Travis County Commissioners Court Agenda Request

Meeting Date: September 2, 2014
Prepared By: Tim Speyrer **Phone #:** (512) 854-7218
Division Director/Manager: Charles Bergh, Parks Director

Department Head: Steven M. Manilla, P.E., County Executive-TNR
Sponsoring Court Member: Commissioner Davis, Precinct One

AGENDA LANGUAGE: Consider and take appropriate action to approve a License Agreement with Lufthefe, LLC for the use of East Metropolitan Park as a staging area for the a charity bike ride in Precinct One.

BACKGROUND/SUMMARY OF REQUEST:
The 1400miles bike ride charity event raises money and awareness for prostate cancer. A support fundraising event will be held at East Metropolitan park on Saturday September 13, 2014. A reserved shelter in the park will be used as the beginning and end of four different bike routes that use the roads outside of the park. The group will have catered food and a beer garden for its participants. The sponsor will provide an insurance policy with Travis County listed as other insured.

The 1400miles event has requested permission to have a beer garden at the park during their event. The beer garden will be fenced off and located in a reserved shelter which will only be accessible to participants of legal age. The 1400miles organizer will obtain the required permits from TABC to operate the beer garden and all of the servers working in the beer garden will be TABC certified. No beer will leave the fenced area and the 1400miles event has agreed to hire an off-duty Park Ranger to monitor the beer garden.

The event organizer is coordinating with the Travis County Sheriff's office for course safety on the roads.

This event is in support of the main charity bike ride, in which participants will bike from Austin, TX to Denver, CO. 1400miles.com

STAFF RECOMMENDATIONS:
Staff recommends approval of this request.

ISSUES AND OPPORTUNITIES:

The 1400miles charity ride raises money and awareness for the prevention of prostate cancer and helps provide free prostate exams. The park will still be open to other park visitors during the event.

FISCAL IMPACT AND SOURCE OF FUNDING:

The event will generate reservation fees for the rental of the x-large shelter at East Metropolitan park. The authorization of the event will not have any negative financial impact.

ATTACHMENTS/EXHIBITS:

License Agreement
Certificate of Insurance

REQUIRED AUTHORIZATIONS:

Cynthia McDonald	Financial Manager	TNR	(512) 854-4239
Steven M. Manilla	County Executive	TNR	(512) 854-9429
Roxanne Bonner	Asst. County Attorney	County Attorney	(512) 854-9415
Charles Bergh	Director	Parks	(512) 854-9408

CC:

Daniel Chapman	Chief Park Ranger	Parks	(512) 263-9114
Robert Armistead	Division Manager	Parks	(512) 854-9831
Tim Speyrer	District Manager	Parks	(512) 854-7218
David Greear, P.E.	Engineer	Public Works	(512) 854-7650

: :
4501 - Park Svs -

LICENSE AGREEMENT

STATE OF TEXAS §

COUNTY OF TRAVIS §

This License Agreement (this "Agreement") is made and entered into by and between Travis County, Texas, a political subdivision of the State of Texas ("County") Lufthefe, LLC, a Texas limited liability company ("Licensee").

WITNESSETH

THAT WHEREAS, Licensee desires to use certain property located in that park known as Travis County Northeast Metro Park (the "County Park") for the purpose of holding Licensee's 1400 Miles – Austin Ride, a charitable bike ride for prostate cancer awareness (the "Event"), and County desires to allow Licensee use of the County Park for such purpose; and

WHEREAS, Licensee fully understands the fragile nature of the habitat of the County Park and intends to fully cooperate and take whatever steps are necessary to minimize all impacts upon the various habitats during Licensee's use of the County Park and to restore the County Park to its original condition after Licensee has completed the Event.

NOW, THEREFORE, County and Licensee, in consideration of the mutual promises herein expressed and the compensation herein agreed to be paid, covenant and agree to and with each other as follows:

I. GRANT OF LICENSE

1.1 County hereby grants a license to Licensee and its employees, agents, sponsors, contractors and suppliers, and to Event participants, to enter and use approved areas within the County Park in connection with the Event (the "License"). Approved areas include those roadways, trails, and park areas, together with their associated rights-of-way, hereto and made a part hereof for all purposes. The County Park will remain open to the public during the Event. The License includes the following rights and privileges: (a) the right (granted to Licensee and to third-party vendors, including Event sponsors and concessionaires) to display and sell products, merchandise and novelties, including food and beverage items in designated (pre-approved) areas, and (b), as a deviation from normal County Park rules solely for the duration of the

License Term as defined below, the right to bring alcoholic beverages into the County Park, for a "beer garden" sponsored by local restaurants and permitted in accordance with TABC regulations, serving beer to persons 21 years of age or older.

1.2 All publicity, promotion and distribution rights arising out of or in connection with the Event, including all exhibition, advertising and exploitation products or services created or produced in connection therewith, shall be the sole property of Licensee or its independent contractors, without exception and in perpetuity, and may be exploited in all media and markets and in all forms, whether known, unknown, or hereafter created. The License includes the right to bring onto the County Park and to utilize thereon personnel, personal property, materials and equipment during the term of the License.

1.3 Licensee agrees to make no structural changes to the County Park. However, the License allows for superficial preparation to be made to the County Park to facilitate Licensee's Event needs, including the right to place temporary signage throughout the licensed areas of the County Park; provided, however, the location and appearance of such signage shall be subject to the pre-approval of the Parks Division, as defined below. Licensee agrees to leave the County Park in the same and as good a condition as when it was received, normal wear and tear excepted as determined by existing County parks policy.

1.4 Licensee acknowledges and agrees that Licensee shall be solely responsible at all times for the actions and the safety of those persons utilizing the County Park under this Agreement, including, without limitation, protecting such persons from injury or death and protecting County's property and the property of such persons from loss or damage.

1.5 Licensee agrees to use only designated parking areas, as determined by the Travis County Parks Division of the Transportation and Natural Resources Department (the "Parks Division") representative, to transport and park all vehicles and equipment brought into or onto the County Park by Licensee and its employees, agents, independent contractors and suppliers. At no time will Licensee be permitted to bring onto or into the County Park a number of vehicles that exceeds the capacity of the County Park parking lot, as determined by the Parks Division staff in its sole discretion.

1.6 During the License Term, as such term is defined below, Licensee agrees to take all reasonable measures to minimize noise and any other type of interference with or disruption of normal County Park business, including the use and enjoyment of the County Park by regular County Park visitors.

II. TERM OF LICENSE

2.1 The License is granted for one day, beginning at approximately 7:00 a.m. until approximately 4:00 p.m. on Saturday, September 13, 2014 (the "License Term"). Licensee acknowledges and agrees that such dates and times are subject to postponement and/or rescheduling due to any cause or reason beyond the control of Licensee or as determined to be necessary by County.

III. CONSIDERATION

3.1 In consideration of the License granted hereunder, Licensee shall provide, at its own expense during Licensee's use of the County Park:

(i) all utilities such as electricity, water/wastewater and garbage management and removal (including the provision of additional dumpsters and trash pick-up);

(ii) a sufficient (as determined by the Parks Division) number of portable restrooms in the Licensed Areas so as to satisfy the restroom needs of anticipated Event participants, sponsors and attendees/spectators;

(iii) all traffic control devices, public notices, and signage determined to be necessary by Travis County Parks to aid in notifying the public of the Event, directing traffic and parking vehicles;

(iv) security through employment of Travis County Park Rangers, as reasonably necessary (to be solely determined by the Parks Division) to ensure the safety and integrity of the persons and property brought onto the County Park for the purposes authorized under this Agreement; and

(v) emergency medical personnel through employment of EMS System cleared medics who are certified in CPR and First Aid, as reasonably necessary (to be solely determined by the Parks Division) to ensure the safety and integrity of the persons and property brought onto the County Park for the purposes authorized under this Agreement.

3.2 In addition, all vehicles brought into the County Park for purposes authorized under this Agreement, and all persons entering the County Park for the purpose of participating in, sponsoring, conducting or viewing the licensed activities, will be charged, and Licensee will pay, prior to County Park entry, all normal and customary fees charged to the public.

3.3 With respect to any additional expenses incurred by County above the expenses set forth herein, County shall invoice Licensee for the actual costs so incurred, and Licensee shall remit payment to County for the invoice amounts within thirty (30) days of receipt of invoice(s).

IV. PERMITS

4.1 Licensee shall be solely responsible for the costs and the securing of any permits required by the City of Austin, the Lower Colorado River Authority, or other governmental entities.

V. CONTROL OF TRAVIS COUNTY

5.1 Licensee and its agents shall at all times obey the direction and commands of the Executive Manager of the Travis County Transportation and Natural Resources Department, or his designees (including the Director of the Parks Division and any and all Travis County Park Rangers), while in the County Park.

5.2 Licensee agrees to attend a pre-site meeting with TNR representatives prior to commencement of the Event. Licensee shall be responsible for contacting Timothy Speyrer, or other authorized Parks Division representative, in order to arrange a time and location for such pre-site meeting that is mutually agreeable to the parties.

5.3 Licensee and its agents shall at all times follow the Travis County Parks Rules, which TNR staff shall provide to Licensee prior to commencement of the activities licensed hereunder.

5.4 Licensee and its agents acknowledge and agree that disorderly conduct or assault, as defined by the Texas Penal Code, will not be tolerated. Such actions include, but are not limited to, abusive, indecent, profane or vulgar language that might cause a breach of the peace, or threatening or causing physical contact with someone else who might consider the contact offensive.

5.5 Any disregard of the directions, restrictions, rules or regulations referenced in this section shall be grounds for immediate revocation of the License by the Executive Manager of the Travis County Transportation and Natural Resources Department, the Director of the Parks Division, or their designated representatives, and such action is expressly authorized herein by the Travis County Commissioners Court.

VI. USE AND REPAIRS

6.1 Licensee shall not use the County Park for any purpose other than that set forth herein. Licensee shall repair or replace any damage to the County Park caused by Licensee.

VII. INDEMNIFICATION

7.1 **LICENSEE AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS COUNTY, ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, NEGLIGENCE, CAUSES OF ACTION, SUITS, AND LIABILITY OF ANY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEYS' FEES, FOR INJURY TO OR INJURY TO OR DEATH OF ANY PERSON, FOR ANY ACT OR OMISSION BY LICENSEE, OR FOR DAMAGE TO ANY PROPERTY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR LICENSEE'S USE OF THE COUNTY PARK.**

7.2 Without in any way limiting the liability of Licensee or its obligations under this Agreement, Licensee agrees to maintain during the term of the License Commercial General Liability Insurance with a combined minimum Bodily Injury and Property Damage limits of $600,000 per occurrence and $1,000,000 in the aggregate, with Travis County named as an additional insured. Licensee has provided County with a certificate from its carrier evidencing such insurance, which certificate is attached hereto as **Exhibit A** and made a part hereof.

VIII. SAFETY

8.1 County reserves the right to prohibit persons from entering the County Park at any time safety may be a concern. Licensee shall ensure that emergency medical responder personnel are on-site throughout the License term. All costs and expenses associated with this EMS obligation shall be the sole responsibility of Licensee.

IX. AMENDMENTS

9.1 This Agreement may be amended only by written instrument signed by both County and Licensee. IT IS ACKNOWLEDGED BY LICENSEE THAT NO OFFICER, AGENT, EMPLOYEE OR REPRESENTATIVE OF TRAVIS COUNTY HAS ANY AUTHORITY TO CHANGE OR AMEND THE TERMS OF THIS AGREEMENT OR ANY ATTACHMENTS TO IT OR TO WAIVE ANY BREACH OF THIS AGREEMENT UNLESS EXPRESSLY GRANTED THAT SPECIFIC AUTHORITY BY THE COMMISSIONERS COURT OF TRAVIS COUNTY.

X. NON-ASSIGNMENT OF RIGHTS

10.1 Licensee may not assign this Agreement or any portion or right thereof without the prior written consent of County.

XI. NOTICES

11.1 Any notice to be given hereunder by either party to the other shall be in writing and may be effected by personal delivery, in writing, or registered or certified mail, return receipt requested. Notices shall be sufficient if made or addressed as follows:

If to Licensee:

Davis Tucker
Lufthefe, LLC.
1604 Chatham Avenue
Austin, Texas 78723
(512) 736-5715

If to County:

Honorable Samuel T. Biscoe (or successor in office)
Travis County Judge
P.O. Box 1748
Austin, Texas 78767

And:

Steve Manilla
County Executive
Travis County Transportation and
Natural Resources Department
P.O. Box 1748
Austin, Texas 78767

XII. VENUE AND CHOICE OF LAW

12.1 THE OBLIGATIONS AND UNDERTAKINGS OF EACH OF THE PARTIES TO THIS AGREEMENT SHALL BE PERFORMABLE IN TRAVIS COUNTY, TEXAS, AND THIS LICENSE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

XIII. MEDIATION

13.1 When mediation is acceptable to both parties in resolving a dispute arising under this Agreement, the parties agree to use a mutually agreed upon mediator, or someone appointed by the Court having jurisdiction, for mediation as described in Section 154.023 of the Texas Civil Practice and Remedies Code. Unless both parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation shall remain confidential as described in Section 154.073 of the Texas Civil Practice and Remedies Code, unless both parties agree, in writing, to waive the confidentiality.

XIV. ENTIRETY OF AGREEMENT

14.1 This Agreement represents the sole, entire and integrated Agreement between County and Licensee with respect to the subject matter herein and supersedes all prior negotiations, representations or agreements either oral or written.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date(s) set forth below.

COUNTY:

TRAVIS COUNTY
a political subdivision of the State of Texas

By: _____
Samuel T. Biscoe
Travis County Judge
Date: _____

LICENSEE:

Lufthefe
a Texas limited liability company

By: _____
Name: _____
Title: _____

Date: _____

EXHIBIT A

INSURANCE CERTIFICATE OF LICENSEE

(to be attached)

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 7/1/2014

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. 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
Offenhauser and Co
518 Pine Street
Texarkana TX 75501

CONTACT NAME: Rani Gauriar
PHONE (A/C, No, Ext): (903)793-5511 FAX (A/C, No): (903)792-4050
E-MAIL ADDRESS: rgauriar@fwoins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: United Fire Lloyds	43559
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Lufthefe LLC
10010 Capital Of Texas Highway
Austin TX 78759

COVERAGES CERTIFICATE NUMBER: 14/15 LIA REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC			60446391	5/9/2014	5/9/2015	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 3,000,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	$
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE	$
							AGGREGATE	$
								$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					WC STATU-TORY LIMITS OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Certificate holder is additional insured on General Liability as required by written contract per policy form.

CERTIFICATE HOLDER

Travis County
Tenley Aldredge, Asst. County Attorney
314 W. 11th Street
Austin, TX 78701

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

Scott Bruner/RPG

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Additional Named Insureds

Other Named Insureds	
North by Northwest or NXNW	Other, Doing Business As
RED's Porch	Doing Business As

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TEXAS - EXTENDED ULTRA LIABILITY PLUS ENDORSEMENT

COMMERCIAL GENERAL LIABILITY EXTENSION ENDORSEMENT SUMMARY OF COVERAGES

This is a summary of the various additional coverages and coverage modifications provided by this endorsement. No coverage is provided by this summary.

* Coverage for non-owned watercraft is extended to 51 feet in length
* Voluntary Property Damage Coverage
  $5,000 Occurrence with a $10,000 Aggregate
* Care, Custody and Control Property Damage Coverage
  $25,000 Occurrence with a $100,000 Aggregate - $500 Deductible
* Product Recall Expense
  $25,000 Each Recall Limit with a $50,000 Aggregate - $1,000 Deductible
* Water Damage Legal Liability - $25,000
* Increase in Supplementary Payments: Bail Bonds to $1,000 and Loss of Earnings to $500
* For newly formed or acquired organizations - extend the reporting requirement to 180 days
* Automatic Additional Insured - Owners, Lessees or Contractors - Automatic Status When Required in Construction Agreement With You
* Automatic Additional Insured - Vendors
* Automatic Additional Insured - Lessor of Leased Equipment Automatic Status When Required in Lease Agreement With You
* Automatic Additional Insured - Managers or Lessor of Premises
* Additional Insured - Engineers, Architects or Surveyors Not Engaged by the Named Insured
* Additional Insured – State or Governmental Agency or Subdivision or Political Subdivision – Permits or Authorizations
* Additional Insured – Consolidated Insurance Program (Wrap -Up) Off-Premises Operations Only; Owners, Lessees or Contractors – Automatic Status When Required in Construction Agreement With You
* Additional Insured - Employee Injury to Another Employee
* Primary and Non-Contributory Additional Insured – Limited Parties
* Contractors Blanket Additional Insured – Limited Products – Completed Operations Coverage
* Expanded Fire Legal Liability to include Explosion, Lightning and Sprinkler Leakage
* Automatically included - Aggregate Limits of Insurance (per location)
* Automatically included - Aggregate Limits of Insurance (per project)
* Knowledge of occurrence - Knowledge of an "occurrence", "claim or suit" by your agent, servant or employee shall not in itself constitute knowledge of the named insured unless an officer of the named insured has received such notice from the agent, servant or employee.
* Unintentional failure to disclose all hazards. 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.
* Liberalization Condition
* Mobile equipment to include snow removal, road maintenance and street cleaning equipment less than 1,000 lbs GVW
* Blanket Waiver of Subrogation
* Property Damage - Borrowed Equipment
* Property Damage Liability - Elevators
* Bodily Injury Redefined
* Extended Property Damage
* Damage to Media Legal Liability - $50,000
* Designated Operations Covered by a Consolidated (Wrap -Up) Insurance Program – Limited Coverage
* "Insured Contract" redefined for Limited Railroad Contractual Liability

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REFER TO THE ACTUAL ENDORSEMENT FOLLOWING ON PAGES 2 THROUGH 17 FOR CHANGES AFFECTING YOUR INSURANCE PROTECTION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTENDED ULTRA LIABILITY PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

The Following changes are made to 2. Exclusions:

Extended Property Damage

Exclusion 2.a.: Expected or Intended Injury is replaced with 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.

Extended Watercraft Coverage

Exclusion **g.(2)** is deleted and replaced by the following:

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

(a) Less than 51 feet long;

(b) Not being used to carry persons or property for a charge,

Property Damage Liability - Borrowed Equipment

The following is added to Exclusion j.:

Paragraph **(4)** of this exclusion does not apply to "property damage" to borrowed equipment while at a jobsite and while not being used to perform operations. The most we will pay for "property damage" to any one borrowed equipment item under this coverage is $25,000 per occurrence. The insurance afforded under this provision is excess over any valid and collectible property insurance (including deductible) available to the insured, whether primary, excess, contingent or on any other basis.

Property Damage Liability - Elevators

The following is added to Exclusion j.:

Under Paragraph **2.** Exclusions of Coverage **A.** "Bodily Injury" and "Property Damage" Liability Paragraphs 3, 4 & 6 of this exclusion do not apply to "property damage" resulting from the use of elevators. However, any insurance provided for such "property damage" is excess over any valid and collectible property insurance (including deductible) available to the insured, whether primary, excess, contingent or on any other basis.

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The last paragraph of Item 2. Exclusions is deleted and replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, explosion, lightning, smoke resulting from such fire, explosion, or lightning or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of this owner. A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.

THE FOLLOWING COVERAGES ARE ADDED:

Voluntary Property Damage Coverage

The insurance provided under Coverage A (Section I) is amended to include "property damage" to property of others caused by the insured:

a. While in your possession; or

b. Arising out of "your work".

Coverage applies at the request of the insured, whether or not the insured is legally obligated to pay.

For the purposes of this Voluntary Property Damage Coverage only:

1. Exclusion **j.** Damage to Property under Coverage A (Section I) is deleted and replaced by the following:

   j. Damage to Property

   "Property damage" to:

   (1) Property held by the insured for servicing, repair, storage or sale at premises you own, rent, lease, operate or use;

   (2) Property transported by or damage caused by any "automobile", "watercraft" or "aircraft" you own, hire or lease;

   (3) Property you own, rent, lease, borrow or use.

Care, Custody and Control Property Damage Coverage

For the purpose of this Care, Custody and Control Property Damage Coverage only:

1. Item **(4)** of Exclusion **j.** of Coverage **A (Section I)** does not apply.

COVERAGE M. DAMAGE TO MEDIA LEGAL LIABILITY

1. **Insuring Agreement**

   a. We will pay those sums that the insured becomes legally obligated to pay as damages because of damage to "electronic data" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "electronic data" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

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(1) The amount we will pay for damages is limited to $50,000.

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage or any other applicable coverage or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to damages to "electronic data" only if:

(1) The damage to "electronic data" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The damage to "electronic data" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the damage to "electronic data" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the damage to "electronic data" occurred, then any continuation, change or resumption of such damage to "electronic data" during or after the policy period will deemed to have been known prior to the policy period.

c. Damage to "electronic data" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.** of Section **II** - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that damage to "electronic data" after the end of the policy period.

d. Damage to "electronic data" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1** of Section **II** - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all or any part, of the damage to "electronic data" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the damage to "electronic data"; or

(3) Becomes aware by any other means that damage to "electronic data" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. **Expected Or Intended Injury**

Damage to "electronic data" expected or intended from the standpoint of the insured.

b. **Contractual Liability**

Damage to "electronic data" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract of agreement.

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c. Pollution

Damage to "electronic data" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

d. Aircraft, Auto, Watercraft or Mobile Equipment

Damage to "electronic data" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

e. War

Damage to "electronic data" however caused, arising directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, evolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

f. Damage To Property

Damage to "electronic data" that is:

(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) Property loaned to you;

(3) Personal property in the care, custody or control of the insured;

(4) 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

(5) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

g. Damage To Your Product

Damage to "electronic data" in "your product" or arising out of it or any part of it.

h. Damage To Your Work

Damage to "electronic data" in "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

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i. Damage To Impaired Property Or Property Not Physically Injured

Damage to "electronic data" in "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

j. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

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

k. Personal And Advertising Injury

Damage to "electronic data" arising out of "personal and advertising injury".

COVERAGE R. PRODUCT RECALL EXPENSE

1. Insuring Agreement

a. We will pay 90% of "product recall expense" you incur as a result of a "product recall" you initiate during the coverage period.

b. We will only pay for "product recall expense" arising out of "your products" which have been physically relinquished to others.

The most we will pay is $25,000 for Each Recall Limit subject to a $50,000 Aggregate.

a. The Aggregate Limit shown above is the most we will pay for the sum of all "product recall expense" you incur as a result of all "product recalls" you initiate during the endorsement period.

b. The Each Product Recall Limit shown above is the most we will pay, subject to the Aggregate and $1,000 deductible, for "product recall expense" you incur for any one "product recall" you initiate during the endorsement period.

2. Exclusions

This insurance does not apply to "product recall expense" arising out of:

a. Any fact, circumstance or situation which existed at the inception date of the policy and which you were aware of, or could reasonably have foreseen that would have resulted in a "product recall".

b. Deterioration, decomposition or transformation of a chemical nature, except if caused by an error in the manufacture, design, processing, storage, or transportation of "your product".

c. The withdrawal of similar products or batches that are not defective, when a defect in another product or batch has been found.

d. Act, errors or omissions of any of your employees, done with prior knowlege of any of your officers or directors.

e. Inherent vice, meaning a natural condition of property that causes it to deteriorate or become damaged.

f. "Bodily injury" or "property damage"..

g. Failure of "your product" to accomplish its intended purpose, including any breach of warranty of fitness, quality, efficacy or efficiency, whether written or implied.

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h. Loss of reputation, customer faith of approval, or any costs incurred to regain customer market, or any other consquential damages.

i. Legal fees or expenses.

j. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use of "your product".

k. "Product recall expsense" arising from the "product recall" of any of "your products" for which coverage is excluded by endorsement.

l. "Product recall expsense" arising from the "product recall" of any of "your products" on or after the designated shelf life has expired.

3. **Loss Payment**

With respect to Coverage R, the following conditions apply:

a. **Claims Handling**

(1) Within 15 days after we receive written notice of claim, we will:

(a) Acknowlege receipt of the claim. If we do not acknowledge receipt of the claim in writing, we will keep a record of the date, method and content of the acknowledgment;

(b) Begin any investigation of the claim; and

(c) Request a signed, sworn proof of loss, specify the information you must provide and supply you with the necessary forms. We may request more information at a later date, if during the investigation of the claim such additional information is necessary.

(2) We will notify you in writing as to whether:

(a) The claim or part of the claim will be paid;

(b) The claim or part of the claim has been denied, and inform you of the reasons for denial;

(c) More information is necessary; or

(d) We need additional time to reach a decision. If we need additional time, we will inform you of the reasons for such need.

We will provide notification, as described in (2)(a) through (2)(d) above, within:

(i) 15 business days after we receive the signed, sworn proof of loss and all information we requested; or

(ii) 30 days after we receive the signed, sworn proof of loss and all information we requested, if we have reason to believe the loss resulted from arson.

If we have notified you that we need additional time to reach a decision, we must then either approve or deny the claim within 45 days of such notice.

b. We will pay for covered loss or damage within 5 business days after:

(1) We have notified you that payment of the claim or part of the claim will be made and have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

However, if payment of the claim or part of the claim is conditioned on your compliance with any of the terms of this policy, we will make payment within 5 business days after the date you have complied with such terms.

c. **Catastrophic Claims**

If a claim results from a weather related catastrophe or a major natural disaster, the claim handling and claim payment deadlines described in **a.** and **b.** above are extended for an additional 15 days.
Catastrophe or Major Natural Disaster means a weather related event which is:

(1) Declared a disaster under the Texas Disaster Act of 1975; or

(2) Determined to be a catstrophe by the State Board of Insurance.

d. The term "business day", as used in this endorsement, means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

e. We will issue loss payment to the first Named Insured shown in the Declarations and any mortgagee or loss payee as designated.

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COVERAGE W - WATER DAMAGE LEGAL LIABILITY

The Insurance provided under Coverage **W** (Section I) applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

The Limit under this coverage shall not be in addition to the Damage To Premises Rented To You Limit.

COVERAGE X – DESIGNATED OPERATIONS COVERED BY A CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM

The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

This insurance does not apply to "bodily injury" or "property damage" arising out either your ongoing operations or operations included within the "products-completed operations hazard" for any "consolidated (Wrap-up) insurance program" which has been provided by the prime contractor / project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not a consolidated (Wrap-up) insurance program:

a. Provides coverage idenitcal to that provided by this Coverage Part; or

b. Has limits adequate to cover all claims

This exclusion does not apply if a "consolidated (Wrap-up) insurance program" covering your operations has been cancelled, non-renewed or otherwise no longer applies for reasons other than exhaustion of all available limits, whether such limits are available on a primary, excess or on any other basis. You must advise us of such cancellation, nonrenewal or termination as soon as practicable.

For purposes of this exclusion a "consolidated insurance program" is a program providing insurance coverage to all parties for exposures involved with a particular (typically major) construction project.

SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B is amended to read **SUPPLEMENTARY PAYMENTS**; and

Items 1.b. and 1.d are amended as follows:

b. Up to $1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

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.

SECTION II - BROAD FORM NAMED INSURED

1. Section **II** – Who Is An Insured is amended to include as an insured any legally incorporated entity of which you own more than 50 percent of the voting stock during the policy period.
2. For the purpose of the coverage provided by this provision only, the following is added to Condition **4.b.** Excess Insurance, under Section IV - Commercial General Liability Conditions: This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to an insured solely by reason of ownership by you of more than 50 percent of the voting stock.
3. This provision does not apply to a policy written to apply specifically in excess of this policy.

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Item 4.a. is deleted and replaced by the following:

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.

The following are added:

5. Additional Insured - Owners, Lessees or Contractors - Automatic Status When Required in Construction or Service Agreement With You

a. Any person or organization for whom you are performing operations when you have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to your liability which may be imputed to that person or organization directly arising out of "your work" at the location designated and described in the written contract or written agreement performed for that person or organization for your ongoing operations and liability included in the "products-completed operations hazard". A person's or organization's status as an insured for your ongoing operations under this endorsement ends when your operations for that insured are completed.

b. When coverage provided under this endorsement applies to "bodily injury" or "property damage" arising out of the "products-completed operations hazard":

(1). Such coverage will not apply subsequent to the first to occur of the following:

(i) The expiration of the period of time required by the written contract or written agreement;

(ii) Five years from the completion of "your work" on the project that is the subject of the written contract or written agreement.

(iii) The expiration of any applicable statute of limitations or statute or repose with respect to claims arising out of "your work"

(2). Such coverage will not exceed the limits of liability required by the written contract or written agreement even if the limits of liability stated in the policy exceed those limits. This endorsement shall not increase the limits stated in **Section III – LIMITS OF INSURANCE.**

c. With respect to the insurance afforded these additional insureds, the following additional exclusion applies: This insurance does not apply to:

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

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

(2) Supervisory, inspection, architectural or engineering activities.

6. Additional Insured - Vendors

Any person or organization (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products", which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

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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 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 of container, entering into, accompanying or containing such products.

7. **Additional Insured - Lessor of Leased Equipment - Automatic Status When Required in Lease Agreement With You**

a. Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured, but only with respect to your liability arising out of the maintenance, operation or use of such leased equipment which may be imputed to that person or organization as the lessor of equipment. A person's or organization's status as an insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

b. With respect to the insurance afforded these additional insureds, the following additional exclusion apply:

(1) To any "occurrence" which takes place;

(2) To "bodily injury" or "property damage" arising out of the sole negligence of such person or organization.

8. **Additional Insured - Managers or Lessors of Premises**

Any person or organization, but only with respect to the liability arising out of 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 any:

a. Any "occurrence" which takes place after you cease to be a tenant in that premises.

b. Structural alterations, new construction or demolition operations perfomed by or on behalf of any person or organization

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9. Additional Insured - Engineers, Architects or Surveyors Not Engaged by the Named Insured

Coverage is provided only when the insured is contractually required to add the engineer, architect or surveyor. Coverage is provided with respect to your liability for "bodily injury" or "property damage" or "personal and advertising injury" directly arising out of:

a. Your acts or omissions; or

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

In the performance of your ongoing operations for that additional insured(s).

10. Additional Insured – State or Governmental Agency or Subdivision or Political Subdivision – Permits or Authorizations

Any state or governmental agency or subdivision or political subdivision when you have agreed in writing in a contract or agreement that such entities be added as an additional insured on your policy subject to the following provisions:

a. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

b. This insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(2) "Bodily injury" or "property damage" included within the "projects-completed operations hazard".

11. Additional Insured Consolidated Insurance Program (Wrap-Up) Off-Premises Operations Only: Owners, Lessees or Contractors

a. Any persons or organizations for whom you are performing operations, for which you have elected to seek coverage under a Consolidated Insurance Program, when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to your liability which may be imputed to that person or organization directly arising out of your ongoing operations performed for that person or organization at a premises other than any project or location that is designated as covered under a Consolidated Insurance Program. A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies. This insurance does not apply to:

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

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

(2) Supervisory, inspection.

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12. Additional Insured - Employee Injury to Another Employee

With respect to your "employees" who occupy positions which are supervisory in nature:

Paragraph **2.a.(1)** of this section is amended to read:

(1) "Bodily injury" or "personal and advertising injury"

a. To you, to your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company);

b. For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraph **(1)(a)** above; or

c. Arising out of his or her providing or failing to provide professional health care services. Paragraph 3.a. is deleted.

For the purpose of this **Item 12** only, a position is deemed to be supervisory in nature if that person performs principal work which is substantially different from that of his or her subordinates and has authority to hire, direct, discipline or discharge.

13. Applicability of Additional Insured Coverage

A. Commercial General Liability Conditions (Section **IV**), Paragraph **4.** (Other Insurance) is deleted and replaced by the following:

4. Other Insurance

If valid and collectible "other insurance" is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary and non-contributory for those parties listed below:

(1) Owners, Lessess or Contractors when required in written construction agreement with you.
(2) Manager or Lessors of Premises when required in written lease agreement with you.
(3) Engineers, Architects or Surveyors not engaged by the named insured when required in written construction agreement with you.
(4) State or Governmental Agency or Subdivision or Political Subdivision – Permits or Authorizations

For all other insureds this insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the "other insurance" is also primary. Then, we will share with all that "other insurance" by the method described in **c.** below.

b. Excess Insurance

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

(1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk, or similar coverage for "your work";

(2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

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(3) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(4) If the loss arises out of the maintenance or use of aircraft, "autos", or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury and Property Damage Liability; or

(5) That is available to the insured when the insured is an additional insured under any other policy, including any umbrella or excess policy.

(6) That is provided to any person or organization who qualifies as an additional insured herein, except when you and that person or organization have agreed in writing that this insurance shall be primary.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any provider of "other insurance" has a duty to defend the insured against that "suit". If no provider of "other insurance" defends, we will undertake to do so, but we will be entitled to the insured's rights against all those providers of "other insurance".

When this insurance is excess over "other insurance", we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such "other insurance" would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under that "other insurance".

We will share the remaining loss, if any, with any "other insurance" that is not described in this Excess Insurance provision.

c. Method of Sharing

If all of the "other insurance" permits contribution by equal shares, we will follow this method also. Under this approach each provider of insurance contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the "other insurance" does not permit contribution by equal shares, we will contribute by limits. Under this method, the share of each provider of insurance is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all providers of insurance.

B. As a condition of coverage under this endorsement, each additional insured must:

a. Give us prompt written notice of any "occurrence" which may result in a claim and prompt written notice of "suit".

b. Immediately forward all legal papers to us, cooperate in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with policy conditions.

c. Tender the defense and indemnity of any claim or "suit" to any other insurer which also insures against a loss we cover under this endorsement. This includes, but is not limited to, any insurer which has issued a policy of insurance in which the additional insured qualifies as an insured. For the purpose of this requirement, the term "insures against" refers to any self-insurance and to any insurer which issued a policy of insurance that may provide coverage for the loss, regardless of whether the additional insured has actually requested that the insurer provide the additional insured with a defense and/or indemnity under that policy of insurance.

d. Agree to make available any other insurance that the additional insured has for a loss we cover under this endorsement.

C. For the purposes of this insurance coverage provided by this **Item 13** only, the following definition is added to DEFINITIONS (Section V):

"Other Insurance":

a. Means insurance, or the funding of losses, that is provided by, through or on behalf of:

(1) Another insurance company;

(2) Us or any of our affiliated insurance companies, except when the Non-cumulation of Each Occurrence Limit section of Paragraph **5** LIMITS OF INSURANCE (Section III) or the Non- cumulation of Personal and Advertising Injury limits sections of Paragraph **4** of LIMITS OF INSURANCE (Section III) applies;

(3) Any risk retention group;

(4) Any self-insurance method or program, other than any funded by you and over which the Coverage Part applies; or

(5) Any similar risk transfer or risk management method.

b. Does not include umbrella insurance, or excess insurance, that you bought specifically to apply in excess of the Limits of Insurance shown on the Declarations of this Coverage Part.

SECTION III - LIMITS OF INSURANCE

Items 2, 3, and 6 are deleted and replaced by the following:

2. The General Aggregate Limit is the most we will pay for the sum of:
   a. Medical expenses under Coverage C;
   b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard",
   c. Damages under Coverage **B**; and
   d. Damages under Coverage W.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
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 the case of damage by fire, explosion, lightning, smoke resulting from each fire, explosion, or lightning or sprinkler leakage while rented to you or temporarily occupied by you with permission of the owner.

The following are added:

8. Subject to 5. above, $25,000 is the most we will pay for Under Coverage W for Water Damage Legal Liability.

9. **Aggregate Limits of Insurance (Per Location)**

   The General Aggregate Limit applies separately to each of your "locations" owned by or rented to you or temporarily occupied by you with the permission of the owner.

   "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.

10. **Aggregate Limits of Insurance (Per Project)**

    The General Aggregate Limit applies separately to each of your projects away from premises owned by or rented to you.

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11. Subject to **5.** above, a $5,000 "occurrence" limit and a $10,000 "aggregate" limit is the most we will pay under Coverage A for damages because of "property damage" covered under Voluntary Property Damage Coverage.

12. Subject to **5.** above, a $25,000 "occurrence" limit and a $100,000 "aggregate" limit is the most we will pay under Care, Custody and Control Coverage regardless of the number of:

    a. Insureds;

    b. Claims made or "suits" brought; or

    c. Persons or organizations making claims or bringing "suits".

    Deductible - Our obligation to pay damages on your behalf applies only to the amount of damages in excess of $500.

    This deductible applies to all damages because of "property damage" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain damages because of that "occurrence".

    We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

    As respects this coverage "Aggregate" is the maximum amount we will pay for all covered "occurrences" during one policy period.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

Condition 2., Items a. and b. are deleted and replaced by the following:

2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**

    a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. Knowledge of an "occurrence" by your agent, servant or employee shall not in itself constitute knowledge of the named insured unless an officer of the named insured has received such notice from the agent, servant or employee. To the extent possible, notice should include:

        (1) How, when and where the "occurrence" took place;

        (2) The names and addresses of any injured persons and witnesses, and

        (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

    b. If a claim is made or "suit" is brought against any insured, you must:

        (1) Immediately record the specifics of the claim or "suit" and the date received; and

        (2) Notify us as soon as practicable.

        You must see to it that we recieve written notice of the claim or "suit" as soon as practicable. Knowledge of a claim or "suit" by your agent, servant or employee shall not in itself constiture knowledge of the named insured unless an officer of the named insured has received such notice from the agent, servant or employee.

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Condition 2.c.(5) is added:

(5) Upon our request, replace or repair the property covered under Voluntary Property Damage Coverage at your actual cost, excluding profit or overhead.

Conditions 10., 11. and 12. are added:

10. Blanket Waiver Of Subrogation

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of: premises owned or occupied by or rented or loaned to you, ongoing operations performed by you or on your behalf, done under a contract with that person or organization, "your work", or "your products". We waive this right where you have agreed to do so as part of a written contract, executed by you before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed.

11. If a revision to this Coverage Part, which would provide more coverage with no additional premium becomes effective during the policy period in the state designated for the first Named Insured shown in the Declarations, your policy will automatically provide this additional coverage on the effective date of the revision.

12. Based on our reliance on your representations as to existing hazards, if you unintentionally should fail to disclose all such hazards at the inception date of your policy, we will not deny coverage under this Coverage Part 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.

The following conditions are added in regard to Coverage R - Product Recall Expense

In event of a "product recall", you must

1. See to it that we are notified as soon as practicable of a "product recall". To the extent possible, notice should include how, when and where the "product recall" took place and estimated "product recall expense".
2. Take all reasonable steps to minimize "product recall expense". This will not increase the limits of insurance.
3. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. Your answers must be signed.
4. Permit us to inspect and obtain other information proving the loss. You must send us a signed, sworn statement of loss containing the information we request to investigate the claim. You must do this within 60 days after our request.
5. Cooperate with us in the investigation or settlement of any claim.
6. Assist us upon our request, in the enforcement of any rights against any person or organization which may be liable to you because of loss to which this insurance applies.

The following conditions are applicable only to coverage afforded by reason of the redefining of an "insured contract":

1. Railroad Protective Liability coverage provided by ISO form CG 0035 with minimum limits of $2,000,000 per occurrence and a $6,000,000 general aggregate limit must be in place for the entire duration of any project.
2. Any amendment to the Other Insurance condition of form CG 0035 alters the primacy of the coverage or which impairs our right to contribution will void any coverage afforded by the redefined "insured contract" language.
3. For the purposes of the Other Insurance condition of form CG 0035 you, the named insured, will be deemed to be the designated contractor.

SECTION V - DEFINITIONS

The following is added to Item 12 Mobile Equipment

e. Vehicles with equipment for snow removal, road maintenance and street cleaning less than 1,000 lbs GVW.

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The following definitions are added for this endorsement only:

3. **Bodily Injury Redefined**

   Under V-Definitions, definition **3.** is deleted and replaced with the following:

3. "bodily injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

9. **"Insured Contract" Redefined**

   Under V-Definitions, **9.c.** is deleted and replaced with the following:

   c. Any easement of license agreement;

   AND

   f(1). is deleted

23. **"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, tape drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

24. **"Product recall"** means a withdrawal or removal from the market of "your product" based on the determination by you or any regulatory or governmental agency that:

    (1) The use or consumption of "your product" has caused or will cause actual or alleged "bodily injury" or "property damage"; and

    (2) Such determination requires you to recover possession or control of "your product" from any distributor, purchaser or user, to repair or replace "your product", but only if "your product" is unfit for use or consumption, or is hazardous as a result of:

    (a) An error or omission by an insured in the design, manufacturing, processing, labeling, storage, or transportation of "your product"; or

    (b) Actual or alleged intentional, malicious or wrongful alteration or contamination of "your product" by someone other than you.

25. **"Product recall expense"** means reasonable and necessary expenses for:

    (1) Telephone, radio and television communication and printed advertisements, including stationery, envelopes and postage.

    (2) Transporting recalled products from any purchaser, distributor or user, to locations designated by you.

    (3) Remuneration paid to your employees for overtime, as well as remuneration paid to additional employees or independent contractors you hire.

    (4) Transportation and accommodation expense incurred by your employees.

    (5) Rental expense incurred for temporary locations used to store recalled products.

    (6) Expense incurred to properly dispose of recalled products, including packaging that cannot be reused.

    (7) Transportation expenses incurred to replace recalled products.

    (8) Repairing, redistributing or replacing covered recalled products with like products or substitutes, not to exceed your original cost of manufacturing, processing, acquisition and/or distribution.

    These expenses must be incurred as a result of a "product recall".

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