

**AMENDMENT NO. 5 TO THE SOFTWARE SERVICE & SUPPORT AGREEMENT  
BETWEEN SNOHOMISH COUNTY AND PRODIGIQ**

THIS AMENDMENT NO. 5 to that certain SOFTWARE SERVICE & SUPPORT AGREEMENT, dated August 26, 2015, (the “Agreement”) is entered into as of this 25th day of August, 2022 by and between Snohomish County, a home rule charter county and a political subdivision of the State of Washington (the “County”), and ProDIGIQ, licensed to do business in the State of California (the “Contractor”).

**RECITALS**

WHEREAS, the County and ProDIGIQ entered into that certain Agreement executed on September, 1 2015, entitled Service and Software Agreement (the “Agreement”); and

WHEREAS, the Agreement was amended on September 2, 2020 under Amendment No. 1, which added additional Ops Log module to maintain workflow; Amendment No. 2 on September 2, 2020, which extended the term of the agreement through September 30, 2022, and pricing increase for on-going annual costs; Amendment No. 3 on November 10, 2020, which added upgrades to current Incident/Accident module; Amendment No. 4 on February 10, 2022 which added upgrades to Maintenance Management module and extended the term of the agreement through September 30, 2024; and

WHEREAS, the original RFP 12-15SR allows for the expansion of the Service and Software Agreement; and

WHEREAS, the Airport wishes to add the Risk Management System module, integration of Cartegraph and addition of hangar inspections to the Lease Management System by Amendment No. 5; and

WHEREAS, the Airport and ProDIGIQ have negotiated and amended the Agreement through the remainder of the contract term;

NOW, THEREFORE, in consideration of the covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Contractor agree that the Agreement shall be amended as follows:

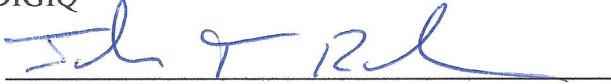
1. Amend Section 1.01, Scope of Services: As allowed by paragraph 3.03 of the Software Service & Support Agreement the service of implementing integration with Cartegraph, **Exhibit A** totaling of labor and material costs shall be added at a one-time cost of \$31,980 and an annual recurring cost of \$11,500. The Safety Risk Management System, **Exhibit B**, shall be added at an annual recurring cost of \$30,000 for the ongoing maintenance and support. Updating the Lease Management System to include hangar inspections, **Exhibit C**, shall be added for a one time cost of \$3,125. The total cost for this amendment is \$118,105.

2. All other terms and conditions of the Agreement, not inconsistent with this Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 5 to be duly executed as of the date set forth above.

“Contractor”

ProDIGIQ

By: 

Authorized Signature

Printed Name: JOHN T. RAUCH

Title: CHIEF OPERATING OFFICER

Date: AUG 20, 2002

“County”

**SNOHOMISH COUNTY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Snohomish County \_\_\_\_\_

Date: \_\_\_\_\_



ProDIGIQ Integration with Cartegraph for Snohomish County Airport/Paine Field (PAE)

To: Paine Field Airport  
Attn: Kara Underwood  
Superintendent of Operations  
3220 100th Street SW, Suite A  
Everett, WA 9820

June 17<sup>th</sup>, 2022

**RE: PRODIGIQ INTEGRATION WITH CARTEGRAPH FOR SNOHOMISH COUNTY AIRPORT/PAINE FIELD (PAE)**

Dear Ms. Underwood

Thank you for your interest in integrating ProDIGIQ's Computerized Maintenance Management System (ANDROS) with Cartegraph for use with PAE.

The scope of work for the integration effort for this project will include the following at a rate of **\$195/hour** for a total upfront cost of **\$31,980**:

- ANDROS two-way integration with Cartegraph
- 120 Implementation Hours
- 16 Project Management Hours
- 20 Integration Validation Hours
- 8 Hours to Release to Test and Production Environments
- Project management, engineering effort, integration testing, and support

Ongoing maintenance and support will be **\$11,500/year**.

I hope you find this proposal acceptable. Kindly let me know if you have any questions.

Sincerely,

Anita Venkataraman

President

ProDIGIQ, Inc. **The Most Trusted Name in Aviation Innovation**

EXHIBIT B

# ProSafeT



PRODIGIQ INC. PROPOSAL

FOR

SAFETY RISK MANAGEMENT SYSTEM  
(PROSAFET)

FOR

PAINE FIELD AIRPORT (PAE)





To: Paine Field Airport  
Attn: Kara Underwood  
Superintendent of Operations  
3220 100th Street SW, Suite A,  
Everett, WA 98204

August 12<sup>th</sup>, 2022

### RE: PROSAFET PROPOSAL FOR PAINE FIELD AIRPORT

Dear Ms. Underwood:

Thank you for considering ProDIGIQ's SMS Platform (ProSafeT) for use at PAE. We appreciate the opportunity to present this proposal and look forward to the prospect of expanding our scope of services at your airport.

The ProSafeT solution is the best-in-class Safety, Audit and Quality Management platform that covers all business lines including cargo operations, charter operations, scheduled service, ground handling and MRO. ProSafeT includes Safety, Audits and Quality Management processes in entirety with complete workflow and sharing of data which allows for seamless interconnectivity between departments.

ProSafeT varies from the competition in that it is the only 100% designed, built, and supported exclusively aviation platform in the industry. This laser focus allows ProSafeT to fully understand the needs of our clients, allows us to closely monitor industry trends and learn SMS best practices which can be useful to our clients. We are not only a provider of aviation software, but a resource to our clients. To aid each client in their endeavor of continuous improvement, we share information from our industry contacts.

In addition to ProDIGIQ's aviation focus, ProSafeT was designed with the end user in mind making it significantly more intuitive than other systems in the industry. Not only does the intuitiveness of the system make adoption of the platform seamless, at implementation virtual training is offered to all user-groups to ensure maximum familiarity and comfort with the system. ProSafeT's platform includes the following modules:



### SAFETY RISK MANAGEMENT SYSTEM (PROSAFET)

#### I. Safety Risk Management Module

The Safety Risk Management (SRM) Module provides a platform that allows airports to create, manage, and act on Safety Risk Assessments (SRA), enabling airports to identify and assess operational risks while maintaining the highest level of safety. The module promotes a proactive approach to risk management, allowing airports to identify and address any risks before it escalates to an unacceptable level. Airports can implement risk controls and then measure its effectiveness in mitigating the risk. Airports can also track any costs associated with a risk control for increased transparency and insight. The module facilitates communication and organization through the entire risk management process.

#### Dashboard

- Visualization of KPIs, SPIs and actionable analytics in easy-to-read charts
- Automatic dashboard filter depending on the user's role
- Capability to filter analytics by date and department for Admin users
- Drill-down capabilities to analyze data further and download charts
- News Feed with relevant action items from all modules user has access to
- Display of module specific action items on the Calendar
- Ability to view meaningful metrics SRAs, Hazards, Findings, Corrective Actions and Recommendations in Statistics panel
- Risk Matrix analytics with aggregate of baseline and substitute risk analysis

#### SRA/SRM

- Automation of the Safety Risk Assessment process
- Ability to track Affected Departments, Affected FAA Approved Programs, Affected Manuals and Affected Regulatory Compliance Elements for SRA
- Ability to conduct Risk Assessments for SRAs
- Ability to track Type of Change, Description of Current System as well as Description of Proposed Plan
- Ability to add Agendas and Attachments to SRAs
- Ability to schedule a due date to complete SRA
- Ability to generate a PDF or de-identified PDF of the SRA
- Ability to enable and disable Viewer Access on a per-SRA basis
- Ability to track all activity in Transaction Log from creation to closure of an SRA



### Hazards

- Ability to identify potential Hazards associated with an SRA
- Ability to conduct Risk Analysis of Hazards
- Ability to add a Risk Control to mitigate the risk associated with a Hazard
- Ability to assign Risk Control to department(s) or stakeholder(s) and a due date
- Ability to add and track Costs associated with the Risk Control
- Ability to track type of Risk Control (i.e. preventive, proactive, or reactive)
- Ability to manage and track Root Causes of SRA
- Ability to track all activity in Transaction Log from creation to closure of a Hazard

### Meetings

- Ability to manage all aspects of meetings within the platform to discuss SRAs
- Ability to easily access information regarding SRAs to be discussed during Meeting from the same view as the Meeting
- Ability to send meeting invites to stakeholders to provide access to the Meeting
- Ability to allow Group Access for different departments to view a Meeting
- Ability to schedule a Meeting and assign Meeting start and end dates
- Ability for participants to add comments to a Meeting
- Ability to track all activity in Transaction Log from creation to closure of a Meeting

### Query and Analytics

- Ability to create and save various queries
- Ability to filter/assign department access to queries
- Ability to view real-time query results and list query conditions
- Built-in visualization tool for generated queries
- Various chart options to display query results
- Drill-down capability data to analyze data further

## II. Safety Reporting Module

The Safety Reporting Module provides a platform for airport staff and airport tenants to voluntarily submit safety reports in a seamless manner. The module also provides an automated workflow for processing safety reports, linking related safety events, launching investigations (in the Safety Assurance Module) directly from the report view as well as mitigating risk through Corrective Actions. Additionally, the module manages the submitted reports and facilitates meetings to effectively address safety concerns with Corrective Actions and Recommendations.





### Dashboard

- Visualization of KPIs, SPIs and actionable analytics in easy-to-read charts
- Dashboard filter based on the user role
- Capability to filter analytics by date and department for Admin users
- Drill-down capabilities to analyze data further and download charts
- Ability to create new submissions directly from the dashboard (airport staff can only view and submit report templates relevant to their department)
- News Feed with relevant action items from all modules user has access to
- Display of module specific action items on the Calendar
- Ability to view meaningful metrics of Submissions by type as well as Report, Events and Corrective Action progress with average time of completion in Statistics panel
- Risk Matrix analytics with aggregate of baseline and substitute risk analysis

### Submissions

- Automation of all safety reports for all departments
- Anonymous submitter capabilities (if needed)
- Mobile-friendly format for Submission template forms
- Ability to save in-progress Submission for completion at a later time
- Automatic time, date and submitter stamp for each Submission

### Submission Templates

- Ability to create unlimited number of Submission templates and ORMs
- Ability to archive templates to preserve integrity of previous submissions
- Ability to edit existing Submission templates without altering previous submissions
- Ability to edit all aspects of a Submission form, including template name, tab names, tab colors, required fields, field names, field type, data type.
- Ability to denote de-identified fields that capture sensitive information
- Ability to archive fields or tabs in a Submission template for historical reference
- Ability to delete Submission templates or ORMs

### Reports

- Automatic creation of Reports from Submissions
- Automatic notification sent to submitter when analyst opens a Report
- Ability to view Reports in grid format delineated by Status
- Ability to query Reports though Quick Search and column keyword search
- Ability to view color coded risk assessment information for Reports
- Ability to add a Corrective Action to a Report
- Ability to assign Corrective Action to a specific person, department or group





- 
- Ability to assign a due date for the Corrective Action to be addressed
  - Ability to conduct a risk assessment for a Report
  - Configured Risk Matrix based on airport's preference
  - Ability to allow designated users to add Descriptions, Causes, Detections, Reactions and Suggestions through easy-to-access dropdowns and checkboxes
  - Configured to replicate airport's taxonomy
  - Ability to add any number of attachments in various formats to a Report including videos, audio files, images, documents and links
  - Ability to launch an SRA/SRM or Investigation from a Report
  - Ability to generate a PDF or de-identified PDF of a Report
  - Ability to delete a Report (available for appropriate stakeholders)
  - Ability to easily access the original Submission from each Report
  - Ability to enable and disable Viewer Access on a per-Report basis
  - Ability to track all activity in Transaction Log from creation to closure of a Report

### Events

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- Ability to create an Event from a Report
  - Ability to link various Reports across different departments to one Event
  - Built-in intelligence to propose Reports that may be associated with an Event
  - Ability to allow Group Access for different departments to view an Event
  - Ability to add a Corrective Action to an Event
  - Ability to assign Corrective Action to a specific person, department or group
  - Ability to assign a due date for the Corrective Action to be addressed
  - Ability to archive Events and display in grid format
  - Ability to query Events though Quick Search and column keyword search
  - Ability to conduct a risk assessment at the Event level
  - Ability to view color coded risk assessment for Events
  - Customizable Risk Matrix to reflect airport's preference
  - Ability to allow designated users to add Descriptions, Causes, Detections, Reactions and Suggestions through easy-to-access dropdowns and checkboxes
  - Customizable taxonomy to replicate airport's taxonomy that can also be configured within the platform
  - Ability to add any number of attachments to a report in various formats, including videos, audio files, images, documents and links
  - Ability to generate a PDF or de-identified PDF of the Event



- 
- Ability to easily access the original Submission and Report from each Event
  - Ability to process Events as Meeting Ready
  - Ability to track all activity in Transaction Log from creation to closure of an Event
- 

### Meetings

- Ability to manage all aspects of a Safety Meeting within the platform
  - Ability to easily access information regarding Events or Reports to be discussed during Meeting from the same view as the Meeting
  - Ability to attach an Agenda or Minutes to a specific Event
  - Ability to carry over an Event to another Meeting
  - Ability to easily view the narrative of linked Reports tied to an Event
  - Ability to send meeting invites to stakeholders for access to a Meeting
  - Ability to allow Group Access to allow different departments to attend a Meeting
  - Ability to schedule a Meeting and assign Meeting review start and end dates
  - Ability for participants to add comments and disposition to a Meeting
  - Ability to track all activity in Transaction Log from creation to closure of a Meeting
- 

### Compliance Reports

- Ability to automatically generate Compliance Reports (e.g. FAA)
  - Ability to add Safety Enhancements to Compliance Reports
  - Statistics tab with easy to access to submitted Reports
- 

### Query and Analytics

- Ability to create and save various queries
  - Ability to filter/assign department access to queries
  - Ability to view real-time query results and list query conditions
  - Built-in visualization tool for generated queries
  - Various chart options to display query results
  - Drill-down capability data to analyze data further
- 

### III. Safety Assurance Module

The Safety Assurance (SA) Module provides a platform for performing Audits, Evaluations, Investigations and Inspections. Each of the four elements can be associated with respective Findings, Corrective Actions and Recommendations to streamline processes and improve organizational efficiencies. The SA Module supports the ability to assign user privileges for auditors to meet airport-specific SA processes. It is also integrated with the Safety Reporting and SRA/SRM Modules in the ProSafeT platform.



### Dashboard

- Visualization of KPIs, SPIs and actionable analytics in easy-to-read charts
- Automatic dashboard filter depending on the user's role
- Capability to filter analytics by date and department for Admin users
- Drill-down capabilities to analyze data further and download charts
- News Feed with relevant action items from all modules user has access to
- Display of module specific action items on the Calendar
- Ability to view meaningful metrics regarding Audits, Inspections, Evaluations, Investigations, Findings, Corrective Actions and Recommendations in Statistics panel
- Risk Matrix analytics with aggregate of baseline and substitute risk analysis

### Investigations

- Ability to create Investigations
- Ability to assign Investigation Department, Lead Investigator(s) and Final Approver(s)
- Ability to schedule a Due Date
- Ability to allow Group Access to various departments
- Ability to add Corrective Actions to Investigations for risk mitigation
- Process to conduct Root Cause Analysis
- Process for Investigators to complete checklists within the platform
- Ability to upload or append checklists in Excel
- Ability to add Findings, Tasks and Requirements to an Investigation and assign to a responsible party
- Process to conduct Risk Assessments and create Corrective Action for Findings
- Ability to assign a Due Date for Findings, Tasks and Requirements and Risk Assessments
- Ability to generate a PDF or de-identified PDF of the Investigation
- Ability to enable and disable Viewer Access on a per-Investigation basis
- Ability to track all activity in Transaction Log from creation to closure of an Investigation

### Audits

- Ability to create internal and external airport Audits
- Ability to assign Auditing Department, Lead Auditor(s) and Final Approver(s)
- Ability to schedule a Due Date
- Ability to allow Group Access to various departments
- Share feature to allow temporary access to third-party vendors to conduct external



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### audits

- Built-in process for auditors to complete Audit checklists within the platform
- Ability to upload or append checklists in Excel format as well as FAA Checklists in XML format
- Ability to add Findings, Tasks and Requirements to an Audit and assign to a responsible party
- Process to conduct Risk Assessments and create Corrective Action for Findings
- Ability to assign a Due Date for Findings, Tasks and Requirements and Risk Assessments
- Ability to set up recurring Audits at different intervals
- Ability to generate a PDF or de-identified PDF of the Audit
- Ability to enable and disable Viewer Access on a per-Audit basis
- Ability to track all activity in Transaction Log from creation to closure of an Audit

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### Inspections

- Ability to create internal or external Inspections
- Ability to assign Inspection Department, Lead Inspector(s) as well as Final Approver(s)
- Ability to schedule a Due Date
- Ability to allow Group Access to various departments
- Ability to upload or append checklists in Excel format
- Built-in process for inspectors to complete checklists within the platform
- Ability to add Findings, Tasks and Requirements to an Inspection and assign to a responsible party
- Process to conduct Risk Assessments and create Corrective Action for Findings
- Ability to assign a Due Date for Findings, Tasks and Requirements and Risk Assessments
- Ability to set up recurring Inspections at different intervals
- Ability to generate a PDF or de-identified PDF of the Inspection
- Ability to enable and disable Viewer Access on a per-Inspection basis
- Ability to track all activity in Transaction Log from creation to closure of an Inspection

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### Evaluations

- Ability to create internal or external Evaluations
- Ability to assign Evaluation Department, Lead Evaluator(s) as well as Final Approver(s)



- 
- Ability to schedule a Due Date
  - Ability to allow Group Access to various departments
  - Built-in process for evaluators to complete checklists within the platform
  - Ability to upload or append checklists in Excel
  - Ability to add Findings, Tasks and Requirements to an Evaluation and assign to a responsible party
  - Process to conduct Risk Assessments and create Corrective Action for Findings
  - Ability to assign a Due Date for Findings, Tasks and Requirements and Risk Assessments
  - Ability to set up recurring Evaluations with different intervals
  - Ability to generate a PDF or de-identified PDF of the Evaluation
  - Ability to enable and disable Viewer Access on a per-Evaluation basis
  - Ability to track all activity in Transaction Log from creation to closure of an Evaluation

### Query and Analytics

- 
- Ability to create and save various queries
  - Ability to filter/assign department access to queries
  - Ability to view real-time query results and list query conditions
  - Built-in visualization tool for generated queries
  - Various chart options to display query results
  - Drill-down capability data to analyze data further

### IV. Safety Promotion Module

The Safety Promotion Module facilitates enhancement of organizational safety awareness and safety policy familiarity. The Module automates newsletter and safety survey distribution using an intuitive workflow that allows users to attach newsletters and files, create custom or standard checklists, select distribution groups, and set target completion dates. The Module's user-friendly interface contains a Dashboard with news alerts, calendar overview, and key performance statistics. The Safety Promotion Module supports various user privileges and access rules to manage role-based user actions.

### Dashboard

- 
- Visualization of KPIs, SPIs and actionable analytics in easy-to-read charts
  - Automatic dashboard filter depending on the user's role
  - Drill-down capabilities to analyze data further and download charts
  - News Feed with relevant action items user has access to



- 
- Display of module specific action items on the Calendar
- 

### Newsletters

- Ability to select groups of users for newsletter distribution
  - Ability to set completion date and notify relevant users via reminders and messages
  - Archive and unpublish functionality to manage newsletters
  - Completion list which displays real-time visibility of participants' actions
  - Ability to attach, preview, and download newsletter attachments and various filetypes (e.g., pdf, doc, etc.) directly from newsletter
  - Transaction Log which displays actions associated with newsletter, including date/time, user, and details
  - Ability for users with relevant access level to add comments to newsletters
  - Override Status to delineate newsletter as New, Published, or Archived
- 

### Safety Surveys

- Ability to determine distribution groups for surveys
  - Ability to set completion date and notify relevant users via reminders and messages
  - Archive and unpublish functionality to manage safety surveys
  - Ability to associate custom checklist templates to surveys and export as CSV
  - Ability to attach, preview, and download various filetypes (e.g., pdf, doc, etc.) directly from survey
  - Transaction Log which displays actions associated with safety survey, including date/time, user, and details
  - Ability for users with relevant access level to add comments to safety surveys
  - Override Status to delineate safety survey as New, Published, or Archived
-



### FOCUS ON THE CLIENT

ProDIGIQ's customer service and client focus is unparalleled in the industry. The following services are provided to our clients as part of ProSafeT's platform:

- Unlimited user licenses included at no extra charge.
- Configurable by airport users without cost overheads and time delays.
- Unlimited Technical Support.
- No Fee for System Updates.
- Virtual Training for all User Groups

### COST

#### SOFTWARE-AS-A-SERVICE (SAAS) Based on A Two-Year Agreement

Description	Upfront Cost
<b>Software Licenses (Unlimited Users and Concurrent Users) and Upfront Implementation for the following:</b>	
<b>ProSafeT</b>	
Safety Reporting Module	Included
Safety Assurance Module	Included
Safety Risk Management Module	Included
Safety Promotion Module	Included
<b>Configurations</b>	
2-weeks of Configurations	Included
<b>Project Management</b>	
3-weeks of Project Management	Included
<b>Training</b>	
2-hours of Virtual Training	Included
<b>Total Upfront Cost</b>	<b>Included</b>





## SOFTWARE-AS-A-SERVICE (SAAS) Maintenance and Support Cost (Years 1-2)

Description	Annual Cost
<b>ProSafeT</b>	
Safety Reporting Module	\$7,500
Safety Assurance Module	\$7,500
Safety Risk Management Module	\$7,500
Safety Promotion Module	\$7,500
<b>Ongoing Software Maintenance and Support</b>	Included
24x7x365 Remote Software Monitoring and Alerts	Included
24x7x365 Remote Software Maintenance and Support	Included
Ongoing Software Updates	Included
Ongoing Quality Control and Quality Assurance	Included
<b>Ongoing Server Hosting, Maintenance, and Support</b>	Included
24x7x365 Remote Server Monitoring and Alerts	Included
24x7x365 Remote Server Maintenance and Support	Included
Ongoing Server Updates	Included
Ongoing Quality Control and Quality Assurance	Included
<b>US-based Technical Support</b>	Included
Unlimited 24x7x365 Tier 1 Support: Help Desk Support	Included
Unlimited 24x7x365 Tier 2 Support: In-depth Technical Support	Included
Unlimited 24x7x365 Tier 3 Support: Expert Product/Service Support	Included
<b>Total Annual Cost</b>	<b>\$30,000</b>

ProDIGIQ is providing ProSafeT to PAE at no upfront cost and an annual ongoing maintenance and support cost of \$30,000/year (based on a two-year agreement). ProSafeT's pricing is all-inclusive and includes unlimited user licenses, unlimited concurrent user licenses, unlimited data storage, and unlimited technical support.

I hope you will find this proposal acceptable. Please contact me if you have any questions.

Sincerely,

Anita Venkataraman

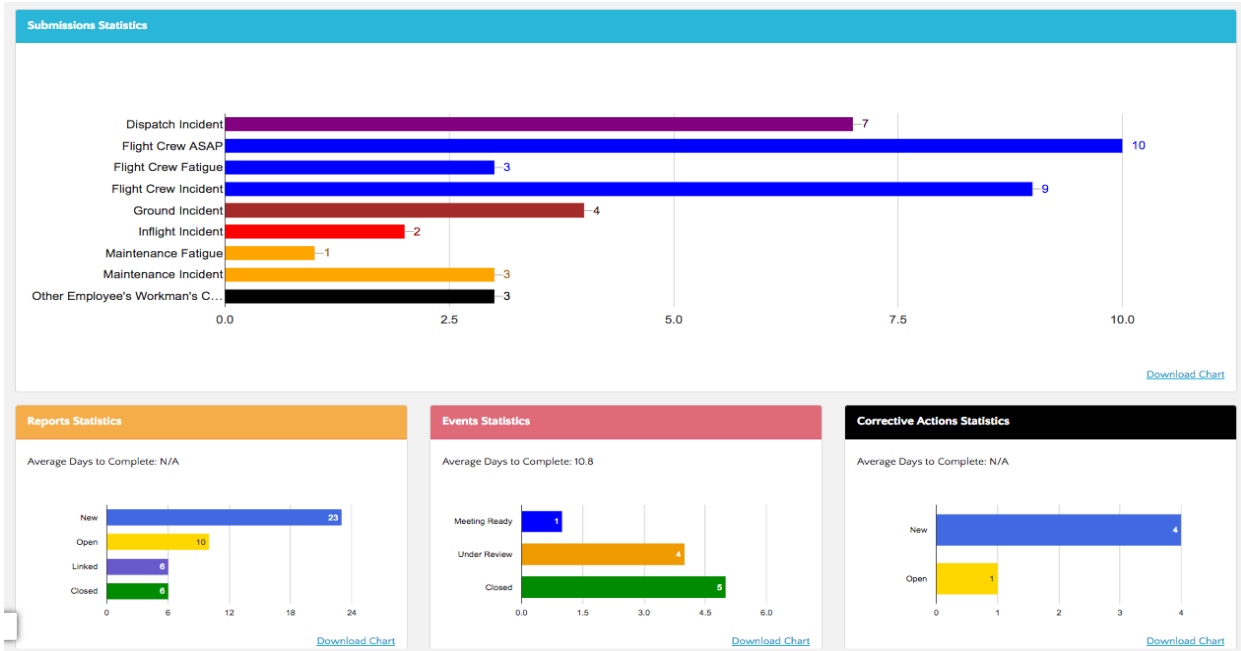
President/CTO

ProDIGIQ, Inc. **The Most Trusted Name in Aviation Innovation**



### SAFETY RISK MANAGEMENT SYSTEM (ProSafeT) SCREENSHOTS

#### 1.1 Safety Reporting Dashboard



#### 1.2 Safety Reporting Risk Matrix

Report #1023: Flight Crew Operations

Expand All Message Submitter Disable Viewer Access Send Message View Submission PDF De-Identified PDF Open Report Delete

Close

**Risk Matrix**

Baseline Risk Mitigate Risk

Baseline Substitute Overlapped

Severity Exercise					
	Safety (Impact)	People (Injury)	Security (Threat)	Environment (Effect)	Assets (Damage)
5	Massive	Fatality/Disability	Extreme	Catastrophic	Massive
4	Major	Major	High	Major	Major
3	Minor	Minor	Medium	Moderate	Minor
2	Slight	Slight	Low	Minor	Slight
1	Negligible	Negligible	Negligible	Negligible	Negligible

Probability Exercise					
	A	B	C	D	E
	Improbable (10 Years)	Remote (5 Years)	Occasional (1 Year)	Probable (6 Months)	Frequent (30 Days)



### 1.3 Safety Reporting Meeting

Safety Reporting

Meeting #223

[Collapse All](#)
[PDF](#)
[Edit](#)
[Delete](#)

[Add Attachment](#)
[Add Events](#)
[Add Comment](#)
[Close](#)

**Overview**

Meeting ID: 223  
 Status: Open  
 Host: ProSafeT Engineering  
 Review Start: 2018-04-25 12:00:00      Review End: 2018-04-26 12:00:00      Meeting Start: 2018-04-27 12:00:00      Meeting End: 2018-04-27 15:00:00  
 Date Closed:  
 Notes: Stakeholder Campus Tour

**Included Events**

ID	Title	Submissions	Event Date	Status	
45	Return to airport with MX	1	2018-03-16 22:32:12 UTC	Under Review	<a href="#" style="color: #0070c0; text-decoration: none;">View Narrative</a> <a href="#" style="color: #0070c0; text-decoration: none;">View</a> <a href="#" style="color: #d9534f; text-decoration: none;">Carryover</a> <a href="#" style="color: #0070c0; text-decoration: none;">Agenda</a> <a href="#" style="color: #0070c0; text-decoration: none;">Add Minutes</a>
Meeting Minutes:					
46	Rejected Takeoff	1	2018-03-16 22:36:08 UTC	Closed	<a href="#" style="color: #0070c0; text-decoration: none;">View Narrative</a> <a href="#" style="color: #0070c0; text-decoration: none;">View</a> <a href="#" style="color: #0070c0; text-decoration: none;">Add Minutes</a>
Meeting Minutes:					

**Participants**

[Send Agenda/Notice](#)

### 1.4 Safety Assurance Audit Checklist

Safety Assurance

Audit #724: HR EEO/Veteran's Audit

[Expand All](#)
[Send Message](#)
[Reoccur](#)
[Disable Viewer Access](#)
[PDF](#)
[PDF De-Identified](#)
[Edit](#)
[Delete](#)

[Add Attachment](#)
[Add Finding](#)
[Add Requirement](#)
[Add Contact](#)
[Add Task](#)
[Upload Checklist](#)
[Update Checklist](#)

**Checklist**

Show 10 entries [Download](#)

Search:

^ Title	⌵ Department	⇅ Reference Number	⇅ Requirement	⇅ Level of Compliance	⇅ Status
Drug and Alcohol Records	Human Resources	6.2.9	Does the Company provide employees with training on the effects of alcohol misuse on an individual's health, work, and personal life (14 CFR, Part, 120, Subpart F)?		Open
Drug and Alcohol Training	Human Resources	6.2.1	Does the Company follow the training requirement mandated by the F.A.A.?		Open
Drug and Alcohol Training	Human Resources	6.2.2	Does the Company provide all employees in safety sensitive positions with Drug and Alcohol policy training?		Open
Drug and Alcohol Training	Human Resources	6.2.3	Does the FOTM address initial Drug and Alcohol Training for crewmembers?		Open
Drug and Alcohol Training	Human Resources	6.2.4	Does the Company's lesson plans address Drug and Alcohol Training		Open



### 1.5 Safety Risk Assessment Matrix

**Affected Manuals**

Affected Manuals: Engineering Procedure Manual, Maintenance Manual  
 Comment:

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**Affected Regulatory Compliance Elements**

Affected Regulatory Compliance Elements: IOSA, SAI  
 Comment:

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**Risk Matrix**

Severity: 2  
 Severity after Mitigation: 1  
 Notes: After further revision, this proposal will be sent to the admin and then closed.

Likelihood: C - Remote  
 Likelihood after Mitigation: B - Unlikely

Risk Factor: Yellow - Acceptable with mitigation  
 Risk Factor after Mitigation: Green - Acceptable

Baseline Risk Mitigate Risk

Severity	Likelihood				
	A - Improbable	B - Unlikely	C - Remote	D - Probable	E - Frequent
4					
3					
2			✘		
1		✔			
0					

✘ Baseline Risk Assessment  
 ✔ Substitute Risk Assessment

### 1.6 Operational Risk Management – Preflight Checklist

ProSafeT Dashboard Submissions Reports Event Meetings Corrective Actions FAA Reports Query and Analytics Templates
Messages ProSafeT Engineering Logout

Safety Reporting

**New Flight Operations Safety**

Submitted By: ProSafeT Engineering Airplane Tab/Tail No.

**Total Score: 21**

Item	Low	Moderate	High
Combined Prior Sleep (past 72 hrs/3 days)	> 24 hrs	18 - 24 hrs	< 18 hrs
Show Time	0630 - 1500L	0430-0629L OR 1531-2000L	2001-0429L OR landing after 2130L or non-operational fatigue
Scheduled Duty Day	< 8 hrs	8 - 9 hrs	10 - 12 hrs non-augmented
Previous Duty Days - Look Back	1 Day == 10 hrs	2 Days == 10 hrs	3 Days == 10 hrs
Same-day T/O Delay	< 1 hr	Delayed 1 - 4 hrs	Delayed > 4 hrs

Cancel Submit



ProDIGIQ Addition of Hangar Inspections Functionality to Lease Management System for PAE

To: Paine Field Airport  
Attn: Kara Underwood  
Superintendent of Operations  
3220 100th Street SW, Suite A  
Everett, WA 9820

August 1<sup>st</sup>, 2022

**RE: PRODIGIQ ADDITION OF HANGAR INSPECTIONS FUNCTIONALITY TO LEASE MANAGEMENT SYSTEM (MYKONOS) FOR PAE**

Dear Ms. Underwood:

Thank you for your interest in expanding the scope of services for ProDIGIQ's Lease Management System (MYKONOS) for use at PAE.

The scope of work for this project will include the following at a discounted rate of **\$125/hour** for a total upfront cost of **\$3,125**:

- Addition of Hangar Inspections Functionality to MYKONOS
- Ability to conduct and store Hangar Inspections in a separate tab for each lease record
- 25 Engineering Hours

I hope you find this proposal acceptable. Kindly let me know if you have any questions.

Sincerely,

Anita Venkataraman

President

ProDIGIQ, Inc. **The Most Trusted Name in Aviation Innovation**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/23/2022

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).

<b>PRODUCER</b> J B N United Insurance Services CA License No. 0G19748 270 Conejo Ridge Ave. Ste 205 Thousand Oaks CA 91361	<b>CONTACT NAME:</b> Bryan Nuesca <b>PHONE (A/C No. Ext):</b> (805)418-1788 <b>E-MAIL ADDRESS:</b> BNuesca@JBNins.com	<b>FAX (A/C, No):</b> (805)418-1789
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> ProDIGIQ, Inc. 4550 E. Thousand Oaks Blvd Suite 125 Westlake Village CA 91362	<b>INSURER A:</b> AMCO Insurance Company <b>NAIC #</b> 19100	
	<b>INSURER B:</b> Valley Forge Insurance Company <b>NAIC #</b> 20508	
	<b>INSURER C:</b> Nationwide Mutual Insurance Company <b>NAIC #</b> 23787	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**

CERTIFICATE NUMBER: 22-23 Master

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:	X		ACPBPO3047910912	11/12/2021	11/12/2022	EACH OCCURRENCE	\$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 2,000,000
							GENERAL AGGREGATE	\$ 4,000,000
							PRODUCTS - COMP/OP AGG	\$ 4,000,000
							Hired and Non-Owned auto	\$ 2,000,000
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input type="checkbox"/> RETENTION \$			ACPCAA3037910912	11/12/2021	11/12/2022	EACH OCCURRENCE	\$ 5,000,000
							AGGREGATE	\$ 5,000,000
								\$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC646374293	7/1/2022	7/1/2023	<input checked="" type="checkbox"/> PER STATUTE	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
C	<b>INLAND MARINE</b>			ACPCIM3037910912	11/12/2021	11/12/2022		

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

\*10 Days Notice of Cancellation for Non-Payment of Premium, 30 Days All Others\*

Certificate holder is named as additional insured for general liability regarding the named insureds operations for or on their behalf.

**CERTIFICATE HOLDER****CANCELLATION**

Paine Field/Snohomish County Airport 3220 100th St SW, Suite A Everett, WA 98204	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  Bryan Nuesca/BVN 
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# PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

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# PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Please read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under Section II. WHO IS AN INSURED. Other words and phrases that appear in quotation marks have special meaning. Please refer to Section V. DEFINITIONS.

## I. COVERAGES

### A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. INSURING AGREEMENT

- a. We will pay those sums up to the applicable Limit of Insurance that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages for which there is coverage under this policy.

HOWEVER, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply.

We may, at our sole discretion, investigate any "occurrence" 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; 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 under COVERAGES A or B or medical expenses under COVERAGE C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
  - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and

- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II. WHO IS AN INSURED and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II. WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II. WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. EXCLUSIONS

This insurance, including any duty we have to defend "suits", does not apply to:

### a. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by the insured.

This exclusion applies even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real property, or personal property than that initially expected or intended.

HOWEVER, this exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense

has also been assumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by an insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

This exclusion applies only if you:

- (1) Manufacture, sell or distribute alcoholic beverages;
- (2) Serve or furnish alcoholic beverages for a charge whether or not such activity:
  - (a) Requires a license; or
  - (b) Is for the purpose of financial gain or livelihood; or
- (3) Serve or furnish alcoholic beverages without a charge, if a license is required for such activity.

For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself

considered the business of selling, serving or furnishing alcoholic beverages.

d. **Laws**

Any liability or legal obligation of any insured with respect to "bodily injury" or "property damage" arising out of any of the following:

- (1) Any federal, state, county, municipal or local law, ordinance, order, directive or regulation barring discrimination, including but not limited to those based on race, color, national origin, ancestry, citizenship, gender, sexual orientation, marital status, religion or religious belief, age, economic status, income, medical condition, pregnancy, parenthood or mental or physical disability;
- (2) Any workers' compensation, unemployment compensation, disability benefits law, or any other statutory benefits law;
- (3) The Migrant and Seasonal Agricultural Worker Protection Act;
- (4) Any state, federal or governmental antitrust statute or regulation, including but not limited to the Racketeer Influenced and Corrupt Organizations Act (RICO), the Securities Act of 1933, the Securities Exchange Act of 1934, or any state Blue Sky law;
- (5) The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974; or
- (6) Any other similar statutes, ordinances, orders, directives or regulations.

e. **Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

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

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

HOWEVER, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify that building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

HOWEVER, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in

connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) 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
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

**g. Aircraft, Auto Or Watercraft**

"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 allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an 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.

HOWEVER, 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 26 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 or motor vehicle registration law where it is licensed or principally garaged; or
  - (b) The operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being

prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Other than damage by the Covered Causes of Loss provided under Tenants Property Damage Legal Liability, paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Tenants Property Damage Legal Liability as described in Section III. LIMITS OF INSURANCE.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product", arising out of it or any part of it.

**l. Damage To Your Work**

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

HOWEVER, this exclusion does not apply if the damaged work, or the work out of which the damage arises, was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

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

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

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

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Bodily Injury To Any Insured**

"Bodily injury" to:

- (1) Any insured, except "volunteer workers"; or
- (2) Any insured whenever the ultimate benefits of any indemnification will accrue directly or indirectly to any insured or the heirs of any insured.

**q. Damage To Named Insured's Property**

Any claim or "suit" for "property damage" by you or on your behalf against any other person or organization that is also a Named Insured under this policy.

**r. Abuse or Molestation**

"Bodily injury" or "property damage" arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (2) The negligent:
  - (a) Employment;
  - (b) Investigation;
  - (c) Supervision;
  - (d) Reporting to the proper authorities, or failure to so report; or
  - (e) Retention;
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph (1) above.

**s. Asbestos, Electromagnetic, Lead or Radon**

"Bodily injury" or "property damage" arising out of:

- (1) Asbestos including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of asbestos or any other duty involving asbestos;
- (2) Electromagnetic emissions or radiation including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the

presence of electromagnetic emissions or radiation or any other duty involving electromagnetic emissions or radiation;

- (3) Lead including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of lead or any other duty involving lead; or
- (4) Radon or any other radioactive emissions, manmade or natural, including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of radon or any other radioactive emissions or any other duty involving radon or other radioactive emissions.

**t. Employment Practices**

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and

- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**u. Fiduciary Responsibility**

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use, including all related operations, of property in relation to which you or any insured is acting in any fiduciary or representative capacity. This exclusion does not apply if you are; a trust, as described in Section II. WHO IS AN INSURED.

**v. Professional Services**

"Bodily injury" or "property damage" that arises out of or is a result of the rendering of, or failure to render, any professional service, treatment, advice or instruction. This exclusion includes, but is not limited to, any:

- (1) Legal, accounting, insurance, real estate, financial, advertising or consulting service, advice or instruction;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (3) Supervisory, inspection, engineering, or architectural service, advice or instruction;
- (4) Medical, surgical, psychiatric, chiropractic, chiropody, physiotherapy, osteopathy, acupuncture, dental, x-ray, nursing or any other health service, treatment, advice or instruction;
- (5) Any psychological therapy or any other counseling or mental health service, treatment, advice or instruction;
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming, including but not limited to cosmetology, tansorial, tattooing, tanning or massage;
- (7) Optometry or optical or hearing aid service, treatment, advice or instruction, including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (8) Ear or other body piercing service, treatment, advice or instruction; or



- (9) Service, treatment, advice or instruction in the practice of pharmacy.
- (10) Electronic data processing, computer consulting or computer programming services, advice or instruction.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the rendering or failure to render of any professional service.

w. **Testing, Evaluating or Consulting**

"Bodily injury" or "property damage" arising out of:

- (1) An error, omission, defect or deficiency:
  - (a) In any test performed, or any evaluation, consultation or advice given by or on behalf of you or any insured; or
  - (b) In experimental data or the insured's interpretation of that data.
- (2) The reporting of or reliance upon any such test, evaluation, consultation or advice.

x. **Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

y. **Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

3. **TENANTS PROPERTY DAMAGE LEGAL LIABILITY**

**Certain Exclusions Not Applicable**

Exclusions c. through n., p., q., r., t., u., v. and w. do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, if such "property damage" arises out of a Covered Cause Of Loss provided under the BUSINESSOWNERS PROPERTY COVERAGE FORM. A separate limit of insurance, called Tenants Property Damage Legal Liability Limit, applies to this coverage as described in Section III. LIMITS OF INSURANCE.

B. **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

1. **INSURING AGREEMENT**

- a. We will pay those sums up to the applicable Limit of Insurance that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages for which there is coverage under this policy.

HOWEVER, we will have no duty to defend the insured against any "suit" seeking damages for "personal and

advertising injury" to which this insurance does not apply.

We may, at our sole discretion, investigate any offense 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; 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 under COVERAGES A or B or medical expenses under COVERAGE C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. **EXCLUSIONS**

This insurance, including any duty we have to defend "suits", does not apply to personal and advertising injury:

- a. **Knowing Violation Of Rights Of Another**  
Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".
- b. **Material Published With Knowledge Of Falsity**  
Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.
- c. **Material Published Prior To Policy Period**  
Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.
- d. **Criminal Act**  
Arising out of a criminal act committed by or at the direction of any insured or a criminal act committed by another for which any insured is held to be vicariously liable.  
HOWEVER, this exclusion does not apply to "personal injury" resulting from the use of reasonable force to protect persons or property.

- e. **Contractual Liability**

For which the insured has assumed liability in a contract or agreement. HOWEVER, this exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

- f. **Breach of Contract**  
Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".
- g. **Quality Or Performance Of Goods – Failure To Conform To Statements**  
Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".
- h. **Wrong Description Of Price**  
Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".
- i. **Infringement Of Copyright, Patent, Trademark Or Trade Secret**  
Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement." HOWEVER, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.
- j. **Insureds In Media And Internet Type Business**  
Committed by an insured whose business is:
  - (1) Advertising, broadcasting, publishing or telecasting.
  - (2) Designing or determining content of web-sites for others; or
  - (3) An Internet search, access, content or service provider.
 HOWEVER, this exclusion does not apply to Paragraphs a., b. and c. of the definition of "personal and advertising injury" under Section V. DEFINITIONS.
- k. **Electronic Chatrooms Or Bulletin Boards**  
Arising out of an electronic chatroom or bulletin board the insured hosts, owns or over which the insured exercises control.
- l. **Unauthorized Use Of Another's Name Or Product**  
Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or

any other similar tactics to mislead another's potential customers.

m. **Pollution**

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. **Pollution-Related**

With respect to any loss, cost or expense arising out of any:

- (1) Request, demand or order 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".

o. **War**

However caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

p. **Recording and Distribution Of Material In Violation Of Law**

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

q. **Laws**

Any liability or legal obligation of any insured arising out of any of the following:

- (1) Any federal, state, county, municipal or local law, ordinance, order, directive or regulation barring discrimination, including but not limited to those based on race, color, national origin, ancestry, citizenship, gender, sexual orientation, marital status, parenthood, religion or religious belief, age, economic status, income, medical condition, pregnancy, or mental or physical disability;
- (2) Any workers' compensation, unemployment compensation, disability benefits law, or any other statutory benefits law;
- (3) The Migrant and Seasonal Agricultural Worker Protection Act;
- (4) Any state, federal or governmental antitrust statute or regulation, including but not limited to the Racketeer Influenced and Corrupt Organizations Act (RICO), the Securities Act of 1933, the Securities Exchange Act of 1934, or any state Blue Sky law;
- (5) The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974; or
- (6) Any other similar statutes, ordinances, orders, directives or regulations;

r. **Abuse or Molestation**

Arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (2) The negligent:
  - (a) Employment;
  - (b) Investigation;
  - (c) Supervision;
  - (d) Reporting to the proper authorities, or failure to so report; or

(e) Retention;  
of a person for whom any insured is  
or ever was legally responsible and  
whose conduct would be excluded by  
Paragraph (1) above;

**s. Employment Practices**

To:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury;

**t. Asbestos, Electromagnetic, Lead or Radon**

Arising out of:

- (1) Asbestos including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of asbestos or any other duty involving asbestos;
- (2) Electromagnetic emissions or radiation including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure,

existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of electromagnetic emissions or radiation or any other duty involving electromagnetic emissions or radiation;

- (3) Lead including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of lead or any other duty involving lead; or
- (4) Radon or any other radioactive emissions, manmade or natural, including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of radon or any other radioactive emissions or any other duty involving radon or other radioactive emissions;

**u. Fiduciary Responsibility**

That arises out of the ownership, maintenance or use, including all related operations, of property in relation to which you or any insured is acting in any fiduciary or representative capacity This exclusion does not apply if you are; a trust, as described in Section II. WHO IS AN INSURED.;

**v. Professional Services**

That arises out of or is a result of the rendering of, or failure to render, any professional service, treatment, advice or instruction. This exclusion includes, but is not limited to any:

- (1) Legal, accounting, insurance, real estate, financial, advertising or consulting service, advice or instruction;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (3) Supervisory, inspection, engineering, or architectural service, advice or instruction;
- (4) Medical, surgical, psychiatric, chiropractic, chiropody,

- physiotherapy, osteopathy, acupuncture, dental, x-ray, nursing or any other health service, treatment, advice or instruction;
- (5) Any psychological therapy or any other counseling or mental health service, treatment, advice or instruction;
  - (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming, including but not limited to cosmetology, tansorial, tattooing, tanning or massage.
  - (7) Optometry or optical or hearing aid service, treatment, advice or instruction, including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
  - (8) Ear or other body piercing service, treatment, advice or instruction; or
  - (9) Service, treatment, advice or instruction in the practice of pharmacy; or
  - (10) Electronic data processing, computer consulting or computer programming services, advice or instruction.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the offense which caused the "personal and advertising injury" involved the rendering or failure to render of any professional service.

w. **Testing, Evaluation or Consulting**

Arising out of:

- (1) An error, omission, defect or deficiency:
  - (a) In any test performed, or any evaluation, consultation or advice given by or on behalf of you or any insured; or
  - (b) In experimental data or the insured's interpretation of that data.
- (2) The reporting of or reliance upon any such test, evaluation, consultation or advice.

**C. COVERAGE C – MEDICAL PAYMENTS**

**1. INSURING AGREEMENT**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
 provided that:
  - (1) The accident takes place in the "coverage territory" and during the policy period;
  - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
  - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident;
  - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. EXCLUSIONS**

We will not pay expenses for "bodily injury":

- a. **Any Insured**  
To any insured, except "volunteer workers".
- b. **Hired Person**  
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**  
To a person injured on that part of premises you own or rent that the person normally occupies.
- d. **Workers Compensation And Similar Laws**  
To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

- e. **Athletic Activities**  
To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- f. **Products-Completed Operations Hazard**  
Included within the "products-completed operations hazard".
- g. **Coverage A Exclusions**  
Excluded under COVERAGE A.

**D. SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$250 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.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - e. All court costs taxed against the insured in the "suit". HOWEVER, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
  - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as

a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
  - (1) Agrees in writing to:
    - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
    - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
  - (2) Provides us with written authorization to:
    - (a) Obtain records and other information related to the "suit"; and
    - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary

litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I. COVERAGE, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## II. WHO IS AN INSURED

### 1. If you are:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. A trust, you are an insured. Your trustee or co-trustees are also insureds, but only with respect to their duties as a trustee in connection with your property, operations and activities.
- e. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

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

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a

partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

HOWEVER, none of these "employees" or "volunteer workers" is an insured for:

- (1) "Bodily injury" or "personal and advertising injury":
  - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
  - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
  - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
  - (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
  - (a) Owned, occupied or used by; or
  - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
 

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.
- d. 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 policy.
- 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 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. COVERAGE A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. COVERAGE B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- 4. No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

5. **Automatic Additional Insureds**

Any of the following persons or organizations are automatically insureds when you and such person or organization have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy providing general liability coverage.

HOWEVER, the insurance afforded to any of the following additional insureds only applies to the extent permitted by law and will not be broader than that which you are required by the contract or agreement to provide for any of the following additional insureds.

- a. **Co-Owners of Insured Premises**  
Any person or organization with whom you co-own a premises insured under this policy is an additional insured, but only with respect to their liability as the co-owner of such premises.

HOWEVER, their status as additional insured under this policy ends when you cease to co-own such premises with that person or organization.

b. **Controlling Interest**

Any person or organization that has a controlling interest in you is an additional insured, but only with respect to liability arising out of:

- (1) Their financial control of you; or
- (2) Their ownership, maintenance or control of premises you lease or occupy;

subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when they cease to have such controlling interest in you.

c. **Grantor of Franchise or License**

Any person or organization that has granted you a franchise or license by written contract or agreement is an additional insured, but only with respect to their liability as the grantor of a franchise or license to you.

HOWEVER, their status as additional insured under this policy ends when their contract or agreement with you granting the franchise or license ends.

d. **Lessors of Leased Equipment**

Any person or organization from whom you lease equipment by written contract or agreement is an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of the equipment leased to you by that person or organization, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to "bodily injury" or "property damage" arising out of, in whole or in part, or results from, in whole of in part, the active negligence of such person or organization.



HOWEVER, their status as additional insured under this policy ends when their contract or agreement with you for such leased equipment ends.

e. **Managers or Lessors of Leased Premises**

Any person or organization from whom you lease premises is an additional insured, but only with respect to their liability arising out of your use of that part of the premises leased to you, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when you cease to be a tenant of such premises.

f. **Mortgagee, Assignee or Receiver**

Any person or organization who has status as mortgagee, assignee or receiver of your property is an additional insured, but only with respect to their liability as mortgagee, assignee or receiver arising out of your ownership, maintenance, or use of such premises, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when their status as mortgagee, assignee or receiver ends.

g. **Owners or Other Interest from Whom Land has been Leased**

Any person or organization from whom you lease premises is an additional insured, but only with respect to their liability arising out of your maintenance or use of that part of the land leased to you, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when you cease to lease that land.

h. **State or Political Subdivisions - Permits Relating to Premises**

Any state or political subdivision which has issued a permit in connection with premises insured by this policy which you own, rent, or control is an additional insured, but only with respect to the following hazards:

- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decoration and similar exposures;
- (2) The construction, erection, or removal of elevators; or
- (3) The ownership, maintenance, or use of any elevators covered by this insurance.

HOWEVER, their status as additional insured under this policy ends when the permit ends.

### III. LIMITS OF INSURANCE AND DEDUCTIBLE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".

2. **General Aggregate Limit of Insurance**  
(Other than Products-Completed Operations)

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under COVERAGE C;
- b. Damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under COVERAGE B.

The General Aggregate Limit applies separately to each of your described premises. For the purposes of this provision, premises means involving the same or connecting lots, or premises whose connection is interrupted only by a public

street, roadway or waterway, or railroad right-of-way.

**3. Products-Completed Operations Aggregate Limit of Insurance**

The Products-Completed Operations Aggregate Limit is the most we will pay under COVERAGE A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

**4. Personal and Advertising Injury Limit of Insurance**

Subject to paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under COVERAGE B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

**5. Each Occurrence Limit of Insurance**

Subject to paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under COVERAGE A; and
- b. Medical expenses under COVERAGE C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

**6. Tenants Property Damage Legal Liability Limit of Insurance**

Subject to paragraph 5. above, the Tenants Property Damage Legal Liability Limit is the most we will pay under COVERAGE A for damages because of all "property damage" to premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".

**7. Medical Payments Limit of Insurance**

Subject to paragraph 5. above, the Medical Payments Limit is the most we will pay under COVERAGE C for all medical expenses because of "bodily injury" sustained by any one person.

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

**9. Property Damage Deductible**

If a deductible amount is shown in the Liability Declarations, the following provisions apply:

- a. If a deductible amount for Property Damage is shown in the Liability Declarations, any obligation by us under this policy to pay sums on your behalf because of "property damage", applies only to sums in excess of the deductible amount shown in the Declarations for any one "occurrence".
- b. If a deductible amount for Car Wash Property Damage is shown in the Liability Declarations, any obligation by us under this policy to pay sums on your behalf because of "property damage", applies only to sums in excess of the deductible amount shown in the Declarations for any one claim.
- c. If we pay all or any part of a deductible to settle any claim or "suit", upon notification of such payment by us, you shall promptly reimburse us for the amount of the deductible that has been paid by us.

**IV. LIABILITY CONDITIONS**

The following conditions apply in addition to the COMMON POLICY CONDITIONS.

**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

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

- a. You and any insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense that may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we 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";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply; and
- (5) Agree to be examined under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim or "suit". At our option and expense, any examination under oath may be video or audio taped as well as being recorded by stenographic record. In the event of an examination, an insured's answers must be signed.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned

in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

## V. DEFINITIONS

The terms "you", "your", "we", "us", "our" and "insured" are defined in the Preamble of this Coverage Form. The following words or phrases, which appear in quotation marks throughout this Coverage Form and any of its endorsements, are defined as follows:

1. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding websites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. **"Auto"** means:
  - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

HOWEVER, "auto" does not include "mobile equipment".

3. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. **"Coverage territory"** means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in paragraph a. above; or

- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in paragraph a. above; or
  - (2) The activities of a person whose home is in the territory described in paragraph a. above, but is away for a short time on your business; or
  - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in paragraph a. above or in a settlement we agree to.

- 5. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".
- 6. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 7. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
- 8. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
 

if such property can be restored to use by:

    - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
    - b. Your fulfilling the terms of the contract or agreement.
- 9. **"Insured contract"** means:
  - a. A contract for a lease of premises.
 

HOWEVER, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;

- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in paragraph (2) above and supervisory, inspection, architectural or engineering activities.
- 10. **"Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
  - 11. **"Loading or unloading"** means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. **"Mobile equipment"** means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, forklifts, farm machinery, farm implements and other vehicles designed for use or used principally off public roads. This includes motorized golf carts, snowmobiles, and other land vehicles designed for recreational use;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles, other than snowmobiles, that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in paragraphs a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in paragraphs a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

HOWEVER, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; and
- (3) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers.

HOWEVER, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered "autos".

- 13. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. **"Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, petroleum products and their

derivatives, chemicals and waste. Such irritants or contaminants are "pollutants" whether or not they have any function in your business, operations, premises, sites or locations.

Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed and livestock, poultry or other animal excrement.

16. **"Products-completed operations hazard":**

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned.

HOWEVER, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

HOWEVER, if your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent, all "bodily injury" and "property damage" that arises out of "your products" is included if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or

unloading" of that vehicle by any insured; or

- (2) The existence of tools, uninstalled equipment or abandoned or unused materials.

17. **"Property damage" means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. **"Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" 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.

19. **"Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.**

20. **"Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.**

21. **"Your product":**

- a. Means:
  - (1) Any goods or products, other than real property, manufactured, sold,

handled, distributed or disposed of by:

- (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

- a. Means:
  - (1) Work or operations performed by you or on your behalf; and
  - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
  - (2) The providing of or failure to provide warnings or instructions.

**All terms and conditions of this policy apply unless modified by this endorsement.**

## PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS

Various provisions in this policy restrict coverage. Please read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insureds shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

All coverages of this policy are subject to the following conditions.

### A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
  2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
    - a. Five (5) days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy;
      - (1) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:
        - (a) Seasonal unoccupancy; or
        - (b) Buildings in the course of construction, renovation or addition.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.
      - (2) After damage by a Covered Cause of Loss, permanent repairs to the building:
        - (a) Have not started, and
        - (b) Have not been contracted for, within 30 days of initial payment of loss.
      - (3) The building has:
        - (a) An outstanding order to vacate;
        - (b) An outstanding demolition order; or
        - (c) Been declared unsafe by governmental authority.
    - b. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.
    - (5) Failure to:
      - (a) Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
      - (b) Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.
  - b. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium.
  - c. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.



**B. CHANGES**

1. This policy contains all the agreements between you and us concerning the insurance afforded.
2. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent.
3. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

**C. CONCEALMENT, MISREPRESENTATION OR FRAUD**

1. This policy is void in its entirety in any case of fraud, at any time, by you or your representative as it relates to this policy.
2. This policy is also void if you, your authorized representative or any other insured, at any time, conceal or misrepresent any material fact, or violate any material warranty, concerning:
  - a. This policy, including your application for this policy;
  - b. The Covered Property;
  - c. Your interest in the Covered Property; or
  - d. A claim under this policy.
3. We also have the right to rescind this policy based upon any other grounds provided by law.

**D. EXAMINATION OF YOUR BOOKS AND RECORDS**

We may examine and audit your books and records as they relate to this policy or to any claim arising under this policy at any time during the policy period and up to three years afterward.

**E. INSPECTIONS AND SURVEYS**

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

**F. INSURANCE UNDER TWO OR MORE COVERAGES OF THIS POLICY**

If two or more of this policy's coverages apply to the same injury, loss or damage, we will not pay more than the actual amount of the injury, loss or damage, up to the highest applicable Limit of Insurance under any one coverage.

**G. LIBERALIZATION**

If we adopt any revision that would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

**H. OTHER INSURANCE**

1. Under any property coverage provided by this policy, if there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
2. Under any liability coverage provided by this policy,
  - a. If, for injury or loss we cover, there is other valid and collectible insurance available to any insured under another policy:
    - (1) Issued by another insurer, or if there is self insurance or similar risk retention that applies to a loss covered by this policy, then this insurance provided by us shall be excess over such other insurance; or
    - (2) Issued by us or any of our affiliate companies, that applies to a loss covered by this policy, then only the highest applicable Limit of Insurance shall apply to such loss. This condition does not apply to any policy issued by us that is designed to provide Excess or Umbrella liability insurance.

- b. This insurance, if applicable, is also excess, whether that other insurance is primary, excess, contingent or provided on any other basis:

- (1) Over any applicable property insurance or other insurance that insures for direct physical loss or damage;
- (2) Over any valid and collectible insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured; or
- (3) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. under Section I. COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY of the Liability Coverage Form.

- c. When this insurance is excess, we will have no duty under the liability coverage provided by this policy to defend any insured against any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to any 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 the 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 provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

- d. **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 limit of insurance to the total applicable limits of insurance of all insurers.

**I. PREMIUMS**

1. The first Named Insured shown in the Declarations:
  - a. Is responsible for the payment of all premiums; and
  - b. Will be the payee for any return premiums we pay.
2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal of this policy, we will compute the premium in accordance with our rates and rules then in effect.
3. Undeclared exposures or changes in your business operation and acquisition or use of locations may occur during the policy period that are not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules in effect at the inception of such policy.

**J. PREMIUM AUDIT**

1. We have the right but are not obligated to audit this policy. The first Named Insured must keep records of the information we need for premium computation, and send us copies of those records at such times as we may request.
2. If we do audit your policy, at the close of that audit period, we will compute the earned premium for that period and the final premium due based upon your actual exposures.
3. We will send notice to the first Named Insured after the audit has been completed. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

**K. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

**1. Applicable to Businessowners Property Coverage:**

If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss to your Covered Property.
- b. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - (1) Someone insured by this insurance;
  - (2) A business firm:
    - (a) Owned or controlled by you; or
    - (b) That owns or controls you; or
  - (3) Your tenant, but only with our written consent.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

**2. Applicable to Businessowners Liability Coverage:**

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Payments Coverage.

HOWEVER, in the event of any payment under this policy, we waive our right of recovery or subrogation against any person or organization with respect to which you have waived your right of recovery or subrogation in writing and prior to a loss.

**L. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY**

- 1. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.
- 2. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**All terms and conditions of this policy apply unless modified by this endorsement.**



BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS

This endorsement changes the policy to which it is attached.

It is agreed that **Part One - Workers' Compensation Insurance G. Recovery From Others** and **Part Two - Employers' Liability Insurance H. Recovery From Others** are amended by adding the following:

We will not enforce our right to recover against persons or organizations. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

**PREMIUM CHARGE** - Refer to the Schedule of Operations

The charge will be an amount to which you and we agree that is a percentage of the total standard premium for California exposure. The amount is 5%.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective Date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy unless another expiration date is shown below.

Form No: G-19160-B (11-1997)

Endorsement Effective Date:

Endorsement No: 2; Page: 1 of 1

Underwriting Company: Valley Forge Insurance Company, 151 N Franklin St, Chicago, IL 60606

Endorsement Expiration Date:

Policy No: WC 6 46374293

Policy Effective Date: 07/01/2021

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