

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 7/28/2014

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.

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.

Table with columns for PRODUCER (Propel Insurance, Tacoma Commercial Insurance, 1201 Pacific Ave, Suite 1000, Tacoma, WA 98402) and INSURED (Valdez Construction Inc., 3157 N. Goldie Road, Suite 202, Oak Harbor, WA 98277-8849). Includes contact info for Wendy Parsons (800 499-0933, wlp@propelinsurance.com) and a list of insurers (INSURER A-F).

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

Main table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include General Liability, Automobile Liability, Umbrella Liab, Workers Compensation and Employers' Liability, and Leased Rented Equipment.

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

CERTIFICATE HOLDER CANCELLATION

Table with columns for CERTIFICATE HOLDER (SAMPLE CERTIFICATE) and 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: Brent G. Heidean).

This page has been left blank intentionally.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

COMMERCIAL AUTOMOBILE EXPANSION ENDORSEMENT - PLATINUM

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

The following provides a broad range of coverage in addition to that provided by the basic policy. In some instances, a higher limit or broader coverage is available. Should the policy indicate broader coverage or higher limits than provided by this endorsement, the higher limits or broader coverage shall apply.

A. BROADENED NAMED INSURED

The Named Insured shown in the Declarations is amended to include:

Any organization, other than a joint venture, over which you maintain ownership or majority interest of more than 50%, unless that organization is an "insured" under any other automobile policy or would be an "insured" under such a policy but for the exhaustion of its Limit of Insurance, however;

1. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
2. Coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

B. ADDITIONAL INSURED BY CONTRACT OR AGREEMENT

The following is added to Section II - Liability Coverage, Paragraph A.1.:

d. Any person or organization for whom you are performing operations if you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.

- (1) Such person or organization is an additional insured only with respect to liability for "bodily injury" or "property damage":
 - (a) Caused by an "accident", and
 - (b) Resulting from the ownership, maintenance or use of a covered "auto".

(2) A person's or organization's status as an additional insured exists only while you are performing operations for that additional insured.

(3) Section II, Paragraph C. Limits of Insurance for person or organization added as additional insured are those specified in the written contract or agreement, or in this coverage form, whichever is less. These limits of insurance are inclusive of and are not in addition to the Limits of Insurance shown in the Declarations.

(4) This insurance applies on a primary and non-contributory basis if that is required by the written contract or agreement.

(5) This insurance does not apply unless the written contract or agreement has been executed prior to the "bodily injury" or "property damage".

C. ADDITIONAL INSURED - EMPLOYEES

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

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

D. EXTENDED COVERAGE - BAIL BONDS

Section II - Liability Coverage, Paragraph A.2.a.(2). is deleted and replaced by the following:

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

E. EXTENDED COVERAGE - LOSS OF EARNING

Section II – Liability Coverage, Paragraph A.2.a.(4) is deleted and replaced by the following:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earning up to \$500 a day because of time off from work.

F. FELLOW EMPLOYEE COVERAGE

The Fellow Employee Exclusion contained in Section II –Liability Coverage does not apply. This coverage is excess over any other collectible insurance.

G. AUTO MEDICAL PAYMENTS COVERAGE - INCREASED LIMIT

If the "insured" is wearing a seat belt at the time an "accident" occurs, the LIMIT OF INSURANCE for AUTOMOBILE MEDICAL PAYMENTS COVERAGE shown in the Declarations will be double the limit shown. All other terms and conditions applicable to MEDICAL PAYMENTS remain unchanged.

H. COVERAGE EXTENSION AS A CONSEQUENCE OF THEFT OF AN "AUTO"**1. Transportation Expense**

Section III – Physical Damage Coverage, Paragraph A.4.a. is deleted and replaced by the following:

- a. We will also pay up to \$75 per day to a maximum of \$2,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the "private passenger type". We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

We will also pay reasonable and necessary expenses to facilitate the return of the stolen "auto" to you.

I. EXTENDED COVERAGE - AIRBAGS

Section III – Physical Damage Coverage, Paragraph B.3.a. does not apply to the unintended discharge of an airbag. Coverage is excess over any other collectible insurance or warranty specifically designed to provide coverage.

J. LEASED OR FINANCED "AUTOS" - PHYSICAL DAMAGE COVERAGE

The following is added to Section III – Physical Damage Coverage, Paragraph C.

4. 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:
- The amount under the Physical Damage Coverage section of the policy; and
 - Any:
 - Overdue lease/loan payments at the time of the "loss";
 - Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - Security deposits not returned by the lessor;
 - Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - Carry-over balances from previous loans or leases.

K. GLASS DEDUCTIBLE

Section III – Physical Damage Coverage, Paragraph D. is deleted and replaced by the following:

D. DEDUCTIBLE

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" caused by fire or lightning; or
- "Loss" when you elect to patch or repair glass rather than replace.

L. EXTENDED COVERAGE - ELECTRONIC EQUIPMENT

Paragraph C.2.a. Limits of Insurance of Section III – Physical Damage Coverage is deleted.:

We will pay with respects to a covered "auto" for "loss" to antennas and other accessories necessary for use of the electronic equipment. However, this does not include tapes, records or discs.

M. EXTENDED COVERAGE - PERSONAL EFFECTS

The following is added to Section III – Physical Damage Coverage, Paragraph A.4.:

- d. Physical Damage Coverage on a covered "auto" may be extended to "loss" to your personal property or, if you are an individual, the personal property of a family member, that is in the covered "auto" at the time of "loss".

The most we will pay for any one "loss" under this coverage extension is \$500.

N. TOWING AND LABOR COVERAGE

Section III – Physical Damage Coverage, Paragraph A.2. is deleted and replaced by the following:

If a private passenger type "auto" or light truck "auto" (0-10,000 Lbs. GVW) is provided both Comprehensive and Collision Coverage, we will pay up to \$150 for towing and labor costs incurred each time such "auto" is disabled. If a medium, heavy or extra-heavy truck or extra-heavy Truck-tractor "auto" (greater than 10,000 Lbs. GVW) is provided both Comprehensive and Collision Coverage, we will pay up to \$250 for towing and labor costs incurred each time such "auto" is disabled. However, the labor must be performed at the place of disablement.

O. EXTENDED COVERAGE - CUSTOMIZED FURNISHINGS

The following is added to Section III – Physical Damage Coverage, Paragraph A.4.:

- e. Physical Damage Coverage on a covered "auto" may be extended to "loss" to custom furnishings including, but not limited to special carpeting and insulation, height-extending roofs, and custom murals, paintings, or other decals or graphics, custom signage and custom non-factory paint.

Our limit of liability for loss to custom furnishings shall be the least of:

- (1) Actual cash value of the stolen or damaged property;
- (2) Amount necessary to repair or replace the property; or
- (3) \$1,000

This coverage extension does not apply to electronic equipment.

P. PHYSICAL DAMAGE COVERAGE - HIRED "AUTOS"

You may extend the Comprehensive, Specified Causes of Loss and Collision coverages provided on your owned "autos" to any "auto" you lease, rent, hire or borrow from someone other than your employees or partners or members of their households subject to the following:

1. The most we will pay in any one "loss" is the least of \$100,000, the actual cash value of the "auto" or the cost to repair or replace the "auto", except that such amount will be reduced by a deductible to be determined as follows:
 - a. The deductible shall be equal to the amount of the highest deductible shown for any owned "auto" of the same classification for that coverage. In the event there is no owned "auto" of the same classification, the highest deductible for any owned "auto" will apply for that coverage.
 - b. No deductible will apply to "loss" caused by fire or lightning.
2. Coverage provided under this extension will:
 - a. Be excess over any other collectible insurance;
 - b. Pay, in addition to the limit set forth in P.1. above, up to \$500 per day, not to exceed \$3,500 per "loss" for:
 - (1) Any costs or fees associated with the "loss" to a hired "auto"; and
 - (2) Loss of use, provided it is the consequence of an "accident" for which you are legally liable, and as a result of which a monetary loss is sustained by the leasing or rental concern.

Q. RENTAL REIMBURSEMENT COVERAGE

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto".

1. Payment applies in addition to the otherwise applicable amount of each coverage you have on the covered "auto".
2. No deductible applies to this coverage.
3. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the expiration date of the policy, with the lesser of the following:

- a. When the covered "auto" has been repaired or replaced, or
 - b. When the total amount paid under this coverage extension reaches \$2,500.
4. Our payment is limited to the lesser of the following amounts:
 - a. Necessary and actual expenses incurred.
 - b. Not more than \$75 per day.
 5. We will pay up to an additional \$300 for the reasonable and necessary expenses you incur to remove your materials and equipment from the covered "auto" and replace such materials and equipment on the rental "auto".
 6. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
 7. 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 Extension.

R. DRIVE OTHER CAR COVERAGE

1. Changes In Liability Coverage

- a. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by:
 - (1) You, if you are designated in the Declarations as an individual;
 - (2) Your partners or members, if you are designated in the Declarations as a partnership or joint venture;
 - (3) Your members or managers, if you are designated in the Declarations as a limited liability company;
 - (4) Your "executive officers", if you are designed in the Declarations as an organization other than an individual, partnership, joint venture or limited liability company; and
 - (5) The spouse of any person named in R.1.a.1. through R.1.a.(4) while a resident of the same household.

except:

 - (a) Any "auto" owned by that individual or by any member of his or her household.

- (b) Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

2. Changes In Auto Medical Payments And Uninsured And Underinsured Motorists Coverages

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

Any individual named in R.1.a and his or her "family members" are "insured" while "occupying" or while a pedestrian when being struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member".

3. Changes In Physical Damage Coverage

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any individual named in R.1.a or his or her spouse while a resident of the same household except:

- a. Any "auto" owned by that individual or by any member of his or her household.
- b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

4. The most we will pay for the total of all damages under LIABILITY COVERAGE, AUTO MEDICAL PAYMENTS, UNINSURED MOTORISTS COVERAGE and UNDERINSURED MOTORISTS COVERAGE is the LIMIT OF INSURANCE shown in the Declarations as applicable to owned "autos".

5. Our obligation to pay for, repair, return or replace damaged or stolen property under PHYSICAL DAMAGE COVERAGE, will be reduced by a deductible equal to the amount of the largest deductible shown for any owned private passenger type "auto" applicable to that coverage. If there are no owned private passenger type "autos", the deductible shall be \$50 for Comprehensive Coverage and \$100 for Collision Coverage. No deductible will apply to "loss" caused by fire or lightning.

E. Additional Definition

As used in this section; **R. DRIVE OTHER CAR COVERAGE**:

"Family member" means a person related to the individual named in R.1.a by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

S. KNOWLEDGE OF OCCURRENCE

The following is added to Section IV – Business Auto Conditions, Paragraph A.2.:

- d. Notice of an "accident" or "loss" will be considered knowledge of yours only if reported to you, if you are an individual, a partner, an executive officer or an employee designated by you to give us such notice.
- e. Notice of an "accident" or "loss" to your Workers Compensation insurer, for an event which later develops into a claim for which there is coverage under this policy, shall be considered notice to us, but only if we are notified as soon as you know that the claim should be addressed by this policy, rather than your Workers Compensation policy.
- f. Your rights under this policy shall not be prejudiced if you fail to give us notice of an "accident" or "loss", solely due to your reasonable and documented belief that the event is not covered by this policy.

The following is added to Section IV – Business Auto Conditions, Paragraph 2.b.:

- (6) Knowledge of the receipt of documents concerning a claim or "suit" will be considered knowledge of yours only if receipt of such documents is known to you, if you are an individual, a partner, an executive officer or an employee designated by you to forward such documents to us.

T. WAIVER OF SUBROGATION BY CONTRACT OR AGREEMENT

The following is added to Section IV - Business Auto Conditions, Paragraph A.5.:

We waive any right of recovery we may have against any "insured" provided coverage under this endorsement under B., ADDITIONAL INSURED BY CONTRACT OR AGREEMENT, but only as respects "loss" arising out of the operation, maintenance or use of a covered "auto" pursuant to the provisions or conditions of the written contract or agreement.

U. UNINTENTIONAL OMISSIONS

The following is added Section IV - Business Auto Conditions, Paragraph B.2.:

We will not deny coverage under this policy if you fail to disclose all hazards existing as of the inception date of the policy, provided such failure is not intentional.

V LIBERALIZATION

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

This page has been left blank intentionally.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTOR GENERAL LIABILITY PLATINUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. PROPERTY DAMAGE TO BORROWED EQUIPMENT

1. Paragraph 2.j. of SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY is amended as follows:

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

2. SECTION III – LIMITS OF INSURANCE is deleted and replaced by the following:

The most we will pay in any one "occurrence" for "property damage" to borrowed equipment is \$15,000. This limit of insurance is the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

3. **Deductible**

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of \$250 as applicable to "property damage" as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".
- b. The terms of this insurance, including those with respect to our right and duty to defend the insured against any "suits" seeking those damages; and your duties in the event of an "occurrence", claim, or "suit" apply irrespective of the application of the deductible amount.
- c. We may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken; you shall promptly reimburse us for such part of the deductible amount as we have paid.

B. CONSTRUCTION PROJECT GENERAL AGGREGATE LIMIT

1. 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 ongoing operations at a single construction project away from premises owned by or rented to the insured:

- a. A Single Construction Project General Aggregate Limit applies to each construction project away from premises owned by or rented to the insured, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
- b. The Single Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under COVERAGE C regardless of the number of:

- (1) Insureds;
- (2) Claims made or "suits" brought; or
- (3) Persons or organizations making claims or bringing "suits".

- c. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the Single Construction Project General Aggregate Limit for that construction project away from premises owned by or rented to the insured. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Single Construction Project General Aggregate Limit for any other separate construction project away from premises owned by or rented to the insured.

- d. 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 Single Construction Project General Aggregate Limit.
2. 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 single designated construction project away from premises owned by or rented to the insured:
 - a. 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
 - b. Such payments shall not reduce any Single Construction Project General Aggregate Limit.
3. 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 or the Single Construction Project General Aggregate Limit.
4. If the applicable construction project away from premises owned by or rented to the insured 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.
5. The provisions of **Limits Of Insurance (SECTION III)** not otherwise modified by this endorsement shall continue to apply as stipulated.

C. LIMITED JOB SITE POLLUTION

1. Exclusion **f.** under **Section I – Coverage A** is replaced by the following:

2. Exclusions

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

- (b) At or from a storage tank or other container, ducts or piping which is below or partially below the surface of the ground or water or which, at any time, has been buried under the surface of the ground or water and then subsequently exposed by erosion, excavation or any other means if the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" arises at or from any premises, site or location which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

Subparagraph (b) does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement issued or made pursuant to any environmental protection or environmental liability statutes or regulations that any insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for those sums the insured becomes legally obligated to pay as damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

2. With respect to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- a. The "Each Occurrence Limit" shown in the Declarations does not apply.
 - b. Paragraph 7. of **Limits Of Insurance (Section III)** does not apply.
 - c. Paragraph 1. of **Section III – Limits Of Insurance** is replaced by the following:
The Limits Of Insurance shown in this endorsement, or in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) Claims made or "suits" brought; or
 - (3) Persons or organizations making claims or bringing "suits".
 - d. The following are added to **Section III – Limits Of Insurance**:
 8. Subject to 2. or 3. above, whichever applies, the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage Cbecause of "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" is \$100,000 aggregate.
 9. Subject to 8. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

D. VOLUNTARY PROPERTY DAMAGE

1. The following is added to **Section 1 – COVERAGES**:

We will pay, at your request for "property damage" to that part of any property:

- a. Which you or any subcontractors working directly or indirectly on your behalf are performing operations; or
- b. That must be restored, repaired or replaced because "your work" was incorrectly performed on it.

This insurance applies only to "property damage" to property of others while in your care, custody, or control, and arising out of operations away from your insured premises and incidental to your business.

Exclusions j.(3),(4),(5) and (6) do not apply to this coverage.

This insurance does not apply to "property damage" included within the "explosion hazard", the "collapse hazard" or the "underground property damage hazard".

2. For the purposes of the coverage provided by **D. VOLUNTARY PROPERTY DAMAGE, SECTION III – LIMITS OF INSURANCE** is replaced by the following:

A. Limits of Insurance

1. Unless a higher limit is shown in the Declarations, the most we will pay in any one "occurrence" for "property damage" under this endorsement is **\$15,000**.
2. Unless a higher limit is shown in the Declarations, the most we will pay for all covered "occurrences" during any one policy period is **\$15,000** Aggregate Limit of Insurance.

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

3. Deductible

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of \$250 as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".
- b. The terms of this insurance, including those with respect to our right and duty to defend the insured against any "suits" seeking those damages; and your duties in the event of an "occurrence", claim, or "suit" apply irrespective of the application of the deductible amount.
- c. We may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken; you shall promptly reimburse us for such part of the deductible amount as we have paid.

4. For the purposes of the coverage provided by D. VOLUNTARY PROPERTY DAMAGE, SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

- a. The following is added to paragraph 2. **Duties In The Event Of Occurrence, Offense, Claim or Suit:**

In the event of loss covered by this endorsement, the insured shall, if requested by us, replace the property or furnish the labor and materials necessary for repairs at actual cost to the insured, excluding prospective profit or overhead charges of any nature. Any property so paid for or replaced shall, at our option, become our property. Any payment made by us shall not constitute an admission of liability by an insured, or by us.

- b. Paragraph 4. **Other Insurance** is amended as follows:

(1) Paragraph 4.a. **Primary Insurance** is deleted.

(2) Subparagraphs (1) and (2) of paragraph 4.b. **Excess Insurance** are deleted and replaced with the following:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis.

All other provisions that apply to paragraph 4. **Other Insurance** contained in the Commercial General Liability Coverage Form are applicable.

5. For the purposes of the coverage provided by D. VOLUNTARY PROPERTY DAMAGE, the following definitions are added to SECTION V – DEFINITIONS:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY PLATINUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. MEDICAL PAYMENTS

If **SECTION I – COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit provided by this policy, subject to the terms of **SECTION III - LIMITS OF INSURANCE**, shall be the greater of:
 - a. \$10,000; or
 - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.

B. FIRE, LIGHTNING, EXPLOSION, SMOKE AND SPRINKLER LEAKAGE DAMAGE TO PREMISES YOU RENT

If damage to premises rented to you under **Coverage A.** is not otherwise excluded from this policy, the following applies:

1. The last paragraph of **SECTION I – COVERAGE A.2. Exclusions** is deleted and replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage to premises while rented to your 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.**
2. Paragraph **6.** of **SECTION III – LIMITS OF INSURANCE** is deleted and replaced by the following:
 6. Subject to Paragraph **5.** above, the greater of:
 - a. \$300,000; or
 - b. the Damage To Premises Rented To You Limit shown in the Declarations;

is the most we will pay under **COVERAGE A** for damages because of “property damage” to any one premises, while rented to you or temporarily occupied by you with the permission of the owner.
3. Paragraph **4.b.(1)(a)(ii) Other Insurance** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted and replaced by the following:
 - (ii) That is Fire, Lightning, Explosion, Smoke or Sprinkler Leakage insurance for premises rented to you or temporarily occupied by you with the permission of the owner;
4. Paragraph **9.a.** of **SECTION V – DEFINITIONS** 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”;

C. LIMITED NON-OWNED WATERCRAFT

1. Paragraph **g.(2)** of **SECTION I – COVERAGE A.2. Exclusions** is deleted and replaced by the following:

A watercraft you do not own that is:

 - a. Less than 51 feet long; and

- b. Not used to carry persons or property for a charge.

D. SUPPLEMENTARY PAYMENTS

SECTION I – SUPPLEMENTARY PAYMENTS – COVERAGES A AND B is amended as follows:

1. The limit of insurance in paragraph 1.b. is increased from \$250 to \$2,500; and
2. The limit of insurance in paragraph 1.d. is increased from \$250 to \$500.

E. AUTOMATIC ADDITIONAL INSURED – SPECIFIED RELATIONSHIPS – PRIMARY NON-CONTRIBUTORY

The following is added to Paragraph 2. of SECTION II - WHO IS AN INSURED:

- e. Any person or organization described below, when you are obligated by virtue of a written contract or agreement that such person be added as an additional insured on your policy.

When required by virtue of a written contract or agreement, coverage provided to any additional insured will be on a primary basis and will not seek contribution from the additional insured's policy.

Only the following persons or organizations are additional insureds under this endorsement:

- (1) **Managers Or Lessors Of Premises.** The manager or lessor of a premise leased to you, but only with respect to liability arising from the ownership, maintenance or use of that part of the premises leased to you and subject to the following additional exclusions:

This insurance does not apply to:

- (a) Any "occurrence" which takes place after you cease to be a tenant of that premises.
- (b) Structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

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

However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- (3) **Vendors.** Any person or organization, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

- a. The insurance afforded the vendor does not apply to:

1. "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;
2. Any express warranty unauthorized by you;
3. Any physical or chemical change in the product made intentionally by the vendor;
4. Repackaging, unless 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;
5. 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;
6. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

7. 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.

b. 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.

(4) State Or Political Subdivision – Permits Or Authorizations Relating To Premises.
Any state or political subdivision, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with premises you own, rent, or control and to which this insurance applies:

(a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or

(b) The construction, erection, or removal of elevators; or

(c) The ownership, maintenance, or use of any elevators covered by this insurance.

Limits of insurance for such additional insured are the limits in this coverage form or the limits you and such additional insured agreed to by virtue of a contract or agreement, whichever is less. These limits are inclusive of and are not in addition to the Limits Of Insurance shown in the Declarations.

When required by virtue of a written contract or agreement, coverage provided to any additional insured **AUTOMATIC ADDITIONAL INSURED – SPECIFIED RELATIONSHIPS – PRIMARY NON-CONTRIBUTORY** will be on a primary basis and will not seek contribution from the additional insured's policy.

F. BROADENED NAMED INSURED – NEWLY ACQUIRED 180 DAYS

Paragraph 3. of **SECTION II - WHO IS AN INSURED** is deleted and replaced by the following:

Any organization you newly acquire or form, other than a joint venture, and over which you maintain ownership or majority interest of more than 50% will be a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

b. **COVERAGE A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

c. **COVERAGE B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

G. AGGREGATE LIMITS OF INSURANCE

The General Aggregate Limit under **SECTION III – LIMITS OF INSURANCE** applies separately to each of your:

1. Projects away from premises owned by or rented to you.

2. "Locations" owned by or rented to you.

"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.

H. KNOWLEDGE OF OCCURRENCE

The following is added to paragraph 2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

e. A report of an "occurrence", offense, claim or "suit" to:

(1) You, if you are an individual,

(2) A partner, if you are a partnership,

- (3) An executive officer, if you are a corporation, or
- (4) A manager, if you are a limited liability company;

is considered knowledge and requires you to notify us of the "occurrence", offense, claim, or "suit" as soon as practicable.

- f. We are considered on notice of an "occurrence", offense, claim or "suit" that is reported to your Workers' Compensation insurer for an event which later develops into an "occurrence", offense, claim or "suit" for which there is coverage under this policy. However, we will only be considered on notice if you notify us as soon as you know the claim should be addressed by this policy rather than your Workers' Compensation policy.

I. UNINTENTIONAL OMISSIONS

The following is added to paragraph 6. **Representations** of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

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

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

J. MENTAL ANGUISH

Paragraph 3. of **SECTION V – DEFINITIONS** is deleted and replaced by the following:

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

K. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS

Paragraph 8. **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 waive any right of recovery we may have because of payments we make for "bodily injury" or "property damage" arising out of your ongoing operations or "your work" done under a contract requiring such waiver with that person or organization and included in the "products-completed operations hazard".

However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

L. OTHER INSURANCE

When Coverage applies in this General Liability Enhancement Endorsement, no other coverage or limit of insurance in the policy applies to loss or damage insured by this coverage.

M. NON-EMPLOYMENT DISCRIMINATION LIABILITY (DEFENSE WITHIN LIMITS)

The following is added to paragraph 14. "**Personal and advertising injury**" **SECTION V – DEFINITIONS** of **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**:

- h. Non-employment discrimination.

Non-employment discrimination means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations. Non-employment discrimination does not include violation of civil rights arising out of past, present or prospective employment.

Our obligation under the **Personal and Advertising Injury Liability Coverage** to pay non-employment discrimination liability damages on your behalf applies only to the amount of damages in excess of **\$5,000 deductible** as the result of any one offense regardless of the number of persons or organizations who sustain damages because of the offense.

The most we will pay for all damages for non-employment discrimination is **\$15,000 annual aggregate**. No other liability to pay sums or perform acts or services is covered.

Supplemental Payments – Coverages A and B do not apply to non-employment discrimination coverage.

N. ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS OR OTHERS– AUTOMATIC, INCLUDING PRIMARY NON-CONTRIBUTORY

1. **SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you are performing operations when you are obligated by virtue of a written contract or agreement that such person or organization be added as an additional insured on your policy, but only with respect to "bodily injury", "property damage" or "personal and advertising injury" is caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf;
in the performance of your ongoing operations for the additional insured.

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" included within the "products-completed operations hazard".

This insurance does not apply to any additional insured scheduled on your policy by separate endorsement

2. Limits of Insurance

Limits of insurance for such additional insured are the limits in this coverage form or the limits you and such additional insured agreed to by virtue of a contract or agreement, whichever is less. These limits are inclusive of and are not in addition to the Limits Of Insurance shown in the Declarations.

3. Exclusions

A. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

- 1. The rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
 - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
 - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.
- 2. Subject to Paragraph 3. below, professional services include:
 - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
- 3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you or performed by or for the construction manager, its employees or its subcontractors in connection with your ongoing operations.

B. "Bodily injury" or "property damage" occurring after:

- 1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

4. **Primary Non-Contributory**

When required by virtue of a written contract or agreement, coverage provided to any additional insured by **ADDITIONAL INSURED – OWNERS, LESSEES, CONTRACTORS OR OTHERS – ONGOING OPERATIONS – AUTOMATIC, INCLUDING PRIMARY NON CONTRIBUTORY** will be on a primary basis and will not seek contribution from the additional insured's policy.