

PRODUCT REQUIREMENTS CONTRACT

THIS CONTRACT is made and entered into by and between the CITY OF FRESNO, a California municipal corporation (City), and BADGER METER, INCORPORATED (Contractor), as follows:

1. CONTRACT DOCUMENTS. The Special Conditions and price list for the following: Water Meters, Parts, and Software Technology (Bid File No. 9546) copies of which are annexed hereto, together with all the drawings, plans, and documents specifically referred to in said annexed documents, and are hereby incorporated into and made a part of this Contract, and shall be known as the Contract Documents.

2. PRICE. For the estimated monetary consideration of ONE MILLION TWO HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$1,200,000) per year, the Contractor promises and agrees to furnish or cause to be furnished, in a new and working condition, and to the satisfaction of the City, and in strict accordance with the Specifications, all of the items as set forth in the Contract Documents.

3. PAYMENT. The City accepts the Contractor's Bid Proposal as stated and agrees to pay the consideration stated, at the times, in the amounts, and under the conditions specified in the Contract Documents. The Contractor agrees to accept electronic payment from the City.

4. INDEMNIFICATION: To the furthest extent allowed by law, including California Civil Code section 2782 (if applicable), the Contractor shall indemnify, hold harmless and defend the City and each of its officers, officials, employees, agents, and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including, but not limited to personal injury, death at any time and property damage) incurred by the City, the Contractor or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Contract. The Contractor's obligations under the preceding sentence shall apply regardless of whether the City or any of its officers, officials, employees, agents, or volunteers are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active or sole negligence, or by the willful misconduct, of the City or any of its officers, officials, employees, agents, or volunteers.

If the Contractor should subcontract all or any portion of the work to be performed under this Contract, the Contractor shall require each subcontractor to indemnify, hold harmless and defend the City and each of its officers, officials, employees, agents, and volunteers in accordance with the terms of the preceding paragraph.


This section shall survive termination or expiration of this Contract.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the parties have executed this Contract on the day and year here below written, of which the date of execution by the City shall be subsequent to that of the Contractor's, and this Contract shall be binding and effective upon execution by both parties.

CITY OF FRESNO,
A California municipal corporation


BADGER METER,
INCORPORATED


By: 
Michael Carbajal,
Director, Department of Public
Utilities

By: 
Name: Korrine L. Fleming

ATTEST:
YVONNE SPENCE, CRM MMC
City Clerk

Title: Assistant Secretary
(If corporation or LLC., Board Chair,
Pres. or Vice Pres.)

By: 
Deputy Marco Martinez Date 5/1/2020

By: 
Name: Christopher D. Washington

Title: Assistant Secretary
(If corporation or LLC., CFO, Treasurer,
Secretary or Assistant Secretary)

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By:  4/29/2020
Date
Senior Deputy City Attorney

Addresses:

CITY:
City of Fresno
Attention: Ron Simons,
Water System Supervisor
1910 E. University Ave.
Fresno, CA 93703
Phone: (559) 621-5333
FAX: (559) 457-1060

CONTRACTOR:
BADGER METER, INCORPORATED
Attention: Eric Foley,
National Account Manager
4545 W. Brown Deer Rd. P.O. Box
245036
Milwaukee, WI 53224-9536
Phone: (360) 791-4401
FAX: (360) 236-0859

EXHIBIT A

REQUIREMENTS CONTRACT FOR WATER METERS, PARTS, AND SOFTWARE TECHNOLOGY

SPECIAL CONDITIONS

TERM OF CONTRACT

This Contract shall be in effect for three years from the date of the Notice to Proceed ("Initial Term"). The Contract may be extended, with the mutual consent of both parties, for two (2) 1-year increments with price increases/decreases in accordance with the provisions set forth herein, all other terms and conditions specified herein remaining the same. If either the City or Contractor elects not to extend the Contract, or upon expiration of the final one-year extension term, the Contractor shall aid the City in continuing, uninterrupted, the requirements of the Contract, by continuing to perform on a temporary basis, when specifically requested to do so in writing by the Purchasing Manager, for a specified term not to exceed twelve months. Such continuance shall be subject to price increases/decreases in accordance with the provisions set forth herein, and all other terms and conditions remaining the same as if the Contract had been extended for such a temporary period by an amendment hereto.

PRICING CONDITIONS

For the first 12-month period of the Contract, pricing will be fixed at the Bid Proposal price. Sixty days prior to the 1-year anniversary date of the Contract, the Contractor may submit proposed pricing revisions for the following 12-month period to the Purchasing Manager of the City of Fresno. The Contractor must provide adequate documentation to substantiate any request for price increase. Any increase in unit price for any item included in this Contract shall not exceed, unless otherwise approved by the Purchasing Manager, the percent change for the following Producer's Price Index, as published by the Bureau of Labor Statistics: Totalizing fluid meters and counting devices (**Product Code PCU334514334514**). In the event that the index drops, the Contractor shall pass on to the City an equivalent reduction in pricing. The basis of the index shall be established as the last available month at the date of the Notice to Proceed.

If, during the course of this Contract, the Contractor's selling price of any of the item(s) bid, is below the Contract Bid Proposal price, the City will receive the lowest pricing.

AUTHORIZATION TO PLACE ORDERS

Names of individuals authorized to place orders will be provided in writing by the City upon or following the issuance by the City of the Notice to Proceed. City may modify such writing from time to time by notice to the Contractor.

CONTRACTOR'S AUTHORIZED REPRESENTATIVE

The name, mailing address, telephone number, any e-mail address and any facsimile number of Contractor's authorized representative shall be provided in writing by Contractor no later than 5 calendar days following the issuance by the City of the Notice to Proceed.

DELIVERY

There is no minimum value for orders to be placed and delivered to the City. No minimum value will be guaranteed for will call orders. Cancellation of backorders is not acceptable.

Except as otherwise expressly provided herein, delivery(ies) shall be made within thirty (30) calendar days from the respective City notification of release of goods against this Contract. The Contractor must fill orders in their entirety within thirty (30) calendar days or must receive written approval from the City for an extension of the delivery date. **Any goods deemed by the City to be defective, or any wrong parts shipped in error, must be replaced within FOURTEEN (14) calendar days of notification. The City must be notified FORTY-EIGHT (48) hours in advance of delivery or shipment may be refused.**

Delivery of items is to be F.O.B. DESTINATION, FREIGHT PREPAID AND ALLOWED, to:

City of Fresno
Water Division
1910 E. University
Fresno, CA 93703

Delivery is to be made between the hours of 8:00 A.M. and 3:30 P.M. and during regular City of Fresno working days.

EMERGENCY ORDERS

The City at times may require item(s) immediately in an emergency. The emergency may be handled on a will call basis. Therefore, Contractor shall maintain an inventory within a 200-mile radius of Fresno City Hall (2600 Fresno Street, Fresno, CA) and a 24-hour emergency call number. Contractor shall expedite supply of the item(s) and in any event, delivery shall be no more than 48 hours from City's call.

NON-DELIVERY

If the Contractor fails to meet delivery requirements, the City may, but is not obligated to, procure the goods from another source and recover any loss occasioned thereby (including, without limitation, any increase in cost and liquidated damages for Contractor's delay up to date of delivery and acceptance by City of goods from another source), from any unpaid balance due the Contractor or through reduction of future invoices. Otherwise, Contractor will reimburse City within 30 days of receipt of invoice from the City. The price paid by the City shall be considered the prevailing market price at the time purchase is made. City will notify Contractor of any decision to procure the goods from another source. Such notification may be by telephone, electronic mail, or facsimile to Contractor or Contractor's authorized representative.

LIQUIDATED DAMAGES

Time of delivery is of the essence, and the City and Contractor, by executing the Contract, each agree that actual damages to the City, and actual damages for the inconvenience and loss which will flow to the inhabitants of the City, from any delay in delivery beyond the date or dates provided herein, or portions thereof, are extremely difficult or impossible to determine, and, accordingly, it is agreed that the Contractor shall be liable for and shall pay to the City, as fixed, agreed, and liquidated damages, and not as a penalty the sum of TWENTY FIVE DOLLARS (\$25) per day for each calendar day of delay in delivery of item(s) from the maximum delivery

date as specified herein or in any written extension of time granted by the City. Such payment due the City will be deducted by the City from any payments due to the Contractor for item(s) delivered. Otherwise, Contractor will reimburse City within 30 days of receipt of invoice from the City.

PAYMENT

The Contractor shall be eligible for progress payments upon delivery and acceptance of any number of items.

The Contractor must invoice the correct department in the City of Fresno, Water Division, in order to initiate the payment process. Invoices shall be supplied in duplicate and conspicuously displayed with the City of Fresno Purchase Order Number and shall be sent to:

City of Fresno
Water Division
Attn: Accounts Payable
1910 E. University
Fresno, CA 93703



Badger Meter

Exhibit B

QUOTATION

Quotation No. 442431

4545 W Brown Deer Road Milwaukee WI 53223
PO Box 245036 Milwaukee WI 53224-9536
Phone: 800-876-3837 Fax: 888-371-5982

Customer Service Rep: crusch@badgermeter.com

Created Date: 12-03-2019

To RON SIMONS
CITY OF FRESNO
1910 E UNIVERSITY
FRESNO California 937032927
Email: ron.simons@fresno.gov

CUSTOMER ID:00040472

EFFECTIVE DATES:12/3/2019 - 12/31/2020

SALESPERSON	PROPOSAL SUBJECT	SHIPPING TERMS / INCO TERMS	PAYMENT TERMS
005116 Eric Foley	2019 QUOTATION FOR C/O FRESNO, CA	PREPAY/NO CHARGE FCA FACTORY	NET 30 DAYS

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
1	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8403	1	\$181.00	\$181.00
2	Reclaimed, RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Reclaimed) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8404	1	\$186.00	\$186.00
3	RCDL M35 LL Disc Meter (NSF 61-G), 3/4" (3/4 X 9), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8405	1	\$197.00	\$197.00
4	Reclaimed, RCDL M35 LL Disc Meter (NSF 61-G), 3/4" (3/4 X 9), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Reclaimed) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8406	1	\$202.00	\$202.00
5	RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8407	1	\$214.00	\$214.00
6	Reclaimed, RCDL M55 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4), Low Lead Bronze Bottom, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Reclaimed) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UM1-0018-8408	1	\$219.00	\$219.00

THANK YOU FOR YOUR BUSINESS!

This quotation is an offer, made subject to the terms & conditions found on our website: www.badgermeter.com/Company/Legal/Sales-Terms.aspx
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.

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Badger Meter

QUOTATION

Quotation No. 442431

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
17	RCDL Compound Series Meter LL (NSF 61-G), 3", Round w/Test Plug, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.1 Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8240	1	\$1,795.00	\$1,795.00
18	RCDL Compound Series Meter LL (NSF 61-G), 4", Round w/Test Plug, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 0.1 Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8241	1	\$2,860.00	\$2,860.00
19	RCDL Compound Series Meter LL (NSF 61-G), 6", Round w/Test Plug, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 1 Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8242	1	\$3,830.00	\$3,830.00
20	RCDL Fire Series Assembly LL (NSF 61-G), 6", Round, External UL/FM Strainer Attached, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 1 Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8419	1	\$7,110.00	\$7,110.00
21	RCDL Fire Series Assembly LL (NSF 61-G), 8", Round, External UL/FM Strainer Attached, Less Connections, HRE-LCD Registration, Gallon, 9 Dial - 1 Gallon, 9 Dial - 0.1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8420	1	\$9,310.00	\$9,310.00
22	No Register, Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 8 in, UMI-0017-9609	1	\$85.00	\$85.00
23	Registration for, RCDL M25 Disc Meter, 5/8", HRE-LCD Registration, Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8421 ***** LTE-M RETROFITS FOR 5/8" - 1" DISC	1	\$140.00	\$140.00
24	Registration for, RCDL M120 Disc Meter, 1 1/2", HRE-LCD Registration, Gallon, 9 Dial - 0.1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8422 ***** LTE-M RETROFITS FOR 1-1/2" & 2" DISC	1	\$140.00	\$140.00
25	Registration for, RCDL Turbo Series Meter, 1 1/2", HRE-LCD Registration, Gallon, 9 Dial - 0.1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8423 ***** LTE-M RETROFITS FOR 1-1/2" - 10" TURBO SERIES	1	\$157.00	\$157.00
26	Registration for, RCDL Compound Series Meter, 3", HRE-LCD Registration, Gallon, 9 Dial - 0.1 Gallon, 9 Dial - 0.01 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8424 ***** LTE-M RETROFITS FOR COMPOUND SERIES	1	\$312.00	\$312.00
27	Registration for, RCDL Fire Series Assembly Meter, 6", HRE-LCD Registration, Gallon, 9 Dial - 1 Gallon, 9 Dial - 0.1 Gallon, Plastic Shroud / Plastic Lid (Gray) Orion Cellular, LTE-M, Indoor-Outdoor, Nicor Connector, 6 ft, UMI-0018-8426 ***** LTE-M RETROFITS FOR FSA	1	\$312.00	\$312.00

THANK YOU FOR YOUR BUSINESS!

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Badger Meter

QUOTATION

Quotation No. 442431

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
28	TR-3.0 Firmware, LTE / LAN Receiver, FRESNO, CA (ID=45), Frequency 452.4125, Line Powered, 100 FT, MR1-0000-2943	1	\$4,200.00	\$4,200.00

Notes and Assumptions:

Badger Meter provides certification files to help manage meter and endpoint inventory and to maintain meter accuracy data. The standard method of delivery for this format is via electronic mail. Any deviations from our standard format, or any custom file formats, will be considered on a time and material basis. Please contact your Account Manager if you require more information.

Badger Meter continues to improve and redesign our products to provide our customers with state-of-the-art technology solutions. Therefore, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products, provided the replacement products meet the following requirements: are substantially similar to and are at least of equal quality and performance to, are in conformance with the requirements in the applicable specifications, meet the actual needs or are otherwise suitable for the intended use, and are priced at an amount that does not exceed the price of the quoted products.

If applicable, sales tax and freight charges will be added at time of invoice.

Actual lead time to be provided at time of order.

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Badger Meter

QUOTATION

Quotation No. 442431

If you would like to place an order, please contact your Customer Service Rep at utilityorders@badgermeter.com or call 1-800-876-3837.

If you have questions, please contact your Account Manager Eric Foley 800-876-3837 x16549 efoley@badgermeter.com

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4545 W Brown Deer Road
PO Box 245036
Milwaukee, Wisconsin 53224-9536
414-355-0400 | 800-876-3837
www.badgermeter.com

CERTIFICATION OF SIGNATURE AUTHORITY

I certify as follows:

By Board Resolution adopted by the Board of Directors of Badger Meter, Inc. and in full force and effect as of this date:

The following *elected executive officers* are, among other things, hereby authorized to execute, amend, and cancel bids and contracts for the sale of products, distributor and representative agreements, bid bonds, surety bonds, contracts, leases and certain other legally binding documents in the ordinary course of business, in the name of Badger Meter, Inc. (or Badger Meter, Inc. dba National Meter & Automation):

William R.A. Bergum	Vice President – General Counsel & Secretary
Kenneth C. Bockhorst	President and Chief Executive Officer
Kimberly K. Stoll	Vice President – Sales & Marketing
Robert A. Wrocklage	Sr. Vice President – Finance, CFO, and Treasurer

The following *elected non-executive officers* are hereby authorized to execute, amend, and cancel bids, bid-related contracts and documents, requests for proposals and quotes, and all other bid-related documentation in the name of Badger Meter, Inc. (or Badger Meter, Inc. db a National Meter Automation)

Wayne Dennis	Assistant Secretary	Sr. Director – International Sales and Marketing and Business Development
Charla D. Dury	Assistant Secretary	Project Manager – Bid and Contract Administration
Frank J. Fenton	Assistant Secretary	Director – Utility Sales
Korrine L. Fleming	Assistant Secretary	Manager – Bid and Contract Admin.
Jessica L. Kent	Assistant Secretary	Senior Project Manager – Bids and Contract Administration
Nathaniel R. Hawley	Assistant Secretary	Director – Distribution Administration
Rebecca L. Loomans	Assistant Secretary	Senior Project Manager – Bids and Contract Administration
Benjamin E. Loomis	Assistant Secretary	Milwaukee Credit Manager
Pamela G. Stokke-Ceci	Assistant Secretary	Assistant General Counsel and Director
Christopher D. Washington	Assistant Secretary	Senior Proposal Lead

April 16, 2020

Date



BY:

William R.A. Bergum
Vice President – General Counsel & Secretary
Badger Meter, Inc.

WAIVER OF OUR RIGHTS TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

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

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be \$ **See Below**

Schedule**Person or Organization****Job Description**

All entities as required by written contract executed prior to the date of loss. This does not apply to any contract of work in the following states: KY, MO, NH, NJ, UT

, CA

Effective: 1/1/2019
Premium: \$0

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 01/01/2019

Policy No.: 1400011587

Endorsement No.: 1

Insured: Badger Meter, Inc.

Premium: (\$619)

Insurance Company: Accident Fund Insurance Company of America

Countersigned By _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED-DESIGNATED PERSON OR ORGANIZATION-YOUR PRODUCTS OR YOUR WORK

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

NAME OF PERSON OR ORGANIZATION: ANY PERSON OR ORGANIZATION WITH WHOM YOU HAVE AGREED, IN A WRITTEN CONTRACT EXECUTED PRIOR TO LOSS, TO INCLUDE AS AN ADDITIONAL INSURED.

PROVISIONS

1. WHO IS AN INSURED (SECTION II) IS AMENDED TO INCLUDE AS AN INSURED THE PERSON OR ORGANIZATION SHOWN IN THE SCHEDULE ABOVE (CALLED HEREFTER "ADDITIONAL INSURED"), BUT ONLY WITH RESPECT TO SUCH ADDITIONAL INSURED'S LIABILITY FOR "BODILY INJURY" OR "PROPERTY DAMAGE" ARISING OUT OF "YOUR PRODUCT" OR "YOUR WORK".

2. THE LIMITS OF INSURANCE PROVIDED TO SUCH ADDITIONAL INSURED SHALL BE:

A. THE LIMITS WHICH YOU HAVE AGREED TO PROVIDE; OR

B. THE LIMITS SHOWN IN THE DECLARATIONS

WHICHEVER IS LESS.

3. ANY COVERAGE PROVIDED BY THIS ENDORSEMENT TO AN ADDITIONAL INSURED SHALL BE EXCESS OVER ANY OTHER VALID AND COLLECTIBLE INSURANCE AVAILABLE TO THE ADDITIONAL INSURED WHETHER PRIMARY, EXCESS, CONTINGENT OR ON ANY OTHER BASIS UNLESS A WRITTEN CONTRACT OR WRITTEN AGREEMENT IN EFFECT DURING THIS POLICY PERIOD AND SIGNED AND EXECUTED BY YOU PRIOR TO THE LOSS FOR WHICH COVERAGE IS SOUGHT SPECIFICALLY REQUIRES THAT THIS INSURANCE APPLY ON A PRIMARY AND/OR NON-CONTRIBUTORY BASIS.

4. THIS INSURANCE DOES NOT APPLY ON ANY BASIS TO THE SOLE NEGLIGENCE OF SUCH ADDITIONAL INSURED.



COMMERCIAL GENERAL LIABILITY

D. DAMAGE TO PREMISES RENTED TO YOU

1. The first paragraph of the exceptions in Exclusion j., **Damage To Property**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted.
2. The following replaces the last paragraph of Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Exclusions c., g. and h., and Paragraphs (1), (3) and (4) of Exclusion j., do not apply to "premises damage". Exclusion f.(1)(a) does not apply to "premises damage" caused by fire unless Exclusion f. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by another endorsement to this Coverage Part that has Exclusion – All Pollution Injury Or Damage or Total Pollution Exclusion in its title. A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

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

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises.

The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part; or
 - b. \$100,000 if no amount is shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part.
4. The following replaces Paragraph a. of the definition of "insured contract" in the **DEFINITIONS** Section:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";

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

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

6. The following replaces Paragraph 4.b.(1)(b) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

(b) That is insurance for "premises damage"; or

7. Paragraph 4.b.(1)(c) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted.

E. INCREASED SUPPLEMENTARY PAYMENTS

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

- b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

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

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

F. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – FIRST AID

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

Unless you are in the business or occupation of providing professional health care services, "occurrence" also means an act or omission committed by any of your "employees" or "volunteer workers", other than an employed

or volunteer doctor, in providing or failing to provide first aid or "Good Samaritan services" to a person.

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

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any of your "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

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

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

4. The following is added to the DEFINITIONS Section:

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

G. WHO IS AN INSURED – EMPLOYEES – SUPERVISORY POSITIONS

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

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" or "personal injury" to a co-"employee" in the course of the co-"employee's" employment by you arising out of work by any of your "employees" who hold a supervisory position.

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

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

4. Any organization you newly acquire or form, other than a partnership or joint venture, of which you are the sole owner

or in which you maintain the majority ownership interest, will qualify as a Named Insured if there is no other insurance which provides similar coverage to that organization. However:

- a. Coverage under this provision is afforded only:

- (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

- (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it, and we agree in writing that it will continue to be a Named Insured until the end of the policy period;

- 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 injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

I. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES

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

Any person or organization that is a premises owner, manager or lessor is an insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor does not apply to:

- a. Any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or

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- b. Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.

J. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT

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

Any person or organization that is an equipment lessor is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by your acts or omissions in the maintenance, operation or use by you of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.

K. BLANKET ADDITIONAL INSURED – PERSONS OR ORGANIZATIONS FOR YOUR ONGOING OPERATIONS AS REQUIRED BY WRITTEN CONTRACT OR AGREEMENT

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

Any person or organization that is not otherwise an insured under this Coverage Part and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Is caused by an "occurrence" that takes place after you have signed and executed that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the performance of your ongoing operations to which that contract or agreement applies or the acts or omissions of any person or organization performing such operations on your behalf.

The limits of insurance provided to such insured will be the limits which you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

L. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

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

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Is caused by an "occurrence" that takes place after you have signed and executed that contract or agreement; and
- b. Arises out of "your products" which are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such vendor does not apply to:
 - (1) Any express warranty not authorized by you;
 - (2) Any change in "your products" made by such vendor;
 - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";
 - (5) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or
 - (6) "Your products" which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingre-

dient, part or container entering into, accompanying or containing such products; or

- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

M. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

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

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You maintain an ownership interest of more than 50% in such subsidiary on the first day of the policy period; and
- b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal injury" or "advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

N. WHO IS AN INSURED – LIABILITY FOR CONDUCT OF UNNAMED PARTNERSHIPS OR JOINT VENTURES

The following replaces the last paragraph of **SECTION II – WHO IS AN INSURED**:

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership or joint venture that otherwise qualifies as an insured under Section II – Who Is An Insured.

O. CONTRACTUAL LIABILITY – RAILROADS

- 1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:

c. Any easement or license agreement;

- 2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

P. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

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

- e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

(1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your trustees who is an individual (if you are a trust), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, limited liability company or trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.

(2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:

(a) Any individual who is:

- (i) A partner or member of any partnership or joint venture;
- (ii) A manager of any limited liability company;
- (iii) A trustee of any trust; or
- (iv) An executive officer or director of any other organization;

that is your partner, joint venture member, manager or trustee; or

(b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.

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- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2) above discover that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

Q. UNINTENTIONAL OMISSION

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

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

R. BLANKET WAIVER OF SUBROGATION

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

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" caused by an "occurrence" that takes place; or
- b. "Personal injury" or "advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.