

**AMENDMENT NO. 1  
TO AGREEMENT FOR CONTRACTOR SERVICES (ON-CALL)  
NPG, Inc.**

**FY 16/17 Annual Crack Seal & Pothole Repairs, Project No. Z10002**

This Amendment No. 1 to Agreement for Contractor Services (On-Call) ("Amendment No. 1") is made and entered into as of July 1, 2016 by and between the City of Lake Elsinore, a municipal corporation ("City), and NPG, Inc., a California corporation ("Contractor").

**RECITALS**

A. The City and Contractor have entered into that certain Agreement for Contractor Services dated as of October 13, 2015 (the "Original Agreement"). Except as otherwise defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

B. The Original Agreement provided for compensation to Contractor in an amount not to exceed Fifty-Five Thousand dollars (\$55,000).

C. The term of the Original Agreement was for eight (8) months and allows the City to extend the term on an annual basis, for a total of two (2) years.

D. The parties now desire to extend the term for such services as set forth in this Amendment No 1.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, City and Contractor agree as follows:

1. Section 2, Time of Performance, of the Original Agreement is hereby amended to add the following:

Unless earlier terminated as provided elsewhere in the Original Agreement, this Amendment No. 1 shall continue in full force and effect until June 30, 2017. The City may, at its sole discretion, extend the term of this Agreement on an annual basis not to exceed one (1) additional renewal term, such notice to be exercised by the City Manager.

2. Except for the changes specifically set forth herein, all other terms and conditions of the Original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be executed on the respective dates set forth below.

"CITY"

CITY OF LAKE ELSINORE, a municipal corporation

  
\_\_\_\_\_  
Grant Yates, City Manager

Date: 8/24/11

"CONTRACTOR"

NPG, Inc., a California corporation

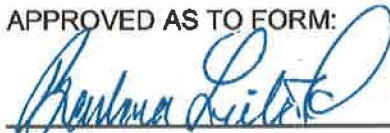
  
\_\_\_\_\_  
Jeff Nelson, Owner

Date: 8/19/11

ATTEST:

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

Attachments: Exhibit B – Original Agreement

EXHIBIT A

CITY OF LAKE ELSINORE

PROPOSAL - SCHEDULE

PROJECT NO. Z10002  
FY 15/16 ANNUAL CRACK SEAL & POTHOLE REPAIRS

PROPOSER: NPG, Inc.  
(Contractor  
Name)

PROPOSAL ITEMS AS FOLLOWS:

ITEM NO.	DESCRIPTION OF ITEMS	ESTIMATED QUANTITY		UNIT PRICE (FIGURES)	TOTAL COST (FIGURES)
1	Remove and Replace 3 inches (maximum) sections	5,000	SF	\$3.75	\$18,750.00
2	1 ½ Inch edge mill	10,000	SF	\$0.76	\$7,600.00
3	Install 1 Inch AC levelling course	335	TON	\$165.00	\$55,275.00
4	Install 1 ½ Inch AC Hot Mix Asphalt Overlay	500	TON	\$160.00	\$80,000.00
TOTAL FOR ITEMS (Based on estimated quantities of Items 1 through 4)					\$ 161,625.00

SCHEDULE A Total Bid: \$161,625.00  
(Figures\*)

SCHEDULE A Total Bid:

One hundred sixty one thousand six hundred twenty five dollars and zero  
(Words\*)

**\*BID MAY BE REJECTED IF TOTAL IS NOT SHOWN FOR BOTH FIGURES AND WORDS.**

(Payment bond required in this amount – no personal checks will be accepted):



# CONTRACTORS STATE LICENSE BOARD



## Contractor's License Detail for License # 664779

**DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.**

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Data current as of 8/17/2016 2:32:29 PM

### Business Information

NPG INC  
P O BOX 1515  
PERRIS, CA 92572  
Business Phone Number:(951) 940-0200

Entity Corporation  
Issue Date 02/17/1993  
Expire Date **02/28/2017**

### License Status

**This license is current and active.**

**All information below should be reviewed.**

### Classifications

C12 - EARTHWORK AND PAVING  
B - GENERAL BUILDING CONTRACTOR  
A - GENERAL ENGINEERING CONTRACTOR

### Bonding Information

#### Contractor's Bond

This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.

**Bond Number:** 151812

**Bond Amount:** \$15,000

**Effective Date:** 01/01/2016

Contractor's Bond History

#### Bond of Qualifying Individual

The qualifying individual JEFFREY SCOTT NELSON certified that he/she owns 10 percent or more of the voting stock/membership interest of this company; therefore, the Bond of Qualifying Individual is not required.

**Effective Date:** 08/19/1997

BQI's Bond History

### Workers' Compensation

This license has workers compensation insurance with the INSURANCE COMPANY OF THE WEST

**Policy Number:**WVE5028828

**Effective Date:** 01/01/2015

**Expire Date:** 01/01/2017

Workers' Compensation History

Other



# CERTIFICATE OF LIABILITY INSURANCE

OP ID: DB

DATE (MM/DD/YYYY)

12/31/2015

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

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

<b>PRODUCER</b> Crosby Insurance, Inc 8181 E. Kaiser Blvd Anaheim Hills, CA 92808 John Sheffield		<b>CONTACT NAME:</b> John Sheffield <b>PHONE (A/C, No, Ext):</b> 714-221-5255 <b>E-MAIL ADDRESS:</b> jsheffield@crosbyinsurance.com <b>PRODUCER CUSTOMER ID #:</b> NPGCO-J		<b>FAX (A/C, No):</b> 714-221-5210
<b>INSURED</b> NPG, Inc. aka: Nelson Paving & Grading, Goldstar Asphalt Products P.O. Box 1515 Perris, CA 92572		<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
		<b>INSURER A:</b> Ironshore Specialty Ins Co		
		<b>INSURER B:</b> General Ins Co of America		
		<b>INSURER C:</b> Liberty Ins Underwriters		
		<b>INSURER D:</b> ICW Group		
		<b>INSURER E:</b>		
		<b>INSURER F:</b>		

**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	<b>GENERAL LIABILITY</b>		AGS0058702	11/15/2015	11/15/2016	EACH OCCURRENCE
	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>					\$ 1,000,000
	<input type="checkbox"/> <b>CLAIMS-MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b>					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000
						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> <b>POLICY</b> <input checked="" type="checkbox"/> <b>PROJECT</b> <input type="checkbox"/> <b>LOC</b>					GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b>		24-CC-206754-9 INCL PHYSICAL DAMAGE	11/15/2015	11/15/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> <b>ANY AUTO</b>					BODILY INJURY (Per person) \$
	<input type="checkbox"/> <b>ALL OWNED AUTOS</b>					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> <b>SCHEDULED AUTOS</b>					PROPERTY DAMAGE (PER ACCIDENT) \$
<input checked="" type="checkbox"/> <b>HIRED AUTOS</b>		<b>Comprehensive</b> \$ \$1,000 ded				
<input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b>		<b>Collision</b> \$ \$1,000 ded				
<input checked="" type="checkbox"/> <b>Hired Phys Dam</b>		\$50,000 MAXIMUM LIMIT				
C	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> <b>OCCUR</b>	100002437206	11/15/2015	11/15/2016	EACH OCCURRENCE \$ 5,000,000
	<input checked="" type="checkbox"/> <b>EXCESS LIAB</b>	<input type="checkbox"/> <b>CLAIMS-MADE</b>				AGGREGATE \$ 5,000,000
	<input type="checkbox"/> <b>DEDUCTIBLE</b>					\$
	<input type="checkbox"/> <b>RETENTION \$</b>					\$
D	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>	<input type="checkbox"/> <b>Y/N</b>	WVE5028828 01	01/01/2016	01/01/2017	<input checked="" type="checkbox"/> <b>WC STATU-TORY LIMITS</b> <input type="checkbox"/> <b>OTH-ER</b>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH)	<input checked="" type="checkbox"/> <b>Y</b>				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	<b>EQUIPMENT RENTED FROM OTHERS</b>		24-CC-316773-10	11/15/2015	11/15/2016	Limit 500,000
						Ded 1,000

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

\*If cancelled for non-payment of premium, only 10 days notice will be given.

\*\* SEE ATTACHED \*\*

**CERTIFICATE HOLDER****CANCELLATION**

<b>CITYLEL</b>  City of Lake Elsinore Attn: City Manager 130 S. Main Street Lake Elsinore, CA 92530	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 
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**NOTEPAD:**

HOLDER CODE CITYLEL  
INSURED'S NAME NPG, Inc. aka: Nelson Paving

NPGCO-J  
OP ID: DB

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Date 12/31/2015

The City, its elected or appointed officers, officials, employees, agents and volunteers is named Additional Insured as respects General Liability and Auto Liability only as per attached endorsements.

General Liability is Primary and Non-Contributing only as per attached endorsements.

Waiver of Subrogation applies to General Liability, Auto Liability and Employers Liability only as per attached endorsements.

General Liability losses are subject to a deductible of \$5,000

Project: NPG Job 15649 ~ City of Lake Elsinore, Project #Z10002, FY 15-16  
Annual Crack Seal & Pothole Repairs (on-call)

**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

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
<p>As required by written contract. If required by your written contract or written agreement with such Additional Insured, this insurance is primary and non-contributory.</p> <p>If anyone, other than the Additional Insured, provides similar insurance for the Additional Insured, then this insurance will apply as outlined in <b>SECTION IV – COMMERCIAL LIABILITY CONDITIONS</b>, paragraph 4. <b>Other Insurance</b>, subparagraph c. <b>Method of Sharing</b>.</p> <p>The inclusion of one or more Insured(s) under the terms of this endorsement does not increase our limits of liability.</p> <p>All other terms and conditions remain unchanged</p>	<p>Any Location</p>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. 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", "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(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

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 location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**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  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### **SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s)</b>	<b>Location And Description Of Completed Operations</b>
<p>As required by written contract. If required by your written contract or written agreement with such Additional Insured, this insurance is primary and non-contributory.</p> <p>If anyone, other than the Additional Insured, provides similar insurance for the Additional Insured, then this insurance will apply as outlined in <b>SECTION IV – COMMERCIAL LIABILITY CONDITIONS</b>, paragraph <b>4. Other Insurance</b>, subparagraph <b>c. Method of Sharing</b>.</p> <p>The inclusion of one or more Insured(s) under the terms of this endorsement does not increase our limits of liability.</p> <p>All other terms and conditions remain unchanged.</p>	<p>The insurance afforded by this policy for the benefit of the additional insured does not apply to 'property damage' to any building, structure or appurtenant structure intended to be occupied as a 'private residence'. The term "private residence" includes single family homes or residences, multi-family homes or residences. Apartments are not considered "private residences."</p>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. 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".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### **SCHEDULE**

**Name Of Person Or Organization:**

**As Required by Written Contract**

Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **8. Transfer  
Of Rights Of Recovery Against Others To Us** of  
**Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.



COMMERCIAL AUTO  
CA 71 10 03 07

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

## **AUTO PLUS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

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

#### **EXTENDED CANCELLATION CONDITION**

Paragraph 2.b. of the CANCELLATION Common Policy Condition is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

#### **TEMPORARY SUBSTITUTE AUTO — PHYSICAL DAMAGE COVERAGE**

Under paragraph C. — CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS of SECTION 1 — COVERED AUTOS, the following is added:

If Physical Damage coverage is provided by this Coverage Form, then you have coverage for:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss" or destruction.

#### **BROAD FORM NAMED INSURED**

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period.

#### **BLANKET ADDITIONAL INSURED**

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- e. Any person or organization for whom you are required by an "insured contract" to provide insurance is an "insured", subject to the following additional provisions:

- (1) The "insured contract" must be in effect during the policy period shown in the Declarations, and must have been executed prior to the "bodily injury" or "property damage".
- (2) This person or organization is an "insured" only to the extent you are liable due to your ongoing operations for that insured, whether the work is performed by you or for you, and only to the extent you are held liable for an "accident" occurring while a covered "auto" is being driven by you or one of your employees.
- (3) There is no coverage provided to this person or organization for "bodily injury" to its employees, nor for "property damage" to its property.
- (4) Coverage for this person or organization shall be limited to the extent of your negligence or fault according to the applicable principles of comparative negligence or fault.
- (5) The defense of any claim or "suit" must be tendered by this person or organization as soon as practicable to all other insurers which potentially provide insurance for such claim or "suit".

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- (6) The coverage provided will not exceed the lesser of:
  - (a) The coverage and/or limits of this policy; or
  - (b) The coverage and/or limits required by the "insured contract".
- (7) A person's or organization's status as an "insured" under this subparagraph d ends when your operations for that "insured" are completed.

#### **EMPLOYEE AS INSURED**

Under Paragraph A. of Section II — LIABILITY COVERAGE item f. is added as follows:

Your "employee" while using his owned "auto", or an "auto" owned by a member of his or her household, in your business or your personal affairs, provided you do not own, hire or borrow that "auto". This coverage is excess to any other collectible insurance coverage.

#### **FELLOW EMPLOYEE COVERAGE**

Exclusion 5. FELLOW EMPLOYEE of SECTION II — LIABILITY COVERAGE — B. EXCLUSIONS is amended by the addition of the following:

However, this exclusion does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire, and provided that any coverage under this provision only applies in excess over any other collectible insurance.

#### **BLANKET WAIVER OF SUBROGATION**

We waive the right of recovery we may have for payments made for "bodily injury" or "property damage" on behalf of the persons or organizations added as "insureds" under Section II — LIABILITY COVERAGE — A.1.D. BROAD FORM NAMED INSURED and A.1.e. BLANKET ADDITIONAL INSURED.

#### **PHYSICAL DAMAGE — ADDITIONAL TRANSPORTATION EXPENSE COVERAGE**

The first sentence of paragraph A.4. of SECTION III — PHYSICAL DAMAGE COVERAGE is amended as follows:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

#### **PERSONAL EFFECTS COVERAGE**

A. SECTION III — PHYSICAL DAMAGE COVERAGE, A.4. COVERAGE EXTENSIONS, is amended by adding the following:

##### **c. Personal Effects Coverage**

For any Owned "auto" that is involved in a covered "loss", we will pay up to \$500 for "personal effects" that are lost or damaged as a result of the covered "loss", without applying a deductible.

#### **EXTRA EXPENSE — BROADENED COVERAGE**

Paragraph A. — COVERAGE of SECTION III — PHYSICAL DAMAGE COVERAGE is amended to add:

- 5. We will pay for the expense of returning a stolen covered "auto" to you.

#### **AIRBAG COVERAGE**

Under paragraph B. — EXCLUSIONS of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

#### **NEW VEHICLE REPLACEMENT COST**

Under Paragraph C — LIMIT OF INSURANCE of Section III — PHYSICAL DAMAGE COVERAGE section 2 is amended as follows:

- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss. However, in the event of a total loss to your "new vehicle" to which this coverage applies, as shown in the declarations, we will pay at your option:
  - a. The verifiable "new vehicle" purchase price you paid for your damaged vehicle, not including any insurance or warranties purchased;
  - b. The purchase price, as negotiated by us, of a new vehicle of the same make, model and equipment, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership. If the same model is not available pay the purchase price of the most similar model available;

- c. The market value of your damaged vehicle, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership.

This coverage applies only to a covered "auto" of the private passenger, light truck or medium truck type (20,000 lbs or less gross vehicle weight) and does not apply to initiation or set up costs associated with loans or leases.

## TWO OR MORE DEDUCTIBLES

Under SECTION III — PHYSICAL DAMAGE COVERAGE, if two or more "company" policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement "company" means:

- a. Safeco Insurance Company of America
- b. American States Insurance Company
- c. General Insurance Company of America
- d. American Economy Insurance Company
- e. First National Insurance Company of America
- f. American States Insurance Company of Texas
- g. American States Preferred Insurance Company
- h. Safeco Insurance Company of Illinois

## LOAN/LEASE GAP COVERAGE

Under paragraph C — LIMIT OF INSURANCE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

- 4. The most we will pay for a total "loss" in any one "accident" is the greater of the following, subject to a \$1,500 maximum limit:

- a. Actual cash value of the damaged or stolen property as of the time of the "loss", less an adjustment for depreciation and physical condition; or

- b. Balance due under the terms of the loan or lease that the damaged covered "auto" is subject to at the time of the "loss", less any one or all of the following adjustments:

- (1) Overdue payment and financial penalties associated with those payments as of the date of the "loss".
- (2) Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear.
- (3) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease.
- (4) Transfer or rollover balances from previous loans or leases.
- (5) Final payment due under a "Balloon Loan".
- (6) The dollar amount of any un-repaired damage that occurred prior to the "total loss" of a covered "auto".
- (7) Security deposits not refunded by a lessor.
- (8) All refunds payable or paid to you as a result of the early termination of a lease agreement or any warranty or extended service agreement on a covered "auto".
- (9) Any amount representing taxes.
- (10) Loan or lease termination fees

## GLASS REPAIR — WAIVER OF DEDUCTIBLE

Under paragraph D. — DEDUCTIBLE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

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

## AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITION 2.a. — DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS — of SECTION IV — BUSINESS AUTO CONDITIONS that you must notify us of an

"accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

#### **UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

**SECTION IV — BUSINESS AUTO CONDITIONS — B.2.** is amended by the addition of the following:

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

#### **HIRED AUTO — LIMITED WORLD WIDE COVERAGE**

Under **Section IV — Business Conditions, Paragraph B.7.b.e(1)** is replaced by the following:

- (1) The "accident" or "loss" results from the use of an "auto" hired for 30 days or less.

#### **RESULTANT MENTAL ANGUISH COVERAGE**

**SECTION V — DEFINITIONS — C.** is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person including mental anguish or death resulting from any of these.

#### **HIRED AUTO PHYSICAL DAMAGE COVERAGE**

If hired "autos" are covered "autos" for Liability coverage and if Comprehensive, Specified Causes of Loss or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow.

The most we will pay for loss to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" of the private passenger or light truck type for that coverage. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit,

deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

#### **HIRED AUTO PHYSICAL DAMAGE COVERAGE — LOSS OF USE**

**SECTION III — PHYSICAL DAMAGE A.4.b.** Form does not apply.

Subject to a maximum of \$1,000 per accident, we will cover loss of use of a hired "auto" if it results from an accident, you are legally liable and the lessor incurs an actual financial loss.

#### **RENTAL REIMBURSEMENT COVERAGE**

- A. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
- B. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
  1. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
  2. 30 days.
- C. Our payment is limited to the lesser of the following amounts:
  1. Necessary and actual expenses incurred.
  2. \$50 per day.
- D. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
- E. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the PHYSICAL DAMAGE COVERAGE Coverage Extension.
- F. The Rental Reimbursement Coverage described above does not apply to a covered "auto" that is described or designated as a covered "auto" on

## **AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

### **A. Coverage**

1. We will pay with respect to a covered "auto" for "loss" to any electronic equipment that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto".
2. We will pay with respect to a covered "auto" for "loss" to any accessories used with the electronic equipment described in paragraph A.1. above.

However, this does not include tapes, records or discs.

3. If Audio, Visual and Data Electronic Equipment Coverage form CA 99 60 or CA 99 94 is attached to this policy, then the Audio, Visual and Data Electronic Equipment Coverage described above does not apply.

### **B. Exclusions**

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to this coverage. In addition, the following exclusions apply:

We will not pay for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" for the monitoring of the covered "auto's" operating system; or
2. Both:
  - a. an integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto"; and
  - b. permanently installed in the opening of the dash or console normally used by

### **C. Limit of Insurance**

With respect to this coverage, the LIMIT OF INSURANCE provision of PHYSICAL DAMAGE COVERAGE is replaced by the following:

1. The most we will pay for "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
  - c. \$1,000.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

### **D. Deductible**

1. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Comprehensive or Collision Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" to audio, visual or data electronic equipment caused by fire or lightning.
2. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Specified Causes of Loss Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.
3. If "loss" occurs solely to the audio, visual or data electronic equipment or accessories used with this equipment, then for each covered "auto" our obligation to pay for, repair,

return or replace damaged or stolen property will be reduced by a \$100 deductible.

4. In the event that there is more than one applicable deductible, only the highest deductible will apply. In no event will more than one deductible apply.

**SECTION V — DEFINITIONS** is amended by adding the following:

- Q. "Personal effects" means your tangible property that is worn or carried by you, except for tools, jewelry, money, or securities.
- R. "New vehicle" means any "auto" of which you are the original owner and the "auto" has not been previously titled and is less than 365 days past the purchase date.

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

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).

The additional premium for this endorsement shall be 3 % of the total California Workers' Compensation premium otherwise due.

## Schedule

Person or Organization  
**ANY PERSON OR  
ORGANIZATION WHEN  
REQUIRED BY WRITTEN  
CONTRACT**

Job Description  
**ALL CALIFORNIA  
OPERATIONS**

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 **01/01/2016** Policy No. **WVE 5028828 01**

Endorsement No.

Insured **NPG INC**

Premium \$ **INCL.**

Insurance Company **INSURANCE COMPANY OF THE WEST**

Countersigned By \_\_\_\_\_