

AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This agreement for the provision of services associated with special tax services for community facilities districts. ("Agreement") is made and entered in this October 15, 2015 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and Albert A Webb Associates ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant to provide special tax services for Community Facilities District No. 2004-1 for City's Municipal Utilities and Engineering Department (the "Services").
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

- 2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Services," which is attached hereto and incorporated herein by reference.
- 2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to State prevailing wage laws.

ARTICLE 3 – RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.
- 3.2 City designates Chris Diggs, Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

- 4.1 Consultant shall perform and complete the Services in a prompt and diligent manner in accordance with the schedule set forth in Exhibit "B," entitled "Project Schedule," which is attached hereto and incorporated herein by reference.

- 4.2 If Consultant's Services include deliverable electronic visual presentation materials, such materials shall be delivered in a form, and made available to the City, consistent with City Council adopted policy for the same. It shall be the obligation of Consultant to obtain a copy of such policy from City Staff.

ARTICLE 5 – PAYMENTS TO CONSULTANT

- 5.1 The total compensation for Consultant's performance of the Services shall not exceed the amount Twenty Five Thousand Dollars (\$25,000.00). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance with Exhibit "C" entitled "Project Costs and Hourly Rates." Exhibit "C" is attached hereto and incorporated herein by this reference.
- 5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the project. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.
- 5.3 Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile, if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

City

Chris Diggs, Director
Municipal Utilities and Engineering
City of Redlands
35 Cajon Street, Suite 15A
PO. Box 3005 (mailing)
Redlands, CA 92373

Consultant

Albert A. Webb Associates
Shane Spicer, Director of Municipal Finance
3788 McCray Street
Riverside, CA 92506

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

- 6.1 Insurance required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.

- 6.2 Workers' Compensation and Employer's Liability insurance in the amount that meets statutory requirements with an insurance carrier acceptable to City, or certification to City that Consultant is self-insured or exempt from the workers' compensation laws of the State of California. Consultant shall provide City with Exhibit "D," entitled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference prior to occupancy of the Premises.
- 6.3 Consultant shall secure and maintain comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.
- 6.4 Consultant shall secure and maintain professional liability insurance throughout the term of this Agreement in the amount of One Million Dollars (\$1,000,000) per claim made.
- 6.5 Consultant shall have business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City.
- 6.6 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any negligent act or omission by, or the willful misconduct of, Consultant, or its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

- 7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.
- 7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make a governmental decision whether to:

- (i) approve a rate, rule or regulation, or adopt or enforce a City law;
- (ii) issue, deny, suspend or revoke any City permit, license, application, certification, approval, order or similar authorization or entitlement;
- (iii) authorize the City to enter into, modify or renew a contract;
- (iv) grant City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
- (v) grant City approval to a plan, design, report, study or similar item;
- (vi) adopt or grant City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

7.3 In the event City officially determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, Statement of Economic Interests, with the City Clerk's office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

- 8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms and conditions of this Agreement.
- 8.3 Records, drawings, designs, cost estimates, electronic data files, databases and any other documents developed by Consultant in connection with its performance of the Services, and any copyright interest in such documents, shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City. Any reuse of such documents, and any use of incomplete documents, shall be at City's sole risk.
- 8.4 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity

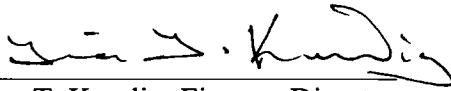
whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

- 8.5 Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City. This Agreement may be terminated by City, in its sole discretion, by providing not less than five (5) days prior written notice to Consultant of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.
- 8.6 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.
- 8.7 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.
- 8.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 8.9 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

ALBERT A. WEBB ASSOCIATES

By: 
Tina T. Kundig, Finance Director

By: 
Shane Spicer, Director of Municipal
Finance

Attest:

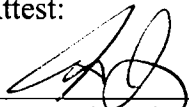

Sam Irwin, City Clerk

EXHIBIT "A"

SCOPE OF SERVICES

1. ADMINISTRATION SERVICES

Task 1.1 – Land Use Research: Consultant will use all resources available including the San Bernardino County equalized roll data, shape file data for our in-house GIS platform, and regular parcel data updates from the Assessor's Offices.

Task 1.1.A – Subdivision Research: Consultant will identify and obtains copies of all final tract or parcel maps recorded within the boundaries of the CFD. Consultant will verify this information with the additional resources available.

Task 1.1.B – Development Research: Consultant will conduct development research to identify building permit issuance, building square footage and sites address for the new buildings. Upon determination of this information, Consultant will provide City with related GIS Data to be used for its own GIS database.

Task 1.1.C – Assessor's Parcel Research: Consultant will review current Assessor's Parcel Maps for updating the APN's within the District.

Task 1.1.C.1 – Levy Audit Maps: Consultant will generate annual Audit Maps and provides them to City depicting the current year's levied properties within the boundaries of the CFD through the implementation of Consultant's GIS platform in combination with our WebbSTAR.

Task 1.1.D – Database Management: Consultant will utilize its Special Tax and Assessment Resources (WebbSTAR) Software to maintain a comprehensive database of the District and Parcel information in a form such that the annual levy submission to San Bernardino County will follow the guidelines as outlined in the County's fixed charge submission packet. WebbSTAR will maintain all data related to individual parcels including special tax and assessment information, a regularly updated delinquency history (delinquent amounts for each parcel including penalties and interest, reference to those referred to foreclosure action, and paid prior year delinquency information), current property ownership information, assessed valuation information, and other relevant information.

Task 1.2 – Classification of Property: Consultant will determine the appropriate property classification in accordance to the Rate and Method of Apportionment. Consultant will review the land use code information from the latest equalized roll for San Bernardino County and updates the WebbSTAR database for the Special Tax calculations annually.

Task 1.2.A – Exempt Property: Consultant will identify all property owned by public agencies or entities exempt from the special tax and classifies them in accordance to the Rate and Method of Apportionment. Consultant will communicate these classifications to City and reports them on our Annual Levy Detail reports. Consultant will confirm the

location of these properties using Consultant's GIS database and illustrate them on our Annual Audit Map.

Task 1.2.B – Taxable Property: Consultant will identify all taxable properties and classify them in accordance with the Rate and Method of Apportionment. Consultant will communicate with City these classifications and report them on Consultant's Annual Levy Detail reports. Consultant will confirm the location of these properties using our GIS database and illustrate them on our Annual Audit Map.

Task 1.3 – Financial Analysis: Consultant will apply the Rate and Method of Apportionment and calculate the annual Special Taxes to be levied for the current Fiscal Year. Consultant will report this information to City to assist in the budget review process.

Task 1.3.A – Special Tax Requirement: Consultant will review the Special Tax Requirement as it is defined in the Rate and Method of Apportionment.

Task 1.3.B – Special Tax Rates: With the use of WebbSTAR software, Consultant will calculate the Special Tax rates for all classifications and report this information to City prior to submittal to the San Bernardino County Auditor's-Controller's Office.

Task 1.4 – Report Preparation: Once finalized, Consultant will provide City with a hard copy and an electronic copy of the Annual Levy Report containing the information used to calculate the annual installment amount for each parcel, as well as a summary of the total annual levy for the CFD.

Task 1.5 – Enrollment of Special Taxes: In consultation with City, Consultant will determine the Levy requirement for the current Fiscal Year on or before August 10. Consultant will calculate and prepare the annual levy for the CFD in a format and media acceptable for direct submission to the Auditor-Controller's Office prior to the statutory deadline, and shall perform adjustments and corrections to the levies on the property tax rolls as necessary.

Task 1.6 – Roll Changes and Adjusted Property Tax Bills: Upon determination that changes to the secured tax roll necessitate corrections/revisions after the deadline, Consultant will research, recalculate, and with City's approval, rectify the issue.

Task 1.7 – Responses to Property Owner Questions: Consultant will serve as the initial and primary contact to the District property owners, title companies and other interested parties regarding the CFD proceedings and annual installments. A toll free telephone number, of City's designation, will appear on the regular property tax billing, next to the CFD, to facilitate contact with the public.

Task 1.7.A – Toll Free Number: Consultant will provide a toll free phone number for the City to refer property owners, title companies and other interested parties to in regard to CFD proceedings and annual installments.

Task 1.8 – Disclosure: Consultant will prepare for City approval any State and/or Federal Disclosure reporting requirements pertaining to the CFD, if applicable.

Task 1.8.A – Electronic Format: Consultant will provide an electronic and hard copies of each report, as well as a hard copy of each report, to City for internal use.

2. ANNEXATION SERVICES

Task 2.1 – Annexation Boundary Map: Consultant will prepare the Annexation Boundary Map, illustrating the boundaries of territory proposed for inclusion in the district, capturing the entirety of any parcel subject to taxation by the district. The map shall meet the requirements of the Mello-Roos Act and the San Bernardino County Recorder's Office. Additionally, Consultant will record the map with the Recorder's Office.

Task 2.1.A – Statement of Engineer: Consultant will review and sign a Statement of Engineer, stating that a registered engineer supervised the preparation of the map of the boundaries, and verifying the acreage and owner information included in the annexation.

Task 2.2 – Gathering Information: Consultant will meet with City staff, legal counsel, consultants and project proponents to confirm the annexation schedule of events, procedural and financial considerations, establish the appropriate land use classifications, and discuss and identify the boundaries of the proposed annexation.

Task 2.2.A – Data Collection: Consultant will obtain the latest assessor's parcel maps and equalized tax roll information from the San Bernardino County Assessor's Office for the parcels within the proposed Districts, and Geographic Information System (GIS) shape files for our in-house GIS platform for the annexation.

Task 2.2.B – Maintenance Data: Consultant will coordinate with City in determining what the necessary levels of services that would be required for proper allocation per the Rate and Method of Apportionment for the annexation.

Task 2.3 – Consulting Services: Consultant will provide consulting services and advice to City as necessary. This includes due diligence to ensure accuracy in the process, and provide clear written documentation in our approach to structuring the Rate and Method of Apportionment and the Special Tax roll. To assure and maintain quality assurance, Consultant has instituted an internal auditing and review policy that requires a minimum of two individuals with the appropriate expertise to review and audit any information prior to dissemination of that information to the client.

Task 2.3.A – Meetings: Consultant will attend two meetings or hearings held for the purpose of disseminating information to the public, including attending property owner meetings requested for homeowner associations (HOA) that may request to annex into the CFD. Prior to such meetings or hearings, Consultant will be prepared to make a complete and factual presentation. Consultant will also attend two public meetings, as required by the appropriate improvement act(s), fully prepared to present necessary testimony and respond to public comments.

Task 2.4 – Landowner Election: Consultant will prepare a list of the owner names and acreages and obtain a certificate from the Registrar of Voters whether confirming there are, or are not, registered voters within the boundaries of the annexation.

Task 2.5 – Notice of Special Tax Lien: Consultant will provide a list of Assessor’s Parcel for the Notice of Special Tax Lien and record the notices.

If additional effort is required for a particular annexation outside of the standard scope of services, then Consultant will inform City of the status of the annexation and upon authorization will proceed with completing the annexation using the Mitigating Annexation Cost listed in Exhibit “C”.

EXHIBIT "B"

PROJECT SCHEDULE

CFD No. 2004-1 Annual Administration

Consultant shall prepare annual assessments for CFD 2004-1 within an appropriate timeframe to allow for the assessment to be approved by the City Council and appropriately transmitted to the County of San Bernardino Tax Assessor.

Annexation Services

Consultant shall perform annexation services on an as-needed basis.

EXHIBIT "C"

PROJECT COSTS AND HOURLY RATES

Proposed Not-to-Exceed Fee Schedule

CFD No. 2004-1 Annual Administration \$2,500
Plus \$200 per annexation as they occur, after July 1, 2015

Annexation Services (per annex)	\$3,500
Mitigating Annexation Cost	\$1,500

Services will be billed at the hourly rates set forth in Attachment B of this Exhibit.

For services performed related to the project which are not listed in the Scope of Services, compensation shall be at the hourly rates set forth in Attachment B, together with reimbursement, at cost, for incidental expenses incurred in connection with such services, together with reimbursement for outside services at cost plus 15%.



Attachment B FEE SCHEDULE

<u>CLASSIFICATION</u>	<u>RATES</u> <u>\$/HOUR</u>
<u>Engineers/Project Managers/Planners/Scientists/ Assessment/Special Tax Consultants/Landscape Architects/Designers</u>	
Principal II	220.00
Principal I	200.00
Senior III	183.00
Senior II	172.00
Senior I	167.00
Associate III	158.00
Associate II	136.00
Associate I	130.00
Assistant V	112.00
Assistant IV	107.00
Assistant III	98.00
Assistant II	81.00
Assistant I	66.00
<u>Survey Services</u>	
3-Person Survey Party	242.00
2-Person Survey Party	212.00
1-Person Survey Party	150.00
<u>Inspection Services</u>	
Inspector II	110.00
Inspector I	100.00
Inspection (Prevailing Wage).....	118.00
<u>Administrative Services</u>	
Project Coordinator	86.00
Administrative Assistant III	74.00
Administrative Assistant II	64.00
Administrative Assistant I	48.00
<u>Other Direct Expenses</u>	
Incidental Charges	Cost
Postage and Telephone	Cost
In-house Prints, Copies, and Delivery	Cost
Travel and Subsistence	Cost
Special Consultant	295.00/Hour
GIS License Fee	39.00/Hour
Subcontracted Services	Cost + 15%
Survey/Inspector Vehicle	0.81/Mile
Mileage	0.72/Mile

NOTE: All rates are subject to change based on annual inflation and cost of living adjustments.

**A FINANCE CHARGE of 1 1/2 % per month (18% per year) will be added to any unpaid amount commencing thirty (30) days from invoice date. A mechanic's lien may be filed for any invoice remaining unpaid after thirty (30) days from invoice date.*

SCH 36 (07/01/2012)

EXHIBIT "D"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

☒ I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____ I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

ALBERT A. WEBB ASSOCIATES

By: 
Shane Spicer, Director of Municipal Finance

Date: 9/9/15

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Riverside)
On September 17th, 2015 before me, Deborah C. May, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Shane Spicer
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Deborah C. May
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/12/2015

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 Hub International License # 0757776 4371 Latham St, Ste #101 Riverside, CA 92501	CONTACT NAME: Kristie Koehrer	
	PHONE (A/C, No, Ext): 951-788-8500	FAX (A/C, No): 951-742-4723
	E-MAIL ADDRESS: kristie.koehrer@hubinternational.com	
INSURED Albert A. Webb Associates 3788 McCray St. Riverside, CA 92506	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Travelers Property Casualty Co	NAIC # 25674
	INSURER B: Ironshore Specialty Insurance	25445
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER 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. 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 ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC			6305456P929	02/01/2015	02/01/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPROP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☐ HIRED AUTOS ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS			BA5456P929	02/01/2015	02/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N Y N/A	PJUB4A46491714	09/01/2014	09/01/2015	☒ WC STATUTORY LIMITS ☐ OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
B	Professional Liability			001753801	08/08/2014	08/08/2015	\$1,000,000 Each Claim \$1,000,000 Aggregate \$100,000 Deductible

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

Re: Community Facilities District No. 2004-1 for City's Municipal Utilities and Engineering Department.

City of Redlands is Additional Insured in regards to the General Liability policy per the attached endorsement form CGD415 05/08; Primary/Non-Contributory wording applies. Additional Insured on the Auto Liability policy per the attached endorsement form CAT442 04/09; Primary/Non-Contributory wording applies.

"Should the policies be cancelled before the expiration date, Hub

(See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

City of Redlands Attn: Chris Diggs Municipal Utilities and Engineering P.O. Box 3005 Redlands, CA 92373	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 

DESCRIPTIONS (Continued from Page 1)

International Insurance Services Inc. (Hub), independent of any rights which may be afforded within the policies to the certificate holder named below, will provide to such certificate holder notice of such cancellation within thirty (30) days of the cancellation date, except in the event the cancellation is due to non-payment of premium, in which case Hub will provide to such certificate holder notice of such cancellation within ten (10) days of the cancellation date."

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ARCHITECTS, ENGINEERS AND SURVEYORS
INDUSTRYEDGESM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| A. Broadened Named Insured | M. Who Is An Insured – Newly Acquired Or Formed Organizations |
| B. Incidental Medical Malpractice | N. Injury To Co-Employees And Co-Volunteer Workers |
| C. Reasonable Force – Bodily Injury Or Property Damage | O. Medical Payments Limit |
| D. Non-Owned Watercraft – Increased To Up To 75 feet | P. Knowledge And Notice Of Occurrence Or Offense |
| E. Aircraft Chartered With Pilot | Q. Other Insurance Condition |
| F. Extension Of Coverage – Damage To Premises Rented To You | R. Unintentional Omission |
| G. Personal Injury – Assumed by Contract | S. Waiver Of Transfer Of Rights Of Recovery Against Others To Us When Required By Contract |
| H. Increased Supplementary Payments | T. Amended Bodily Injury Definition |
| I. Additional Insured – Owner, Manager Or Lessor Of Premises | U. Amended Insured Contract Definition – Railroad Easement |
| J. Additional Insured – Lessor Of Leased Equipment | V. Additional Definition – Written Contract Requiring Insurance |
| K. Additional Insured – State Or Political Subdivisions – Permits Relating To Premises | |
| L. Additional Insured – State Or Political Subdivisions – Permits Relating To Operations | |

PROVISIONS

A. BROADENED NAMED INSURED – UNNAMED SUBSIDIARIES

The Named Insured in Item 1. of the Declarations is amended as follows:

The person or organization named in Item 1. of the Declarations and any organization, other than a partnership, joint venture, limited liability company or trust, of which you are the sole owner or in which you maintain the majority ownership interest on the effective date of the policy. How-

ever, coverage for any such additional organization will cease as of the date, if any, during the policy period, that you no longer are the sole owner of, or maintain the majority ownership interest in, such organization.

B. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to the definition of "occurrence" in the **DEFINITIONS** Section:

Unless you are in the business or occupation of providing professional health care services, "occurrence" also means an act or omission

COMMERCIAL GENERAL LIABILITY

committed by any of your "employees" who is employed by you as a registered nurse, licensed practical nurse, emergency medical technician or paramedic, in providing or failing to provide "incidental medical services" or "Good Samaritan services" to a person.

2. The following is added to the **DEFINITIONS** Section:

a. "Incidental medical services" means medical, surgical, dental, laboratory, x-ray or nursing service, treatment, advice or instruction; the related furnishing of food or beverages; the furnishing or dispensing of drugs or medical supplies or appliances; or first aid.

b. "Good Samaritan services" means those medical services rendered or provided in an emergency and for which no remuneration is demanded or received.

3. The following is added to **Paragraph 2.a.(1)** of **SECTION II – WHO IS AN INSURED**

Paragraphs (1) (a), (b), (c) and (d) above do not apply to any of your "employees" who are employed by you as a registered nurse, licensed practical nurse, emergency medical technician or paramedic but only while performing the services described in Paragraph 1. above and while acting within the scope of their employment by you. Any such "employees" rendering "incidental medical services" or "Good Samaritan services" will be deemed to be acting within the scope of their employment by you.

4. The following exclusion is added to Paragraph 2. Exclusions of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Sale of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by or with the knowledge or consent of the insured.

5. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

This insurance is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to you or any of your "employees"

for "bodily injury" that arises out of providing or failing to provide "incidental medical services" or "Good Samaritan services", except for insurance purchased specifically by you to apply in excess of the Limits of Insurance shown in the Declarations for this Coverage Part.

6. The following is added to Paragraph 5. of **SECTION III – LIMITS OF INSURANCE:**

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed by any of your "employees" in providing or failing to provide "incidental medical services" or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

C. **REASONABLE FORCE PROPERTY DAMAGE – EXCEPTION TO EXPECTED OR INTENDED INJURY EXCLUSION**

The following replaces Exclusion a., **Expected Or Intended Injury**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

a. **Expected Or Intended Injury Or Damage**

"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 any person or property.

D. **NON-OWNED WATERCRAFT – INCREASED TO UP TO 75 FEET**

1. The following replaces Paragraph (2) of Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

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

(a) Less than 75 feet long; and

(b) Not being used to carry any person or property for a charge.

2. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person who, with your expressed or implied consent, either uses or is responsible for the use of a nonowned watercraft that is less than 75 feet and not being used to carry person or property for a charge is included as an insured under this Coverage Part.

E. AIRCRAFT CHARTERED WITH PILOT

The following is added to Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

This exclusion does not apply to an aircraft that is:

- (a) Chartered with a pilot to any insured; and
- (b) Not owned by any insured.

F. EXTENSION OF COVERAGE – DAMAGE TO PREMISES RENTED TO YOU

1. The following replaces the last paragraph of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**

2. The insurance under this Provision F. does not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Rupture, bursting, or operation of pressure relief devices;
- b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water; or
- c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.

3. The following replaces Paragraph 6. of **SECTION III – LIMITS OF INSURANCE**

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for the sum of all damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission

of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented To You Limit will be the higher of:

- a. \$300,000; or
- b. The amount shown for the Damage To Premises Rented To You Limit in the Declarations for this Coverage Part.

4. The following replaces Paragraph a. of the definition of "insured contract" in the **DEFINITIONS** Section:

- 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 to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water is not an "insured contract";

G. PERSONAL INJURY – ASSUMED BY CONTRACT

The following replaces Exclusion e., **Contractual Liability** in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

"Advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

H. INCREASED SUPPLEMENTARY PAYMENTS

1. The following replaces Paragraph 1.b. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:

- b. Up to \$2,500 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.

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2. The following replaces Paragraph 1.d. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B of SECTION I – COVERAGES**:

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.

I. ADDITIONAL INSURED – OWNER, MANAGER OR LESSOR OF PREMISES

1. The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you have agreed in a "written contract requiring insurance" to include as an additional insured on this Coverage Part is an insured, but:

- a. Only with respect to liability for "bodily injury" or "property damage" that occurs, or "personal injury" caused by an offense committed, after you have entered into that "written contract requiring insurance"; and
- b. Only if the "bodily injury", "property damage" or "personal injury" is caused, in whole or in part, by acts or omissions of you or any person or organization performing operations on your behalf, and arises out of the ownership, maintenance or use of that part of any premises leased to you under that "written contract requiring insurance".

2. The insurance provided to such additional insured under this Provision I. is subject to the following provisions:

- a. The limits of insurance afforded to such additional insured shall be the limits which you agreed to provide in the "written contract requiring insurance", or the limits shown in the Declarations for this Coverage Part, whichever are less; and
- b. The insurance afforded to such additional insured does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or "personal injury" caused by an offense committed, after you cease to be a tenant in that premises;
 - (2) Any structural alterations, new construction or demolition operations

performed by or on behalf of such additional insured; or

- (3) Any premises for which coverage is excluded by another endorsement to this Coverage Part.

3. This Provision I. does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.

J. ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT

1. The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you have agreed in a "written contract requiring insurance" to include as an additional insured on this Coverage Part is an insured, but:

- a. Only with respect to liability for "bodily injury" or "property damage" that occurs, or "personal injury" caused by an offense committed, after you have entered into that "written contract requiring insurance"; and
- b. Only if the "bodily injury", "property damage" or "personal injury" is caused, in whole or in part, by acts or omissions of you or any person or organization performing operations on your behalf, in the maintenance, operation or use of equipment leased to you by such additional insured.

2. The insurance provided to such additional insured under this Provision J. is subject to the following provisions:

- a. The limits of insurance afforded to such additional insured shall be the limits which you agreed to provide in the "written contract requiring insurance", or the limits shown in the Declarations for this Coverage Part, whichever are less; and
- b. The insurance afforded to such additional insured does not apply:
 - (1) To any "bodily injury" or "property damage" that occurs, or "personal injury" caused by an offense committed, after the equipment lease expires; or
 - (2) If the equipment is leased with an operator.

3. This Provision J. does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.

K. ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS – PERMITS RELATING TO PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any state or political subdivision that has issued a permit in connection with premises owned or occupied by, or rented or loaned to, you, is an insured, but only with respect to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations for which that state or political subdivision has issued such permit.

L. ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS – PERMITS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any state or political subdivision that has issued a permit is an insured, but only with respect to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of operations performed by you or on your behalf for which that state or political subdivision has issued such permit. However, no such state or political subdivision is an insured for:

1. "Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of operations performed for that state or political subdivision; or
2. "Bodily injury" or "property damage" included within the "products – completed operations hazard".

M. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following replaces Paragraph 4.a. of **SECTION II – WHO IS AN INSURED**:

- 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 pe-

riod, whichever is earlier. Any such newly acquired or formed organization that you report in writing to us within 180 days after you acquire or form the organization will be covered under this provision until the end of the policy period, even if there are more than 180 days remaining until the end of the policy period.

N. INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to **SECTION II – WHO IS AN INSURED**:

1. Your "employees" are insureds with respect to "bodily injury" to a co-"employee" in the course of the co-"employee's" employment by you, or to your "volunteer workers" while performing duties related to the conduct of your business, provided that this coverage for your "employees" does not apply to acts outside the scope of their employment by you or while performing duties unrelated to the conduct of your business.
2. Your "volunteer workers" are insureds with respect to "bodily injury" to a co-"volunteer worker" while performing duties related to the conduct of your business, or to your "employees" in the course of the "employee's" employment by you, provided that this coverage for your "volunteer workers" does not apply while performing duties unrelated to the conduct of your business.
3. Subparagraphs 2.a.(1)(a), (b) and (c) and 3.a. of **SECTION II – WHO IS AN INSURED** do not apply to "bodily injury" for which insurance is provided by paragraph 1. or 2. above.

O. MEDICAL PAYMENTS LIMIT

The following replaces paragraph 7. of **SECTION III – LIMITS OF INSURANCE**:

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:

- a. \$10,000; or
- b. The amount shown on the Declarations for Medical Expense Limit.

P. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2. **Duties In The Event of Occurrence, Offense, Claim Or**

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Suit of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

Notice of an "occurrence" or of an offense which may result in a claim must be given as soon as practicable after knowledge of the "occurrence" or offense has been reported to you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), one of your trustees who is an individual (if you are a trust), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice.

Knowledge by any other "employee" of an "occurrence" or offense does not imply that you also have such knowledge.

Notice of an "occurrence" or of an offense which may result in a claim will be deemed to be given as soon as practicable to us if it is given in good faith as soon as practicable to your workers' compensation, accident, or health insurer. This applies only if you subsequently give notice of the "occurrence" or offense to us as soon as practicable after you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), one of your trustees who is an individual (if you are a trust), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice discovers that the "occurrence" or offense may involve this policy.

Q. OTHER INSURANCE CONDITION

1. The following replaces Paragraph 4., **Other Insurance of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

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 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 insur-

ance" 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;
- (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.

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

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- (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.

2. The following definition is added to SECTION V – DEFINITIONS:

"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. of **LIMITS OF INSURANCE** (Section III) or the Non cumulation of Personal and Advertising Injury limit 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 this 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.

R. UNINTENTIONAL OMISSION

1. The following is added to Paragraph 6. **Representations of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy shall not prejudice your rights under this insurance.

2. This Provision R. does not affect our right to collect additional premium or to exercise our right of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

S. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US WHEN REQUIRED BY CONTRACT

The following is added to Paragraph 8. **Transfer of Rights of Recovery Against Others to Us of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of:

1. Premises owned by you, temporarily occupied by you with permission of the owner, or leased or rented to you;
2. Ongoing operations performed by you, or on your behalf, under a contract or agreement with that person or organization;
3. "Your work"; or
4. "Your products".

We waive these rights only where you have agreed to do so as part of a "written contract requiring insurance" entered into by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense or "advertising injury" offense is committed.

T. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** Section:

"Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a per-

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son, including death resulting from any of these at any time.

U. AMENDED INSURED CONTRACT DEFINITION – RAILROAD EASEMENT

1. Subparagraph c. of the definition of "insured contract" in the **DEFINITIONS** Section is replaced by the following:
 - c. Any easement or license agreement;
2. Subparagraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

V. ADDITIONAL DEFINITION – WRITTEN CONTRACT REQUIRING INSURANCE

The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract or written agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs, and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

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

SCHEDULED PERSONS OR ORGANIZATIONS

**ANY PERSON OR ORGANIZATION WITH WHOM
YOU HAVE AGREED TO DO SO IN A WRITTEN
CONTRACT, EXECUTED PRIOR TO LOSS**

PROVISIONS

**A. The following is added to Paragraph c. in A. 1.,
Who Is An Insured, of SECTION II-LIABILITY
COVERAGE:**

Any person or organization shown above who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

**B. The following is added to Paragraph 5., Other
Insurance, in B. General Conditions of SEC-
TION IV – BUSINESS AUTO CONDITIONS:**

Regardless of the provisions of paragraph a. and paragraph d. of this part 5. **Other Insurance**, if the scheduled person or organization shown above has other insurance under which it is the first named insured and that insurance also applies, then this insurance is primary to and non-contributory with that other insurance when the written contract or agreement between you and that scheduled person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.