

**SECOND AMENDMENT TO THE  
AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND CYPRESS SECURITY, LLC**

THIS SECOND AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Second Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Cypress Security LLC, a California Limited Liability Company ("Consultant").

WHEREAS, on November 15, 2011, the parties hereto originally entered into the Agreement for Project Services between the City and Consultant (the "Agreement"); and

WHEREAS, on November 6, 2012, the parties hereto entered into the First Amendment to the Agreement ("First Amendment") to amend Exhibits "B" and "C", to extend the Agreement to June 30, 2014, and increase the limit for the total amount paid to Consultant to \$115,000; and

WHEREAS, the parties wish to amend the Agreement pursuant to Section 21 of the Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendments to the Agreement:

1. Term. Exhibits "B" and "B-1" of the Agreement are hereby amended to add Exhibit "B-2", which extends the Agreement to June 30, 2015 and provides that the Agreement may be extended for one subsequent annual term by the City Manager's written notice. Exhibit "B-2" is attached hereto and incorporated by reference. Consultant shall commence and complete all services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B-2".
2. Compensation. Exhibits "C" and "C-1" of the Agreement are hereby amended to add Exhibit "C-2" to increase the hourly rate paid to Consultant to \$17.80 and increase the limit for the Consultant's total compensation by \$75,000 for a total not to exceed amount of \$190,000. Exhibit "C-2" is attached hereto and incorporated by reference. Consultant shall be compensated for the services described in Exhibit "A".
3. No Other Amendments. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any




inconsistency between the terms of the Agreement, First Amendment, and this Second Amendment, the terms of this Second Amendment shall govern.



IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 6<sup>th</sup> day of May, 2014.

CITY OF REDONDO BEACH

  
\_\_\_\_\_  
Mayor


CYPRESS SECURITY, LLC

By:   
Name: KES NARBUTAS  
Title: CEO

ATTEST:

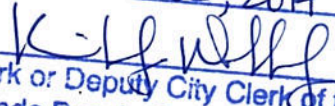
  
\_\_\_\_\_  
City Clerk

APPROVED:

  
\_\_\_\_\_  
Risk Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney's Office

This is certified to be a true and correct copy of the original on file in this office.  
Dated: JUNE 02, 2014  
Attest:   
\_\_\_\_\_  
City Clerk or Deputy City Clerk of the City of Redondo Beach, California.



**EXHIBIT "B-2"**

**SCHEDULE FOR COMPLETION**

Term. The term of this Agreement shall be extended for an additional one year term, which shall commence on July 1, 2014 and expire June 30, 2015 ("Term"), unless otherwise terminated as herein provided. Upon City Manager's written notice to Consultant at least fifteen (15) days prior to the expiration of the Term, the Agreement shall automatically renew for one subsequent annual term, unless otherwise terminated as herein provided.



**EXHIBIT "C-2"**  
**COMPENSATION**

Provided Consultant is not in default under this Agreement, Consultant shall be compensated as provided below.

- A. Amount. Consultant shall be paid an hourly rate of \$17.80.
- B. Not to Exceed Amount. In no event shall Consultant's compensation exceed \$75,000 during this annual term. Consultant's compensation shall not exceed \$190,000 during the cumulative term(s) of this Agreement.
- C. Method of Payment. Consultant shall provide invoices to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.
- D. Schedule for Payment. Payments shall be made monthly, in arrears based upon the time spent during the previous month for which an invoice shall be submitted. City agrees to pay Consultant within thirty (30) days of receipt of the monthly invoice.





# CERTIFICATE OF LIABILITY INSURANCE

CYPARSE-01

HBCT02

DATE (MM/DD/YYYY)

3/3/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0564249  
Heffernan Insurance Brokers  
1460B O'Brien Drive  
Menlo Park, CA 94025

## CONTACT NAME:

PHONE (A/C, No, Ext): 1 (650) 842-5200

FAX (A/C, No): 1 (650) 842-5201

E-MAIL ADDRESS:

## INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Arch Specialty Insurance Company

21199

INSURER B: Everest Indemnity Insurance Company

INSURER C:

INSURER D:

INSURER E:

INSURER F:

## INSURED

Cypress Security LLC  
478 Tehama Street  
San Francisco, CA 94103

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X		BSPKG2088801	5/5/2013	5/5/2014	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 5,000,000
							PRODUCTS - COMP/OP AGG	\$ 5,000,000
								\$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> Physical <input checked="" type="checkbox"/> Damage Incl. <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			BSPKG0235701	5/5/2013	5/5/2014	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
							COMP/COLL DED	\$ 1,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$ 10,000 <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE			BSPKG2088901	5/5/2013	5/5/2014	EACH OCCURRENCE	\$ 5,000,000
							AGGREGATE	\$ 5,000,000
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	5300000911131	11/28/2013	11/28/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
A	Commercial Crime			BSPKG2088701	5/5/2013	5/5/2014	Employee Dishonesty	100,000
A	Professional Liab.			BSPKG2088801	5/5/2013	5/5/2014	Agg:\$5M/Per Claim	1,000,000

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

Re: 415 Diamond Street, Redondo Beach, California 90277. Joyce L. Rooney, Transit Operations & Facilities Manager, City of Redondo Beach is named as additional insured on the General Liability Policy per attached endorsements. This certificate replaces and supersedes all previously issued certificates.

## CERTIFICATE HOLDER

## CANCELLATION

Joyce L. Rooney, Transit Operations & Facilities manager City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

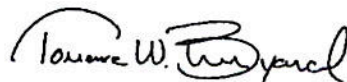
AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGES

POLICY CHANGE  
NUMBER 7

POLICY NUMBER <b>BSPKG2088801</b>	POLICY CHANGES EFFECTIVE <b>2/18/2014</b>	COMPANY <b>ARCH SPECIALTY INSURANCE COMPANY</b>
NAMED INSURED <b>CYPRESS SECURITY, INC.</b>		AUTHORIZED REPRESENTATIVE <b>W. H. BROWNYARD CORPORATION</b>
COVERAGE PARTS AFFECTED <b>COMMERCIAL GENERAL LIABILITY COVERAGE PART</b>		
CHANGES IT IS HEREBY UNDERSTOOD AND AGREED THAT THE FOLLOWING FORMS ARE MADE PART OF THE POLICY AS PER THE ATTACHED. 1. CG20331001 - ADDITIONAL INSURED- OWNERS, LESSEES OR CONTRACTORS- AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU. 2. CG20370704 - ADDITIONAL INSURED- OWNERS, LESSEES OR CONTRACTORS- COMPLETED OPERATIONS 3. CG20101001 - ADDITIONAL INSURED- OWNERS, LESSEES OR CONTRACTORS- SCHEDULED PERSON OR ORGANIZATION		
<b>NO PREMIUM CHANGE</b> 2/21/2014 JAS/jp		



Authorized Representative Signature

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

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – AUTOMATIC STATUS WHEN  
REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Section II – Who Is An Insured** is amended to include as an insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability arising out of your ongoing operations performed for that insured. A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.
- B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:**
- 2. Exclusions**
- This insurance does not apply to:
- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
    - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
    - (2) Supervisory, inspection, architectural or engineering activities.
  - b. "Bodily injury" or "property damage" occurring after:
    - (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
    - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



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

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
JOYCE L. ROONEY, TRANSIT OPERATIONS & FACILITIES MANAGER CITY OF REDONDO BEACH	415 DIAMOND STREET REDONDO BEACH, CALIFORNIA 90277
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

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

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<p><b>Name of Person or Organization:</b> JOYCE L. ROONEY, TRANSIT OPERATIONS &amp; FACILITIES MANAGER CITY OF REDONDO BEACH 415 DIAMOND STREET REDONDO BEACH, CALIFORNIA 90277</p>
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(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**A. Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

**B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

**2. Exclusions**

This insurance does not apply to "bodily injury" or "property damage" occurring after:

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



# CERTIFICATE OF LIABILITY INSURANCE

CYPSEC-01

HBCT06

DATE (MM/DD/YYYY)

5/8/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0564249  
Heffernan Insurance Brokers  
1460B O'Brien Drive  
Menlo Park, CA 94025

## CONTACT NAME:

PHONE (A/C, No, Ext): 1 (650) 842-5200

FAX (A/C, No): 1 (650) 842-5201

E-MAIL ADDRESS:

## INSURED

Cypress Security LLC  
478 Tohama Street  
San Francisco, CA 94103

## INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Philadelphia Indemnity Insurance Company 18058

INSURER B: Everest Indemnity Insurance Company

INSURER C:

INSURER D:

INSURER E:

INSURER F:

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X	PHPK1169499	5/5/2014	5/5/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Physical <input checked="" type="checkbox"/> Damage Incl.		PHPK1169499	5/5/2014	5/5/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ COMP/COLL DED \$ 1,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		PHUB458085	5/5/2014	5/5/2015	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	5300000911131	11/28/2013	11/28/2014	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Crime		PHPK1169499	5/5/2014	5/5/2015	Employee Dishonesty 100,000
A	Professional Liab.		PHPK1169499	5/5/2014	5/5/2015	Agg:\$5M/Per Claim 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Re: 415 Diamond Street, Redondo Beach, California 90277. Joyce L. Rooney, Transit Operations & Facilities Manager, City of Redondo Beach is named as additional insured on the General Liability Policy per attached endorsements.

## CERTIFICATE HOLDER

Joyce L. Rooney, Transit Operations & Facilities manager City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****GENERAL LIABILITY DELUXE ENDORSEMENT:  
SECURITY SERVICES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for these extensions are provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Damage to Premises Rented to You	\$1,000,000	2
Watercraft	Used in Security Services only	2
Medical Payments	\$20,000	2
Medical Payments – Extended Reporting Period	3 years	2
Supplementary Payments – Bail Bonds	\$2,500	3
Supplementary Payments – Loss of Earnings	\$500 per day	3
Employee Indemnification Defense Coverage for Employees	\$15,000	3
Additional Insured – Broadened Named Insured	Included	3
Additional Insured – Managers and Supervisors	Included	3
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	3
Additional Insured – Lessors of Leased Equipment – Automatic Status When Required in Lease Agreement With You	Included	4
Additional Insured – Grantors of Permits	Included	4
Additional Insured – Blanket Additional Insureds by Contract	Included	4
Limited Rental Lease Agreement Contractual Liability	\$50,000	5
Transfer of Rights of Recovery Against Others To Us	Clarification	5
Duties in the Event of Occurrence, Offense, Claim or Suit	Included	5
Unintentional Failure to Disclose Hazards	Included	6
Liberalization	Included	6
Bodily Injury – Mental Anguish	Included	6
Assault and Battery Coverage with Extended Property Damage	Included	6
Errors and Omissions Coverage	Included	7
Incidental Medical Malpractice	Included	9

**A. Damage to Premises Rented to You**

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word fire is changed to fire, lightning, explosion, smoke, or leakage from automatic fire protective systems where it appears in:
  - a. The last paragraph of **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. Exclusions;
  - b. **SECTION III – LIMITS OF INSURANCE**, Paragraph 6.; and
  - c. **SECTION V – DEFINITIONS**, Paragraph 9.a.
2. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the words fire insurance are changed to insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems where it appears in **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Subsection 4. Other Insurance, Paragraph b. Excess Insurance.
3. The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:
  - a. \$1,000,000; or
  - b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

**B. Watercraft**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. Exclusions, Paragraph g. Aircraft, Auto Or Watercraft does not apply to security services performed on or about watercraft.

**C. Medical Payments – Limit Increased, Extended Reporting Period**

If **COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit is changed subject to all of the terms of **SECTION III – LIMITS OF INSURANCE** to the greater of:
  - a. \$20,000; or
  - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.
2. Under **SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS**, Subsection 1. Insuring Agreement, Paragraph a., Item (b) is amended to read:

provided that:

  - (b) The expenses are incurred and reported to us within three years of the date of the accident; and

**D. Supplementary Payments**

In the **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** provision, Items 1.b. and 1.d. are amended as follows:

1. The limit for the cost of bail bonds is changed from \$250 to \$2,500; and
2. The limit for loss of earnings is changed from \$250 a day to \$500 a day.

**E. Employee Indemnification Defense Coverage**

In the **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** provision, the following is added:

We will pay, on your behalf, defense costs incurred by an "employee" in a criminal proceeding.

The most we will pay for any "employee" who is alleged to be directly involved in a criminal proceeding is \$15,000 regardless of the numbers of "employees," claims or "suits" brought or persons or organizations making claims or bringing "suits."

**F. Who is an Insured**

**SECTION II – WHO IS AN INSURED** is amended as follows:

1. If coverage for newly acquired or formed organizations is not otherwise excluded from this Coverage Part, Paragraph 3.a. is changed to read:
  - a. Coverage under this provision is afforded until the end of the policy period;
2. Each of the following is also an Insured:
  - a. **Broadened Named Insured** – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.
  - b. **Managers and Supervisors** – If you are an organization other than a partnership or joint venture, your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors.
  - c. **Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

- d. **Lessors of Leased Equipment – Automatic Status When Required in Lease Agreement With You** – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

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

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- e. **Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
- (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- f. **Blanket Additional Insureds by Contract** – Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:

(1) Your acts or omissions; or

(2) The acts or omissions of those acting on your behalf;

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

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

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

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Supervisory, inspection, architectural or engineering activities.
- (2) "Bodily injury" or "property damage" occurring after:
- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**G. Limited Rental Lease Agreement Contractual Liability**

The following is added to **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions, Paragraph b. Contractual Liability:**

- (3) Based on the named insured's request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000.

This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

**H. Transfer of Rights of Recovery Against Others To Us**

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

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

**I. Duties in the Event of Occurrence, Offense, Claim or Suit**

- 1. When you report an "occurrence" (coverage for which is provided by this policy) to your compensation insurance carrier, and this "occurrence" later develops into a liability claim, failure to report such "occurrence" to us at the time of such "occurrence" shall not be deemed in violation of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 2. Duties in the Event of Occurrence, Offense, Claim or Suit.**

This is upon the distinct understanding and agreement however, that you, the insured, as soon as made aware that this particular "occurrence" is a liability case, rather than a compensation case shall give us notification immediately.

- 2. The requirement in Condition 2.a. of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense, applies only when the "occurrence" or offense is known to:



- a. You, if you are an individual;
  - b. A partner, if you are a partnership; or
  - c. An "executive officer" or insurance manager, if you are a corporation.
3. The requirement in Condition 2.b. of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:
- a. You, if you are an individual;
  - b. A partner, if you are a partnership; or
  - c. An "executive officer" or insurance manager, if you are a corporation.

**J. Unintentional Failure To Disclose Hazards**

It is agreed that, based on our reliance upon your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**K. Liberalization**

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

**L. Bodily Injury – Mental Anguish**

**SECTION V – DEFINITIONS**, Paragraph 3. is changed to read:

"Bodily injury":

- a. Means bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

**M. Assault and Battery with Extended Property Damage**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. Exclusions, Paragraph a. is deleted in its entirety and replaced by the following:

**a. Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to:

- (1) "Bodily injury" or "property damage" resulting from the use of physical force to protect persons or property; or
- (2) Allegations of vicarious liability on the part of a Named Insured arising solely from the acts of your "employees." However, acts of your "employees" shall not include theft.

**N. Errors and Omissions Coverage**

1. **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is amended by adding the following:

**ERRORS AND OMISSIONS**

This insurance applies to negligent acts, errors or omissions committed by you relating to your services described in the Declarations.

2. **SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY** is amended by adding the following:

**ERRORS AND OMISSIONS**

The insurance that applies to "personal injury" includes negligent acts, errors or omissions committed by you relating to your services described in the Declarations.

3. **SECTION I – COVERAGES** is amended by adding the following:

**COVERAGE D – ERRORS AND OMISSIONS LIABILITY**

**a. Insuring Agreement**

- (1) We will pay those sums that the insured becomes legally obligated to pay as damages because of errors or omissions committed by you relating to your services described in the Declarations. However, we will have no duty to defend the insured against any "suit" seeking damages for errors or omissions committed by the Insured to which the insurance does not apply. We will have the right and duty to defend any "suit" seeking those damages. We may, at our discretion, investigate any claim or "suit" that may result. But:

(a) The amount we will pay for damages is limited as described in **SECTION III – LIMITS OF INSURANCE**; and

(b) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B, or D, 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, B, AND D**.

- (2) This insurance applies only if the error or omission occurs during the policy period.

**b. Exclusions**

This insurance does not apply to:

- (1) "Bodily injury" or "property damage";
  - (2) "Personal and advertising injury";
  - (3) Intentional injury, nor injury arising out of willful violation of a penal statute or ordinance, committed by or with the knowledge or consent of the insured;
  - (4) Any claim seeking relief or redress in any form other than monetary damages;
  - (5) Any claim arising out of any insured's activities, or as a fiduciary, under the Employment Retirement Income Security Act of 1974, any amendments or any regulation or order issued thereto;
  - (6) Any claim arising from warranties or guarantees made by any insured;
  - (7) Liability assumed by the insured under any contract or agreement. This exclusion does not apply to liability for damages:
    - (a) That the insured would have in the absence of the contract or agreement; or
    - (b) Assumed in a contract or agreement that is an insured contract;
  - (8) Liability arising from any fraudulent, dishonest, or criminal act of any insured;
  - (9) Liability arising from a claim made by a parent or subsidiary organization of the insured or another subsidiary organization of such parent or other subsidiary, nor any officer, director or "employee" of any of the above; and
  - (10) Any claim alleging, arising out of, resulting from, based upon or in consequence of, directly or indirectly, any employment practices or any discrimination against any person or entity on any basis; additionally, any actual or alleged violation of the Fair Labor Standards Act or any similar law or regulation applicable to the payment of wages or overtime.
- c. **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended to read **SUPPLEMENTARY PAYMENTS – COVERAGES A, B, AND D**
- d. **SECTION III – LIMITS OF INSURANCE** is amended as follows:
- (1) Item 2. is replaced by the following:
    2. The General Aggregate Limit is the most we will pay for the sum of:
      - a. Medical expenses under Coverage C;
      - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
      - c. Damages under Coverage B; and
      - d. Damages under Coverage D.
  - (2) Item 5. is replaced by the following:

5. Subject to 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"; and

c. Damages under Coverage D.

e. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 4.** Other Insurance is amended as follows:

(1) The first paragraph is replaced by the following:

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

(2) Paragraph b. Excess Insurance, Item (2) is replaced by the following:

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

**O. Incidental Medical Malpractice**

We will pay for injury arising out of the rendering of or failure to render the following treatment or services by an "employee" for an accident occurring during the policy period:

1. First aid treatment including cardiopulmonary resuscitation (CPR); and
2. Medical, surgical, dental, x-ray, or nursing service or treatment, or the furnishing of food or beverages in connection therewith; and the furnishing or dispensing of drugs, or medical, dental, or surgical supplies or appliances.

However, this coverage does not apply to any insured or to any entity engaged in the business or occupation of providing the services or treatments described in 1. and 2. above.