466			
38						-			
39									
40									
41	TOTAL OPERATING COST					124,160			
42									
43	TOTAL INDIRECT COST					348,424			
44	(Salaries & Benefits + Operating Cost)								
45	DPH #5								

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ACORD™ CERTIFICATE OF LIABILITY INSURANCE

Date (MM/DD/YR)
9/5/12

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 require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

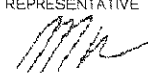
PRODUCER Heffeman Insurance Brokers 1350 Carback Avenue Walnut Creek, CA 94596 CA License #0564249	CONTACT NAME: Shelaine Gonsalves
	PHONE (A/C No./Ext): 925-934-8500 FAX (A/C No.): 925-934-8278
	EMAIL ADDRESS: ShelaineG@heffins.com
	INSURERS AFFORDING COVERAGE: _____ NAIC #: _____
INSURED HealthRIGHT360 1735 Mission Street San Francisco, CA 94103	INSURER A: Arch Specialty Insurance Company 11150
	INSURER B: New York Marine 16608
	INSURER C: Travelers 19038
	INSURER D: Great American 39896
	INSURER E: _____
	INSURER F: _____

COVERAGES **CERTIFICATE NUMBER:** _____ **REVISION NUMBER:** _____

THIS IS TO CERTIFY THAT 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 INSR	SUBP WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input type="checkbox"/> OCCUR	X		NTPKG0068201	07/01/12	07/01/13	EACH OCCURRENCE	\$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							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	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X		NTAUT0026001	07/01/12	07/01/13	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			NTUMB0032801	07/01/12	07/01/13	EACH OCCURRENCE	\$3,000,000
							AGGREGATE	\$3,000,000
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? (Mandatory in N.H.) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC201200001880	07/01/12	07/01/13	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	1,000,000
							E.L. DISEASE - EA EMPLOYEE	1,000,000
							E.L. DISEASE - POLICY LIMIT	1,000,000
A	Professional Liability			NTPKG0068201	07/01/12	07/01/13	Each claim/aggregate	\$1mm/\$3mm
C	Excess Professional Liability			NTUMB0032601	07/01/12	07/01/13	Each claim/aggregate	\$3mm/\$3mm
D	Crime			105642284	07/01/12	07/01/13	Limit	\$10,000,000
	Excess Crime			SAA024161701	07/01/12	07/01/13	Limit	\$10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Re: As on file with the insured.
 The City and County of San Francisco, its officers, agents and employees are named as additional insured on General and Auto Liability policy per attached endorsements.

CERTIFICATE HOLDER City & County of San Francisco Department of Public Health- Contracts 101 Grove St., Rm. 307 San Francisco, CA 94102	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) or Organization(s)

Re: As on file with the insured. The City and County of San Francisco, its officers, agents and employees are named as additional insured on General and Auto Liability policy per attached endorsements.

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

Section II – Who is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, 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:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ULTRA AUTO PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage form apply unless modified by the endorsement.

EXTENDED CANCELLATION CONDITION

Paragraph 2.b. of the CANCELLATION Common Policy Condition is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

TEMPORARY SUBSTITUTE AUTO – PHYSICAL DAMAGE COVERAGE

Under paragraph C. – CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS of SECTION 1 – COVERED AUTOS, the following is added:

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.

BROAD FORM NAMED INSURED

SECTION II – LIABILITY COVERAGE – A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for business auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period.

BLANKET ADDITIONAL INSURED

SECTION II – LIABILITY COVERAGE – A.1. WHO

IS AN INSURED provision is amended by the addition of the following:

- e. 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 been 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 held 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 the 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" under this subparagraph ends when your operations for that "insured" are completed.

FELLOW EMPLOYEE COVERAGE - EXECUTIVE OFFICES

Exclusion 5. FELLOW EMPLOYEE of SECTION II - LIABILITY COVERAG - B. EXCLUSIONS is amended by the addition of the following:

This exclusion does not apply to liability incurred by your employees that are executive officers.

PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

The first sentence of paragraph A.4 of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

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

AIRBAG COVERAGE

Under paragraph B. - EXCLUSIONS of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

LEASE GAP COVERAGE

Under paragraph C - LIMIT OF INSURANCE OF SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

- 4. the most we will pay for a total "loss" in any on "accident" is the greater of the following, subject to a \$1,500 maximum limit:
 - a. Actual cash value of the damaged or stolen property as of the time of the "loss", less an adjustment for depreciation and physical condition; or
 - b. Balance due under the terms of the loan or lease that the damaged covered "auto" is subject to at the time of the "loss", less any one or all of the following adjustments:

- 1) Overdue payment and financial penalties associated with those payments as of the date of the "loss".
- 2) Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear.
- 3) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease.
- 4) Transfer or rollover balances from previous loans or leases.
- 5) Final payment due under a "Balloon Loan".
- 6) The dollar amount of any un-repaired damage that occurred prior to the total loss" of a covered "auto".
- 7) Security deposits not refunded by a lessor.
- 8) All refunds payable or paid to you as a result of the early termination of a lease agreement or any warranty or extended service agreement on a covered "auto".
- 9) Any amount representing taxes.
- 10) Loan or lease termination fees.

GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under paragraph d. - DEDUCTIBLE of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

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

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

The requirement in LOSS CONDITION 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIMS, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the accident is known to:

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

UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV – BUSINESS AUTO CONDITIONS – B.2. is amended by the addition of the following:

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

RESULTANT MENTAL ANGUISH COVERAGE

SECTION V – DEFINITIONS – C. is replaced by the following:

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

HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability coverage and if comprehensive, specified Causes of Loss or collision coverages are provided under this coverage form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow of the private passenger or light truck (10,000 lbs. Or less gross vehicle weight) type, subject to the following limit.

The most we will pay for loss to any hired "auto" is \$50,000 or actual Cash Value or cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" of the private passenger or light truck type for that coverage. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own of the private passenger or light truck type.

HIRED AUTO PHYSICAL DAMAGE COVERAGE – LOSS OF USE

SECTION III – PHYSICAL A.4.b Form does not

apply.

Subject to a maximum of \$1,000 per accident, we will cover loss of use of a hired "auto" if it results from an accident, you are legally liable and the lessor incurs an actual financial loss.

RENTAL REIMBURSEMENT COVERAGE

A. This coverage applies only to a covered "auto" of the private passenger or light truck (10,000 lbs. Or less gross vehicle weight) type.

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

C. 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.

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

1. Necessary and actual expenses incurred.

2. \$50 per day

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

F. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the PHYSICAL DAMAGE COVERAGE Coverage Extension.

G. The Rental Reimbursement Coverage described above does not apply to a covered "auto" that is described or designated as a covered "auto" on Rental Reimbursement coverage form CA 99 23

AUDIO, VISUAL AND SATA 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 the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto."
2. We will pay with respect to a covered "auto" for "loss" to any accessories used with the electronic equipment described in paragraph A.1. above. However, this does not include tapes, records or discs.
3. If audio, Visual and data Electronic Equipment Coverage form CA 99 60 or CA 99 94 is attached to this policy, then the Audio, visual and Data Electronic Equipment Coverage described above does not apply.

B. Exclusions

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

We will not pay for wither 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"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
 - c. \$1,000
 1. an adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss."

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 this 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 shown in the Declarations 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.

BLANKET WAIVER OF SUBROGATION

We waive the right of recovery we may have for payments made for "bodily injury" or "property damage" on behalf of the persons or organizations added as "insureds" under section II – LIABILITY COVERAGE _ A.1.D. BROAD FORM NAMED INSURED and A.1.e. BLANKET ADDITION INSURED.

PERSONAL EFFECTS COVERAGE

A. SECTION III-PHYSICAL DAMAGE COVERAGE, A.4. COVERAGE EXTENSIONS, is amended by adding the following:

c. Personal Effects Coverage

For any Owned "auto" that is involved in a covered "loss", we will pay up to \$500 for "personal effects" that are lost or damaged as a result of the covered "loss", without applying a deductible.

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

Q. "Personal effects" means your tangible property that is worn or carried by you, except for tools, jewelry, money, or securities.

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