



Agenda Date: 6/8/2020

**APPROVED BY CITY COUNCIL**

Agenda #: 43.File #: 15-13306 Type: Consent Item

## Firefighting Turnout Gear

### Action:

- A. Approve unit price contracts for the purchase of firefighting turnout gear for an initial term of two years to the following:**
- **Atlantic Emergency Solutions,**
  - **Municipal Emergency Solutions, Inc,**
  - **Newton's Fire and Safety Equipment Inc, and**
- B. Authorize the City Manager to renew the contracts for up to three, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved.**

### **Staff Resource(s):**

Reginald Johnson, Charlotte Fire Department  
Damian Owens, Charlotte Fire Department

### **Explanation**

- Firefighting turnout gear consists of a jacket, pants, and a hood to help protect the firefighters from thermal and mechanical injury.
- Firefighting turnout gear is used by the Charlotte Fire Department (CFD) for personal firefighter protection while performing daily tasks including firefighting, search and rescue, and responding to building entrapments and gas leaks.
- On January 27, 2020, the city issued an Invitation to Bid (ITB), on behalf of the Charlotte Cooperative Purchasing Alliance (CCPA); Five bids were received.
- The following were selected as the lowest responsive, responsible bidders for specific manufacturers' products.
  - Atlantic Emergency Solutions is an authorized distributor for Innotex brand gear;
  - Municipal Emergency Solutions Inc is an authorized distributor for Fire-Dex brand gear; and
  - Newton's Fire and Safety Equipment Inc is an authorized distributor for Globe, PGI, and Morning Pride brand gear.
- CCPA contracts are available for the use of and to benefit all entities that must comply with state purchasing laws.
- Annual expenditures are estimated to be \$850,000.

### **Charlotte Business INclusion**

Per Charlotte Business INclusion Policy: Part C: Section 2.1(a) the city shall not establish Subcontracting Goals for Contracts where (a) there are no subcontracting opportunities identified for the Contract; or (b) there are no SBEs or MWBEs certified to perform the scopes of work that the city regards as realistic opportunities for subcontracting.

This contract meets the provisions of (a) - No subcontracting opportunities

### **Fiscal Note**

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**Agenda #:** 43.**File #:** 15-13306 **Type:** Consent Item

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Funding: CFD Operating Budget

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

FIRST AMENDMENT TO THE AGREEMENT TO PROVIDE  
FIREFIGHTING TURNOUT GEAR

**THIS FIRST AMENDMENT TO THE AGREEMENT TO PROVIDE FIREFIGHTING TURNOUT GEAR** (this "First Amendment") is made and entered into this 22nd of November 2021, by and between Newton's Fire & Safety Equipment, Inc., a North Carolina corporation doing business in North Carolina (the "Company"), and the City of Charlotte, a North Carolina municipal corporation (the "City").

**Statement of Background and Intent**

- A. The City of Charlotte and the Company entered into an Agreement for Firefighting Turnout Gear dated June 19, 2020 (the "Contract") pursuant to which the Company agreed to provide Firefighting Turnout Gear for the City of Charlotte.
- B. The parties now desire to amend the Contract to make adjustments to the unit pricing and to incorporate certain other changes.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereby agree to the following:

**AGREEMENT**

1. The terms of the Contract are restated by and incorporated into this First Amendment by reference.
2. Defined terms used in this First Amendment shall have the same meaning as are assigned to such terms in the Contract.
3. This First Amendment incorporates unit price increases from Exhibit A-1 due to the lack in availability of raw materials and an escalation in material costs.
4. Section 36 of the Contract ("Required By City Ordinance: Commercial Non-Discrimination") is hereby replaced in its entirety as provided below:

**REQUIRED BY CITY ORDINANCE: COMMERCIAL NON-DISCRIMINATION.** Newton's Fire & Safety, Inc., agrees to comply with the Non-Discrimination Policy set forth in Chapter 2, Article V of the Charlotte City Code, which is available for review at <http://library.municode.com/index.aspx?clientId=19970> and incorporated herein by reference. Newton's Fire & Safety, Inc., consents to be bound by the award of any arbitration conducted thereunder.

5. Except to the extent specifically provided above, this amendment shall not be interpreted or construed as waiving any rights, obligations, remedies, or claims the parties may otherwise have under the Contract.
6. In all other respects and except as modified herein, the terms of the Contract shall remain in force and effect.

*[Signature Page Follows]*

IN WITNESS WHEREOF, and in acknowledgement that the parties hereto have read and understood each and every provision hereof, the parties have caused this First Amendment to be executed as of the date first written above.

NEWTON'S FIRE & SAFETY  
EQUIPMENT LLC:

CITY OF CHARLOTTE:  
CITY MANAGER'S OFFICE

BY: Seth Newton  
(signature)

BY: \_\_\_\_\_  
(signature)

PRINT NAME: Seth Newton

PRINT NAME: \_\_\_\_\_

TITLE: Vice President

TITLE: \_\_\_\_\_

DATE: 11-18-2021

DATE: \_\_\_\_\_



**Digital Contract Routing Form  
Non-Encumbered**

Date Submitted: November 22, 2021

Submitted by: Lenore Bishop

Submitter email: lenore.bishop@charlottenc.gov

Contract #: 2020001104

Amendment #: 1

Contract Name: Firefighting Turnout Gear

Vendor Legal Name: Newton's Fire & Safety Equipment Inc

Vendor #: 20966

**REQUIRED ATTACHMENT(S):**

Use the Paperclip icon to attach a full Contract Document Routing Packet for review by the authorized City individual with signature authority. The Routing Packet **MUST** include all required components per the direction provided at:

The following signatures, once completed, shall be incorporated by reference into the contractual document identified above.

**City of Charlotte**

eSigned via SeamlessDocs.com  
*Brent Cagle*  
Key: f98f2b82106208b08604836a6396b851

## EXHIBIT A - 1

## PRICE SHEET

Globe Products - 8% Increase in Unit Prices							
Item #	Item	Brand Name	Style Number	UOM	Original Unit Price	Amendment # 1 Unit Price	Amendment # 1 Change in Price
1	Kombat Flex Turnout Coat	Globe	D2257G	Each	\$1,305.00	\$1,409.40	\$104.40
2	Nomex Coat	Globe	D0757G	Each	\$1,115.00	\$1,204.20	\$89.20
3	GPS Turnout Pants	Globe	F2257G	Each	\$1,210.00	\$1,306.80	\$96.80
4	Particulate Barrier Hood	PGI	BARRIAIRE GOLD 3979471-7	Each	\$83.50	\$90.18	\$6.68
5	Asheville - Turnout Gear Coat	Morning Pride	LTO-4li3TB	Each	\$1,625.00	\$1,755.00	\$130.00
6	Asheville - Turnout Gear Pant	Morning Pride	LTO-4li3PB	Each	\$1,070.00	\$1,155.60	\$85.60
Optional Items:					Original Unit Price	Amendment # 1 Unit Price	Amendment # 1 Change in Price
1	Guard Jacket Component	Globe		Each	\$62.00	\$66.96	\$4.96
2	Guard Pant Fly Component	Globe		Each	\$60.00	\$64.80	\$4.80
3	Guard Pant Cuff Component	Globe		Each	Included in "Guard Pant Fly Component"	N/A	N/A





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/18/2021

**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 have ADDITIONAL INSURED provisions or 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).**

<b>PRODUCER</b> Business Insurers of Carolinas 800 Eastowne Drive, Suite 208 PO Box 2536 Chapel Hill NC 27515-2536	<b>CONTACT NAME:</b> Patty Miller <b>PHONE (A/C, No, Ext):</b> (919) 968-4611 <b>FAX (A/C, No):</b> (919) 968-8991 <b>E-MAIL ADDRESS:</b> pmiller@business-insurers.com																					
<b>INSURED</b> Newton Fire & Safety Equipment, Inc. 2724 Darrell Newton Drive Graham NC 27253	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> </thead> <tbody> <tr> <td style="width: 80%;">INSURER A : Central Mutual Insurance Company</td> <td colspan="2" style="text-align: right;">20230</td> </tr> <tr> <td>INSURER B : All America</td> <td colspan="2" style="text-align: right;">20222</td> </tr> <tr> <td>INSURER C : Stonewood Ins. Co.</td> <td colspan="2" style="text-align: right;">11828</td> </tr> <tr> <td>INSURER D :</td> <td colspan="2"></td> </tr> <tr> <td>INSURER E :</td> <td colspan="2"></td> </tr> <tr> <td>INSURER F :</td> <td colspan="2"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Central Mutual Insurance Company	20230		INSURER B : All America	20222		INSURER C : Stonewood Ins. Co.	11828		INSURER D :			INSURER E :			INSURER F :		
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**COVERAGES**      **CERTIFICATE NUMBER:** CL214831203      **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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	CLP 9915867	05/25/2021	05/25/2022	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 - COMP/OP AGG § 2,000,000 §
B	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	BAP 9915866	05/25/2021	05/25/2022	COMBINED SINGLE LIMIT (Ea accident) § 1,000,000 BODILY INJURY (Per person) § BODILY INJURY (Per accident) § PROPERTY DAMAGE (Per accident) § Hired Physical Damage § 50,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$			CXS 9915868	05/25/2021	05/25/2022	EACH OCCURRENCE § 1,000,000 AGGREGATE § 1,000,000 Follows GL/AL/WC §
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	Y	WC100-0009424-2021A	05/25/2021	05/25/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT § 1,000,000 E.L. DISEASE - EA EMPLOYEE § 1,000,000 E.L. DISEASE - POLICY LIMIT § 1,000,000

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

Contract 202001104  
 Certificate holder is included as additional insured in reference to the General Liability & Auto Liability policies per contract. Waiver of subrogation applies in favor of the certificate holder in reference to the General Liability, Auto Liability and Workers Compensation policies per contract per attached policy forms.

**CERTIFICATE HOLDER**

**CANCELLATION**

City of Charlotte City Procurement 600 East 4th St. 3rd Floor Charlotte NC 28202-2850	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 <div style="text-align: right;"><i>Patty O. Miller</i></div>
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BAP PLUS COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the:

**BUSINESS AUTO COVERAGE FORM**

These coverages are subject to the terms and conditions applicable to coverage in this policy except as provided below.

**A. Hired Auto Physical Damage Coverage**

1. If hired "autos" are covered "autos" for Liability Coverage in this policy or another policy provided by us and if Comprehensive, Specified Causes of Loss or Collision coverages are provided under this coverage form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is **\$75,000** or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Subject to the above limit, and deductible, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

2. Changes In Liability Coverage:

The following is added to the Who Is An Insured Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

3. Changes In General Conditions:

Paragraph **5.b.** of the Other Insurance Condition in the Business Auto and Business Auto Physical Damage Coverage Forms are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto."

**B. Hired Auto Physical Damage - Additional Loss of Use Expenses**

Paragraph A.4.b. of Section III - Physical Damage Coverage is amended to provide a limit of \$85 per day and a maximum limit of \$1,350.

**C. Physical Damage - Additional Transportation Expense Coverage**

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of **\$50 per day** and a **maximum limit of \$1,000.**

**D. Towing and Labor Costs Coverage**

We will pay up to \$75 for towing and labor costs incurred each time an owned "auto" is disabled. However, the labor must be performed at the place of disablement.

**E. Parked Auto Collision Coverage (Waiver of Deductible)**

The deductible does not apply to "loss" caused by collision to such covered "auto" while it is:

1. In the charge of an "insured";
2. Legally parked; and
3. Unoccupied.



The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations or Change Endorsement.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

#### **F. Rental Reimbursement Coverage**

When there is a "loss" to a covered "auto," we will pay for rental reimbursement expenses incurred by you for the rental of an "auto." Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto." No deductibles apply to this coverage.

This coverage applies only:

1. For those expenses incurred during the policy period beginning 24 hours after the loss;
2. To necessary and actual expenses incurred;
3. To a "loss" for which we also pay a "loss" under Physical Damage Coverage - Comprehensive Coverage, Specified Causes of Loss Coverage or Collision Coverage; and
4. If there are no spare or reserve "autos" available to you for your operations.

Our payment will be limited to that period of time reasonably required to repair or replace the covered "auto." We will pay up to **\$75 per day** to a **maximum of \$1,500**.

If "loss" results from total theft of a covered "auto" we will pay under this coverage only that amount of rental reimbursement expenses which are not already provided under the Physical Damage Coverage Extension.

#### **G. Difference in Value Coverage - Loan/Lease Gap**

In the event of a total "loss" to a covered "auto," the Limit of Insurance provision in SECTION III, PHYSICAL DAMAGE COVERAGE, is replaced by the following:

##### LIMIT OF INSURANCE

1. The most we will pay for "loss" in any one "accident" is the greater of:
  - a. The amount due under the terms of the loan/lease to which a covered "auto" is subject, but not to include:
    - i) Overdue loan/lease payments,
    - ii) Financial penalties imposed under the lease due to high mileage, excessive use or abnormal wear and tear,
    - iii) Security deposits not refunded by the lessor,
    - iv) Cost of extended warranties, Credit Life Insurance, Accident or Disability Insurance purchased with the loan or lease, or
    - v) Carry-over balances from previous loans or leases.
  - b. The actual cash value of the damaged or stolen property as of the time of the "loss."
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of "loss."

For the purposes of this coverage, physical damage resulting in total "loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

This coverage shall apply only to the original lease written on a covered "auto" not previously titled.

#### **H. Glass Repair - Waiver of Deductible**

Under Paragraph D. - Deductible of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

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

#### **I. Employees as Insureds**

Paragraph A.1 - Who is an Insured of SECTION II - COVERED AUTOS LIABILITY COVERAGE is amended to add:

- d. Any employee of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs. Coverage is excess over any other collectible insurance.

**J. Fellow Employee Coverage**

The Fellow Employee Exclusion contained in SECTION II - COVERED AUTOS LIABILITY COVERAGE does not apply.

**K. Doubled Automobile Medical Payments Coverage**

If you have purchased Automobile Medical Payments Coverage, the limit of insurance for that coverage as shown in the Declarations or Change Endorsement will be doubled in the event an "insured" is injured in an "accident" while within an "auto" and is:

1. Wearing a seat belt; or
2. The "auto" is equipped with passive restraints.

**L. Waiver Of Transfer Of Rights Of Recovery Against Others To Us**

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US, SECTION IV CONDITION 5., is amended by the addition of the following:

We waive the right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of the ownership, maintenance or use of a covered auto. This waiver applies only to the person or organization which, before the loss, you have agreed in writing to waive your right of recovery.

**M. Additional Insured - Automatic Status**

1. Any "leased auto" will be considered a covered "auto" you own and not a covered "auto" you hire or borrow.
2. Paragraph A.1 - Who is an Insured of SECTION II - COVERED AUTOS LIABILITY COVERAGE is amended to include as an insured any person or organization (called additional insured) whom you are required to add as an additional insured on this policy under:  
A written contract, permit or agreement, and
  - a. Currently in effect or becoming effective during the term of this policy; and
  - b. Executed prior to the "bodily injury," "property damage," "personal injury and advertising injury."
3. The insurance provided to the additional insured is limited as follows:
  - a. The Limits of Insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations.

**4. Additional Definition**

As used in this endorsement:

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

**N. Loss Payee - Lessor**

1. We will pay, as interest may appear, you and the lessor for "loss" to a "leased auto."
2. The insurance covers the interest of the lessor unless the "loss" results from fraudulent acts or omission on your part.
3. If we make any payment to the lessor, we will obtain his or her rights against any other party.

**4. Additional Definition**

As used in this endorsement:

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

**O. Tapes, Records and Discs Coverage SECTION III - PHYSICAL DAMAGE COVERAGE** is amended as follows:

1. The exclusion referring to tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment does not apply.
2. The following is added to Paragraph A. Coverage:  

Under Comprehensive Coverage we will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

  - a. Are your property or that of a family member, and
  - b. Are in a covered "auto" at the time of "loss."
3. The most we will pay for "loss" is \$250.
4. No Physical Damage Coverage deductible applies to this coverage.

**P. Audio, Visual and Data Electronic Equipment Coverage SECTION III - PHYSICAL DAMAGE COVERAGE** is amended as follows:

1. The sublimit in Paragraph **C.1.b.** of the Limit Of Insurance provision is increased to \$2,500.



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

**GENERAL LIABILITY PLUS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This endorsement amends the policy by adding the following; please read each section carefully.

EMPLOYEE BENEFITS LIABILITY COVERAGE  
ADDITIONAL INSURED - OWNERS, LESSEES, OR CONTRACTORS - AUTOMATIC STATUS  
ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES - AUTOMATIC STATUS  
ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT - AUTOMATIC STATUS  
ADDITIONAL INSURED - VENDORS - AUTOMATIC STATUS  
INCLUDE DIRECTORS OR TRUSTEES ON COMMITTEES AS EMPLOYEES  
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHER TO US  
NEWLY FORMED OR ACQUIRED ORGANIZATIONS  
NOTICE OF OCCURRENCE, KNOWLEDGE OF OCCURRENCE, UNINTENTIONAL OMISSION  
VOLUNTARY PROPERTY DAMAGE  
NON-OWNED WATERCRAFT AND NON-OWNED AIRCRAFT LIABILITY  
FIRE, SPRINKLER LEAKAGE OR EXPLOSION  
POLLUTION COVERAGE FOR UPSET OF MOBILE EQUIPMENT  
AGGREGATE LIMITS OF INSURANCE AMENDMENT  
SUPPLEMENTARY PAYMENTS - HIGHER LIMITS  
REASONABLE FORCE EXPANSION - PROPERTY DAMAGE  
LOST KEY COVERAGE  
PERSONAL AND ADVERTISING INJURY DEFINITION AMENDED

These modifications are subject to the terms and conditions applicable to coverage in the policy except as provided below.

**A. Employee Benefits Liability Coverage**

The following is added to Section I - Coverages: EMPLOYEE BENEFITS LIABILITY COVERAGE.

**1. Insuring Agreement.**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, 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 to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in SECTION III LIMITS OF INSURANCE for Employee Benefits Liability Coverage and
- 2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

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 only if:
- 1) The act, error or omission is negligently committed in the "administration" of your "employee benefit program";
  - 2) The act, error or omission is caused by an "occurrence" that takes place in the



“coverage territory”; and

3) The act, error or omission occurs during the policy period.

**2. Exclusions**

This insurance does not apply to:

**a. Dishonesty, Fraud Or Criminal Act**

Damages arising out of any dishonest, fraudulent, criminal or malicious act or omission, committed by any insured, including the willful or reckless violation of any statute.

**b. Bodily Injury, Property Damage, Or Personal And Advertising Injury**

“Bodily injury,” “property damage” or “personal and advertising injury.”

**c. Failure To Perform A Contract**

Damages arising out of failure of performance of contract by any insurer.

**d. Insufficiency Of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the “employee benefit program.”

**e. Inadequacy Of Performance Of Investment/Advice Given To Participate**

Any “claim” or “suit” based upon:

1) Failure of any investment to perform;

2) Errors in providing information on past performance of investment vehicles; or

3) Advice given to any person to participate or not to participate in any plan included in the “employee benefit program.”

**f. Workers Compensation And Similar Laws**

Damages arising out of any “claim” related to any workers compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

**g. ERISA**

Damages for which the insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or any similar federal, state or local laws.

**h. Available Benefits**

Any “claim” for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

**i. Taxes, Fines Or Penalties**

1) Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law; or

2) Loss or damages arising out of the imposition of such taxes, fines or penalties.

**j. Employment-Related Practices**

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

**3. Supplementary Payments - Coverages A and B**

For the purposes of the coverage provided by Employee Benefits Liability Coverage, the Supplementary Payments - Coverages **A** and **B** apply except for Paragraphs **1.b.** and **2.**

**SECTION II - WHO IS AN INSURED**, Paragraphs **2.** and **3.** are replaced by the following for Employee Benefits Liability Coverage:

**2.** Each of the following is also an insured:

**a.** Each of your “employees” who is or was authorized to administer your “employee benefit program.”

**b.** Any persons, organizations or “employees” having proper temporary authorization to administer your “employee benefit program” if you die, but only until your legal representative is appointed.

- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Endorsement.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
  - b. Coverage under this provision does not apply to any act, error or omission that occurred before you acquired or formed the organization.

**SECTION III - LIMITS OF INSURANCE** is replaced by the following for the Employee Benefits Liability Coverage:

- 1) The Limits of Insurance shown below and the rules below fix the most we will pay regardless of the number of:
  - a) Insureds;
  - b) "Claims" made or "suits" brought;
  - c) Persons or organizations making "claims" or bringing "suits";
  - d) Acts, error or omissions which result in loss; or
  - e) Benefits included in your "employee benefit program."
- 2) \$2,000,000 is the most we will pay for all damages because of acts, errors or omissions committed in the "administration" of your "employee benefit program."
- 3) Subject to the above Limit, \$1,000,000 is the most we will pay for all damages sustained by any one "employee," including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
  - a) An act, error or omission; or
  - b) A series of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program."

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

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

**4. Deductible**

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of \$1,000. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount applies to all damages sustained by any one "employee," including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this insurance, including those with respect to:
  - 1) Our right and duty to defend any "suits" seeking those damages; and
  - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, "claim" or "suit"
 apply irrespective of the application of the deductible amount.
- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or



“suit” and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

**SECTION IV - CONDITIONS**, Paragraphs **2.** and **4.** are replaced by the following for the Employee Benefits Liability Coverage:

**2. Duties In The Event Of An Act, Error Or Omission, “Claim” Or “Suit”**

- a.** You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a “claim.” To the extent possible, notice should include:
  - 1)** What the act, error or omission was and when it occurred; and
  - 2)** The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b.** If a “claim” is made or “suit” is brought against any insured, you must:
  - 1)** Immediately record the specifics of the “claims” or “suit” and the date received; and
  - 2)** Notify us as soon as practicable.You must see to it that we receive written notice of the “claim” or “suit” as soon as practicable.
- c.** You and any other involved insured must:
  - 1)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the “claim” or “suit”;
  - 2)** Authorize us to obtain records and other information;
  - 3)** Cooperate with us in the investigation or settlement of the “claim” or defense against the “suit”; and
  - 4)** Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.
- d.** No insured will, except at the insured’s own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, 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 insurance by the method described in **c.** below.

**b. Excess Insurance**

Any other primary insurance available to you covering acts, errors or omissions for which you have been added as an additional insured.

When this insurance is excess, we will have no duty to defend the insured against any “suit” if any other insurer has a duty to defend the insured against that “suit.” If no other insurer defends, we may undertake to do so, but we will be entitled to the insured’s rights against all those other insurers.

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 absence of this insurance; and
- 2)** The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown.

**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 insurer 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, each insurer's share is based on the ratio of its applicable limits of insurance of all insurers.

**SECTION V - DEFINITIONS** is amended by adding the following definitions for Employee Benefits Liability Coverage:

1. "Administration" means:
  - a. Providing information to "employees," including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
  - b. Handling records in connection with the "employee benefit program"; or
  - c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."However, "administration" does not include handling payroll deductions.
2. "Cafeteria plans" means plans authorized by the applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
3. "Claim" means any demand, or "suit," made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.
4. "Employee benefit program" means a program providing some or all of the following benefits to "employees," whether provided through a "cafeteria plan" or otherwise:
  - a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
  - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible for such benefits;
  - c. Unemployment insurance, social security benefits, workers compensation and disability benefits;
  - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

**SECTION V - DEFINITIONS** - the definition of "employee" and "suit" is replaced for Employee Benefits Liability Coverage by the following:

"Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."

"Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

**B. Additional Insured - Owners, Lessees, or Contractors - Automatic Status (not applicable to Employee Benefits Liability Coverage)**

1. Section II - Who Is An Insured is amended to include as an additional insured any person or



organization for whom you are performing operations when you 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 and any other person or organization you are required to add as an additional insured under the contract or agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:

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

in the performance of your ongoing operations for the additional insured.

Except as provided for in the exception to **2.b.** below, a person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

However, the insurance afforded to such additional insured described above:

- a. only applies to the extent permitted by law; and
  - b. will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- a. "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; or
  - 2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or failure to render, any professional architectural, engineering or surveying services.

- b. "Bodily injury" or "property damage" occurring after:
  - 1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - 2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

However, exclusion **b.** does not apply when in conflict with the requirements of a written contract or agreement.

3. The most we will pay on behalf of the additional insured is the amount of insurance required by the contract or agreement you have entered into with the additional insured or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or Change Endorsement, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations or Change Endorsement.

**C. Additional Insured - Managers or Lessors of Premises - Automatic Status (not applicable to Employee Benefits Liability Coverage)**

1. Section II - Who Is An Insured is amended to include as an insured any person or organization 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, but only with respect to 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:

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

However, the insurance afforded to such additional insured described above:

- a. only applies to the extent permitted by law; and
  - b. will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. The most we will pay on behalf of the additional insured is the amount of insurance required by the contract or agreement you have entered into with the additional insured or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or Change Endorsement, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations or Change Endorsement.

**D. Additional Insured - Lessor of Leased Equipment - Automatic Status (not applicable to Employee Benefits Liability Coverage)**

1. Section II - Who Is An Insured is amended to include as an additional insured 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 only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

However, the insurance afforded to such additional insured described above:

- a. only applies to the extent permitted by law; and
- b. will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

2. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
3. The most we will pay on behalf of the additional insured is the amount of insurance required by the contract or agreement you have entered into with the additional insured or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or Change Endorsement, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations or Change Endorsement.

**E. Additional Insured - Vendors - Automatic Status (not applicable to Employee Benefits Liability Coverage)**

1. Section II - Who Is An Insured is amended to include as an insured any person or organization (referred to below as vendor) 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, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule, Declarations or Change Endorsement which are distributed or sold in the regular course of the vendor's business.

However, the insurance afforded to such additional insured described above:

- a. only applies to the extent permitted by law; and
- b. will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

2. With respect to the insurance afforded to these vendors, the following additional exclusions apply:



- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. An express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - 1) The exceptions contained in Sub-paragraphs d. or f.; or
    - 2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
3. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
4. The most we will pay on behalf of the vendor is the amount of insurance required by the contract or agreement you have entered into with the additional insured or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations or Change Endorsement, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations or Change Endorsement.

**F. Include Directors Or Trustees On Committees As Employees (not applicable to Employee Benefits Liability Coverage)**

SECTION V - DEFINITIONS is amended by the addition of the following to definition 5.:

"Employee" also includes any of your directors or trustees acting as a member of any of your elected or appointed committees to perform on your behalf specific, as distinguished from general, directorial acts.

**G. Waiver Of Transfer Of Rights Of Recovery Against Others To Us**

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US, SECTION IV CONDITION 8., is amended by the addition of the following:

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 your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard." This waiver applies only to the person or organization which, before the loss, you have agreed in writing to waive your right of recovery.

**H. Newly Formed Or Acquired Organizations (not applicable to Employee Benefits Liability Coverage)**

**SECTION II - WHO IS AN INSURED** is amended to include any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

1. Coverage under this provision is afforded only until 180 days after you acquire or form the organization or the end of the policy period, whichever is earlier.
2. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
3. Coverage B does not apply to "personal injury and advertising injury" arising out of an offense committed before you acquired or formed the organization.

**I. Notice Of Occurrence, Knowledge Of Occurrence, Unintentional Omission**

The following is added to SECTION IV.2. - DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT:

**e. Notice of Accident/Occurrence**

When you report to your Workers Compensation carrier the occurrence of any accident which later develops into a liability claim covered under this policy, failure to report the accident to us at the time of occurrence is not in violation of the Conditions of this policy. However, as soon as you are definitely made aware of the fact that the particular accident is a liability claim rather than a Workers Compensation claim prompt notification must be given to us.

**f. Unintentional Errors and Omissions**

The insurance afforded by this policy is not invalidated by any unintentional errors, omissions or improper description of premises or your unintentional failure to disclose all hazards existing at inception date of the policy.

**g. Knowledge of Accident/Occurrence**

Knowledge of an accident/occurrence by your agent, servant or employee is not knowledge by you unless an executive officer of your Corporation received such notice from its agent, servant or employee.

**J. Voluntary Property Damage**

1. We will pay, at your request, for loss due to "Property Damage" to property of others caused by you, or while in your possession, arising out of your business operations.
2. "Loss" means unintentional damage or destruction but does not include disappearance, theft, or loss of use.
3. Limits of Insurance - The most we will pay for "loss" under the Voluntary Property Damage is **\$2,500** for each "occurrence." The most we will pay for the sum of all damages because of "Property Damage" is an annual policy aggregate limit of **\$25,000**.
4. Deductible - We will not pay for "loss" in any one "occurrence" until the amount of "loss" exceeds **\$250**.

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

5. The insurance under the Voluntary Property Damage shall not apply:
  - a. To "loss" of property at premises owned, rented, leased, operated, or used by you;
  - b. To "loss" of property while in transit;
  - c. To "loss" of property owned by, rented to, leased to, borrowed by or used by you;
  - d. To the cost of repairing or replacing (1) any work defectively or incorrectly done, (2) any product manufactured, sold or supplied by you, unless the "Property Damage" is caused directly by you after delivery of the product or completion of the work and resulting from a subsequent undertaking;
  - e. To "loss" of property included within the "Products/Completed Operations Hazard";
  - f. To "loss" of property which is an "auto" or "mobile equipment."
  - g. To "loss" of property caused by "pollutants."
6. In the event of "loss" covered by this endorsement, you shall, if requested by us, replace the property or furnish the labor and materials necessary for repairs thereto at your actual cost, excluding profit or overhead charges.



**K. Non-Owned Watercraft And Non-Owned Aircraft Liability**

SECTION I - COVERAGE A, exclusion 2.g. is replaced by the following:

- g.** "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading." This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- 1) A watercraft while ashore on premises you own or rent;
- 2) A watercraft you do not own that is:
  - a) Less than 60 feet long; and
  - b) Not being used to carry persons or property for a charge;
- 3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- 4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- 5) "Bodily injury" or "property damage" arising out of:
  - a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
  - b) The operation of any of the machinery or equipment listed in paragraph f.2) or f.3) of the definition of "mobile equipment."
- 6) An aircraft you do not own provided it is not operated by any insured.

**L. Fire, Sprinkler Leakage Or Explosion**

**1. SECTION I - GENERAL LIABILITY COVERAGES** is amended as follows:

- a.** The last paragraph of **2. Exclusions** under **A. Bodily Injury and Property Damage Liability** is replaced by the following:

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

But the Limit for Damage to Premises Rented To You shown in the Declaration will apply to all damage proximately caused by the same event, whether such damage results from fire, sprinkler leakage or explosion or any combination of the three.

- b. Section III - Limits of Insurance** is amended to replace paragraph 6. with the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented to You Limit is the most we will pay under Paragraph A. Bodily Injury And Property Damage Liability for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, sprinkler leakage, or explosion, while rented to you or temporarily occupied by you with permission of the owner.

But the Limit of Insurance shown in the Declaration will apply to all damage proximately caused by the same event whether such damage results from fire, sprinkler leakage or explosion or any combination of the three.

- 2.** The Damage to Premises Rented To You Limit is \$300,000 unless a higher limit is shown on the declaration or change endorsement.

3. Paragraph 4.b. of the Other Insurance is amended as follows:  
The term "Fire" in Paragraph B. (1)(a)(i) is replaced by "Fire, Sprinkler Leakage, or Explosion"
4. Section 9.a. under SECTION V - DEFINITIONS is amended as follows:  
The term "fire" is replaced by "fire, sprinkler leakage, or explosion"

**M. Pollution Coverage For Upset Of Mobile Equipment**

The Insuring Agreement for "property damage" liability with respect to your operations is extended as follows:

1. We will pay those sums which you become legally obligated to pay for "property damage" cause directly by immediate, abrupt and accidental upset, overturn or collision of your "mobile equipment" while transporting "pollutants" which are intended for and normally used in your operations. The operations must be in compliance with local, state, and federal ordinances and laws.

**2. EXCLUSIONS**

- a. With regard only to the coverage provided by this extension K., SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, f. is deleted and replaced by the following for this extension only:

**f. Pollution**

Any loss, cost or expense arising out of any:

- 1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- 2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."
- 3) Premises, site or location which is or was at any time owned, rented or loaned to any insured.

**N. Aggregate Limits Of Insurance (not applicable to Employee Benefits Liability Coverage)**

The General Aggregate Limit under SECTION III - LIMITS OF INSURANCE, Paragraph 2. applies separately to each of your "location(s)" owned by or rented to you or "project(s)" away from "location(s)" owned by or rented to you.

"Location" and/or "project" 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.

**O. Supplementary Payments - Higher Limits**

Under SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B:

Paragraph 1.b. is replaced by the following:

Up to \$2000 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.

Paragraph 1.d. is replaced by the following:

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 \$400 a day because of time off from work.

**P. Reasonable Force Expansion - Property Damage**

Exclusion 2.a. of Coverage A is replaced with the following:

- a. Expected Or Intended Injury

"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.

**Q. Lost Key Coverage**

**1. SECTION I - COVERAGES**

**COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

Exclusion 2.j.4) Personal property in the care, custody or control of the insured is amended to add:

However, coverage for property of others in the care, custody or control of the insured is provided for the loss of keys which are in the possession of the insured or his "employees" subject to the following additional provisions:

- a. The insurance afforded with respect to Lost Key Coverage shall not apply to "property damage" caused by misappropriation, secretion, conversion, infidelity or any dishonest act on the part of any insured or his employees or agents;
- b. Our liability for all damages because of "property damage" to which this coverage applies shall be limited to the actual cost of keys, adjustment of locks to accept new keys or, if required, new locks including cost of their installation. Subject to such limitation, our total liability for all damages as the result of any one occurrence shall not exceed \$25,000. Each claim is subject to a \$250 deductible.

**2. SECTION II - WHO IS AN INSURED**

The following is added to item 2.a.2)b):

However, coverage is provided for the loss of keys which are in the possession of the insured or his "employees," subject to the following additional provisions:

- a. The insurance afforded with respect to Lost Key Coverage shall not apply to "property damage" caused by misappropriation, secretion, conversion, infidelity or any dishonest act on the part of any insured or his "employees" or agents;
- b. Our liability for all damages because of "property damage" to which this coverage applies shall be limited to the actual cost of keys, adjustment of locks to accept new keys or, if required, new locks including cost of their installation. Subject to such limitation, our total liability for all damages as the result of any one occurrence shall not exceed \$25,000. Each claim is subject to a \$250 deductible.

**R. Personal and Advertising Injury Definition**

Under SECTION V – DEFINITIONS, 14.c. is replaced with the following:

The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor.

**S. The following is added to SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. OTHER INSURANCE:**

When this General Liability Plus endorsement provides coverage and such coverage is also provided by any other provision of this policy:

- a. There shall be no duplication of the Limits of Insurance.
- b. Any loss payment made under such other provisions shall reduce by such loss payments the Limits of Insurance available under the General Liability Plus endorsement.

**T. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended by adding:**

**LIBERALIZATION**

If we adopt a change in our Comprehensive General Liability Coverage forms or rules that would broaden the coverage without extra charge, the broader coverage will apply to this Coverage Form. It will apply when the change becomes effective in your state.

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

<b>Effective</b>	<b>Expiration</b>	<b>Persons</b>	<b>Organization</b>
5/25/2021	5/25/2022	blanket	

Schedule

<b>Effective</b>	<b>Expiration</b>	<b>Persons</b>	<b>Organization</b>
5/25/2021	5/25/2022	blanket	

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective	5/25/2021 12:00:00 AM	Policy No.	WC100-0009424-2021A	Endorsement No.	0
Insured	Newton Fire and Safety Equipment, Inc.			Premium	\$9,136

Insurance Company	Countersigned by	_____
Stonewood Insurance Company		

WC 00 03 13  
(Ed. 4-84)