

THIRD AMENDMENT TO AGREEMENT BETWEEN THE CITY OF SANTA ANA AND REDFLEX TRAFFIC SYSTEMS, INC.

THIS THIRD AMENDMENT (the "Amendment") made and entered into this 21ST day of June, 2010, by and between REDFLEX TRAFFIC SYSTEMS, INC., a Delaware Corporation, registered to do business in California under corporate entity number C2463262 (hereinafter referred to as "Redflex"), and the City of Santa Ana, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California ("City"), collectively referred to herein as "the Parties".

RECITALS

- A. The parties previously entered into an Agreement between the City of Santa Ana and Redflex Traffic Systems, Inc. , number A-2002-231, dated December 2, 2002 (the "Agreement"), to provide automated red light photo enforcement in the City of Santa Ana; and,
- B. The parties mutually agree to amend certain terms of the Agreement, including, among other revisions, the term, installation, violation processing, training, compensation, go live and final acceptance, insurance, and termination clauses.
- C. The Santa Ana City Council hereby authorizes the Chief of Police to exercise the option to extend the term for a one (1) year period upon the expiration of this five (5) year term, and to exercise the option to extend the term for a second one (1) year period upon the expiration of the first one (1) year extension of said agreement, upon the discretion of the Chief of Police,

RT
 7/15/10
 INSURANCE ON FILE
 WORK MAY PROCEED
 UNTIL INSURANCE EXPIRES
 3-15-2011
 CLERK OF COUNCIL
 CRIVE

WHEREFORE, in consideration of the mutual and respective covenants and promises contained herein, and subject to all of the terms and conditions of said Agreement as hereby amended, the parties agree as follows:

1. **TERM.** Paragraph 1 of the Amendment entered into February 4th, 2008, pertaining to the Term in Section 1, is amended as follows:
 As of the effective date of this Amendment, the term is extended for five (5) years commencing June 18th, 2010. By mutual agreement, the term of this Amendment may be extended by two (2) additional consecutive one-year (1) periods following the expiration of the Initial Term (each, a "Renewal Term" and collectively with the Initial Term, the "Term"). The City has the right to extend by providing written notice to Redflex not less than 30 days prior to the last day of the renewal term. Even after termination of the instant contract, either through expiration of the term or invocation of the termination clause, Redflex will continue to provide the City with evidence packages and prosecutorial support for any violations captured by the red light camera equipment up to the date of termination of the contract.
2. **PARAGRAPH 3 - INSTALLATION** is amended as follows:
 With respect to the number of Designated Intersection Approaches mentioned in the first sentence of Paragraph 3 – Installations, the number of approaches is modified to include an additional twenty (20) approaches for a total of up to forty (40) approaches. The installation of such additional approaches, or research of the same by the City, is not required, and is at the sole discretion of the City. Redflex will provide site surveys for proposed approaches to the City at no charge at the request of the City. All other aspects of this paragraph are to remain unchanged.

Section J below is now added as follows:

j. Redflex construction will be able to utilize existing conduit for installation where space is available. Where it is determined by both parties that additional conduit is necessary, the cost shall be borne by Redflex; however, the City shall provide at no cost the necessary encroachment permits.

3. **PARAGRAPH 5 – VIOLATION PROCESSING**

Section j is amended as follows:

EXPERT COURT TESTIMONY: Contractor shall provide expert court testimony for use by City in prosecuting Violations, at no cost, except if expert court testimony from Redflex Traffic Systems Arizona offices is warranted, under which circumstances, expert shall be provided to City on a cost reimbursement basis for reasonable travel expenses only to appear at the venue for court testimony. The City reserves the right to review and scrutinize all travel expenses from Redflex and to refuse payment for unreasonable charges. Routine and unusually frequent testimony from Redflex Traffic Systems Arizona offices shall serve as reasonable cause for termination of the contract pursuant to Paragraph 21 – Termination of the agreement. Request for any expert testimony must be made in writing with no less than fourteen (14) calendar day notification prior to court proceeding, when feasible and allowable.

4. **PARAGRAPH 6 – Training**

Section a is amended as follows:

Contractor shall provide training at no cost to the City for up to an additional fifteen (15) personnel of the City during the term of the instant amendment commencing on June 18, 2010. All other aspects of this section are to remain unchanged.

5. **PARAGRAPH 10 – COMPENSATION**

Section a - is amended as follows:

Commencing on the execution of this Third Amendment to the Agreement, City shall be obligated to pay Redflex a fixed fee for each Intersection Approach as full remuneration for performing all of the services contemplated in this Agreement as per the following three (3) pricing categories:

Category 1: Fixed Fee of \$3900.00 per month per approach for each of the following twenty (20) Existing Intersections Approaches:

Harbor / McFadden – N/B
First St. / Euclid – N/B
Euclid / First St. – N/B
17th St. / Broadway – N/B
17th St. / Bristol St. – N/B
First St. / Grand – N/B
Santa Ana Blvd. / Main St. – W/B
First St. / Fairview – N/B
Fairview / First St. – N/B
Harbor / Warner – N/B
Harbor / Westminster – N/B
Westminster / Harbor – N/B
Newhope St. / Hazard Ave. – S/B
Bristol St. / Edinger – N/B
17th St. / Tustin Ave. – W/B
17th St. / Tustin Ave. – S/B
Seegerstrom Ave. / Raitt – W/B
Dyer Rd. / Pullman St. – W/B
Bristol St. / Seegerstrom Ave. – S/B

Category 2: Relocation of up to five (5) approaches, mutually agreed upon by both City and Contractor, will be at no cost to the City. Once the approach relocation is completed, the relocated approaches will be categorized as new Designated Intersection Approaches with a fixed fee of \$4750 per month per approach thereafter. Fixed fee for these relocated approaches will be prorated on the monthly billing to reflect the time each new approach is operational.

Category 3: For each new Designated Intersection Approach, City shall be obligated to pay Redflex a fixed fee of \$4750 per month per approach for each new Designated Intersection Approach as full remuneration for performing all of the services contemplated in this Agreement.

Business Assumptions for All Pricing Options: Where improvements to capture additional lanes are added to any of the above approaches, the fixed fee will be increased proportionally by mutual agreement between both parties.

In the event that a system is disabled for more than 24 hours, the monthly fee for that system will be reduced to the number of days operational and a prorated fee will apply for that system. However, in the instance of a system disabled for more than 48 hours due to a knockdown, the monthly fee will be prorated after 48 hours. If a system is disabled during a weekend, the monthly fee will be prorated after 48 hours.

Section f below is now added as follows:

f. **FAILURE TO APPEAR:** Requests for FTA Reports (Failure to Appear) made within one year of Violator's failure to appear, will be provided at no charge to City.

Section g below is now added as follows:

g. **ROADWAY PROJECTS:** Contractor will not be responsible for the construction costs of Roadway or Intersection improvement projects. Contractor shall be responsible for equipment placement for operational system approaches as a result of any roadway or intersection improvement project by City. If a system is deactivated at the City's request due to roadway construction or project, the City will not be billed for the Intersection Approach downtime for that system until the project is completed.

6. **PARAGRAPH 11 – GO LIVE AND FINAL ACCEPTANCE**

Section a is added as follows:

Redflex will be required to issue at least thirty (30) days worth of warning notices with no charge to the City for each new or moved intersection approach.

7. **PARAGRAPH 12 – INSURANCE** is amended as follows:

Prior to undertaking performance of work under this Agreement, Contractor shall obtain and cause to remain in full force and effect during the Term insurance as described below:

Section a is amended as follows:

Commercial General Liability Insurance. Contractor shall maintain commercial general liability insurance naming the City, its officers, employees, agents, volunteers and representatives as additional insured(s) and shall include, but not be limited to protection against claims arising from bodily and personal injury, including death resulting there from and damage to property, resulting from any act or occurrence arising out of Contractor's operations in the performance of this Agreement. The amounts of insurance shall be not less than the following: single limit coverage applying bodily and personal injury, including death resulting there from, and property damage, in

the total amount of \$2,000,000.00 per occurrence, and a general aggregate limit of not less than \$5,000,000.00. Limits required can be provided through any combination of primary and excess policies. Contractor shall supply City with a fully executed additional insured endorsement in substantially the form attached hereto as Exhibit A upon execution of the Agreement and shall be approved in form by the City Attorney.

Section b is amended as follows:

Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$2,000,000.00 per occurrence, and a general aggregate limit of not less than \$5,000,000.00. Limits required can be provided through any combination of primary and excess policies. Such insurance shall include coverage for owned, hired and non-owned automobiles.

Section d is amended as follows:

If Contractor is or employs a licensed professional such as an architect or engineer, professional liability (errors and omissions) insurance is required, with a combined single limit of not less than \$2,000,000.00 per claim.

Section e (iii) is amended as follows:

Certificates of Insurance on all policies shall state that the insurer will endeavor to mail the City written notice of not less than thirty (30) days prior to cancellation, except only ten (10) days in the event of cancellation due to non-payment of premium.

8. **PARAGRAPH 21 – TERMINATION**

Section a is amended as follows:

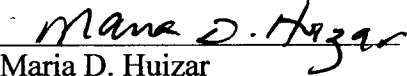
Any negative ruling or order from any court pertaining to the admissibility of red light camera results, or the legality or sufficiency of the red light camera system, or any other issue that reasonably inhibits the prosecution of red light camera cases shall provide immediate cause for termination.

9. **EXCEPT AS AMENDED IN THIS AMENDMENT**, all other provisions of the Agreement shall remain unchanged and in full force and effect.

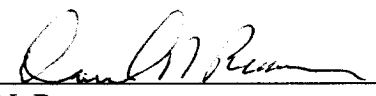
IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to said Agreement as of the day and year first set forth above.

ATTEST:

CITY OF SANTA ANA



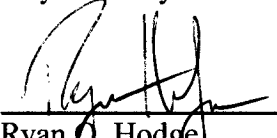
Maria D. Huizar
Clerk of the Council



David N. Ream
City Manager

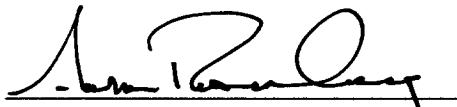
APPROVED AS TO FORM:

Joseph W. Fletcher
City Attorney



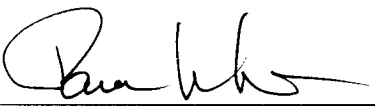
Ryan O. Hodge
Deputy City Attorney

REDFLEX TRAFFIC SYSTEMS, INC.,



Aaron Rosenberg
Executive Vice President

RECOMMENDED FOR APPROVAL:



Paul M. Walters
Chief of Police

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID 16
REDFL-1

DATE (MM/DD/YYYY)
03/05/10

PRODUCER
California Insurance Center
AJG & Co Ins. Brokers of CA
3697 Mt. Diablo Blvd., #300
Lafayette CA 94549
Phone: 925-299-1112 Fax: 925-299-0328

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Redflex Traffic Systems, Inc.
23751 N. 23rd Avenue Ste 150
Phoenix AZ 85085-1854

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: WAUBAD UNDERWRITERS INS. CO.	
INSURER B: LIBERTY MUTUAL FIRE INS. CO.	
INSURER C: ENDURANCE AMERICAN SPECIALTY	
INSURER D: LIBERTY MUTUAL FIRE INS. CO.	
INSURER E: TRAVELERS CASUALTY & SURETY CO	31194

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR MOD / LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> A.M. Best: A XV <input checked="" type="checkbox"/> Per project/loc GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	TBJZ91453980030 ISO FORM CG0001	03/15/10	03/15/11	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Emp Ben. 1,000,000
A	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"/> A.M. Best A XV	ASJZ91453980020 ISO FORM CA0001	03/15/10	03/15/11	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
B	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	THZ291453980040	03/15/10	03/15/11	EACH OCCURRENCE \$19,000,000 AGGREGATE \$19,000,000 \$AM Best AXV \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WCJZ91453980010 AM BEST A XV	03/15/10	03/15/11	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Errors & Omissions Cyberliability	PPL10001967500 AM BEST A XV	03/15/10	03/15/11	E&O \$2,000,000 Retention \$35,000

APPROVED AS TO FORM
Ryde Hodge
Deputy City Attorney
7/15/10

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Per LG32340907 The City of Santa Ana, CA, its officers, employees and volunteers are named as Additional Insured as respects to General Liability. Coverage is primary & non-contributory.

CERTIFICATE HOLDER

CANCELLATION

CITSANA

City of Santa Ana
Paula Coleman
20 Civic Center Plaza
Santa Ana CA 92702

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in the General Liability coverage part to the first Named Insured, the General Liability insurance applies:

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

Valuable Papers: Policy Number YU2L9L453980060 (Co.D) Effective 3/15/10-11
Limit: \$250,000 AM Best A XV
Deductible: \$5,000

Installation: Policy Number YU2L9L453980060 (Co.D) Effective 3/15/10-11
Limit: \$1,000,000 per occurrence AM Best A XV
Deductible: \$10,000

Third Party Fidelity: Travelers Insurance (Co.E); Policy Number 104861759
Effective 03/15/10 to 03/15/11 Limit: \$500,000 per claim A.M. Best A+XV

Stop Gap coverage for WA & OH incl on general liability policy

* Except 10 Days in the event of cancellation for non-payment of premium

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIBERTY DirectSolutions for Contractors
(with Professional Liability)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This endorsement modifies insurance by broadening the insurance provided by CG 00 01.

Index of modified items:

- Item 1 - REASONABLE FORCE
- Item 2 - NON-OWNED WATERCRAFT EXTENSION
- Item 3 - ALIENATED PREMISES
- Item 4 - PROPERTY IN YOUR CARE, CUSTODY OR CONTROL
- Item 5 - CONTRACTORS PROFESSIONAL LIABILITY
- Item 6 - DAMAGE TO PREMISES RENTED TO YOU - EXPANDED COVERAGE
- Item 7 - BODILY INJURY TO CO-EMPLOYEES
- Item 8 - HEALTH CARE PROFESSIONALS AS INSURED
- Item 9 - NEWLY FORMED OR ACQUIRED ENTITIES
- Item 10 - BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION--MANAGERS OR LESSORS OF PREMISES
- Item 11 - EXPANDED BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION (FOR INSTALLATION EXPOSURES)
- Item 12 - BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION - PERSON OR ORGANIZATION
- Item 13 - ADDITIONAL INSURED - ARCHITECTS, ENGINEERS OR SURVEYORS
- Item 14 - ADDITIONAL INSURED - STATE, MUNICIPALITY OR POLITICAL SUBDIVISION - PERMITS
- Item 15 - ADDITIONAL INSURED AND WAIVER OF SUBROGATION - LESSOR OF LEASED EQUIPMENT
- Item 16 - KNOWLEDGE OF OCCURRENCE
- Item 17 - UNINTENTIONAL ERRORS AND OMISSIONS
- Item 18 - BODILY INJURY REDEFINITION
- Item 19 - MOBILE EQUIPMENT REDEFINITION
- Item 20 - SUPPLEMENTARY PAYMENTS
- Item 21 - LIBERALIZATION

These changes broaden the policy sections described unless differing language is separately endorsed to the coverage part.

Item 1 - REASONABLE FORCE

Exclusion a. of Coverage A is 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 "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

Item 2 - NON-OWNED WATERCRAFT EXTENSION

Subparagraph g.(2) of Exclusion g. of Coverage A (Section I - Coverages) is replaced by the following:

- (2) A watercraft you do not own that is:
 - (a) Less than 55 feet long; and
 - (b) Not being used for public transportation or as a common carrier.

Item 3 - ALIENATED PREMISES

- 1. Subparagraph j.(2) of Exclusions of Section I - Coverages - Bodily Injury And Property Damage Liability is replaced by the following:

- (2) Premises you sell, give away, or abandon, if the "property damage" arises out of any part of those premises, and occurs from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

Item 4. - PROPERTY IN YOUR CARE, CUSTODY OR CONTROL

1. Subparagraphs (3) and (4) of exclusion j. of coverage A. do not apply except to
- (a) borrowed equipment, or
 - (b) "property damage" to property in your care, custody and control while in transit.

This insurance does not apply to any portion of a loss for which the insured has available any other valid and collectible insurance, whether primary, excess, contingent, or on any other basis, unless such other insurance was specifically purchased by the insured to apply in excess of this policy.

2. **Limits of Insurance**

Subject to Paragraphs 2, 3, and 5. of Section III - Limits Of Insurance, the most we will pay for insurance provided by paragraph 1., above is:

- \$10,000 Each Occurrence Limit
- \$25,000 Aggregate Limit

The Each Occurrence Limit for this coverage applies to all damages as a result of any one "occurrence" regardless of the number of persons or organizations who sustain damage because of that "occurrence."

The Aggregate Limit is the most we will pay for the sum of all occurrences covered by this provision.

Item 5. - CONTRACTORS PROFESSIONAL LIABILITY

The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you, but only with respect to your providing engineering, architectural or surveying services in your capacity as an engineer, architect or surveyor.

Professional services include:

- 1. 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 or inspection activities performed as part of any related architectural or engineering activities.

This exclusion does not apply to your operations in connection with construction work performed by you or on your behalf.

Item 6. - DAMAGE TO PREMISES RENTED TO YOU - EXPANDED COVERAGE

A. Fire, Lightning Or Explosion Damage

The last paragraph of 2. Exclusions under Section I - Coverage A is replaced by the following:

Exclusions c. through n. do not apply to damage to premises rented to you or temporarily occupied by you with permission of the owner when the damage is caused by fire, lightning, or explosion or subsequent damages resulting from such fire, lightning or explosion, including water damage. A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.

B. Limits for Damage to Premises Rented to You

Paragraph 6. of Section III - Limits of Insurance is replaced by the following:

Subject to 5. above, the Damage to Premises Rented to You Limit is the most we will pay under Coverage A for any combination of:

- (a) damage caused by fire, lightning, or explosion or subsequent damages resulting from such fire, lightning or explosion, including water damage to premises rented to you, or temporarily occupied by you with permission of the owner; and
- (b) "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days.

Item 7. - BODILY INJURY TO CO-EMPLOYEES

1. Subject to the Each Occurrence Limit and the General Aggregate Limit, Paragraphs 2.a.(1)(a), (b) and (c) of Section II - Who Is An Insured do not apply to your supervisory or management "employees" for "bodily injury" only.
2. Subject to the Each Occurrence Limit and the General Aggregate Limit, Paragraphs 2.a.(1)(a), (b) and (c) of Section II - Who Is An Insured do not apply to your "employees" or "volunteer workers" for "bodily injury" arising out of a Good Samaritan act to a co-"employee" or co-"volunteer worker." A Good Samaritan act means an attempt to rescue or aid a person in imminent or serious peril, provided the attempt is not recklessly made.

Damages owed to an injured co-"employee" or "volunteer worker" will be reduced by any amount paid or available to the injured co-"employee" or "volunteer worker" under any other valid and collectible insurance.

Item 8. - HEALTH CARE PROFESSIONALS AS INSUREDS

Paragraph 2.a. (1) (d) of Section II - Who Is An Insured is deleted unless:

- (i) You are engaged in the occupation or business of providing or offering medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction; or
- (ii) The "employee" has any other insurance that would also cover claims arising under this provision, whether the other insurance is primary, excess, contingent or on any other basis.

Item 9. - NEWLY FORMED OR ACQUIRED ENTITIES

Paragraph 3. of Section II - Who Is An Insured is replaced by the following:

3. Any organization, other than a joint venture, you newly acquire or form and over which you maintain majority ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization.
 - a. Coverage under this provision is afforded only until
 - i. the 180th day after you acquire or form the organization; or
 - ii. separate coverage is purchased for the organization; or
 - iii. the end of the policy period, whichever is earlier.
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any past partnership, current or past joint venture or past limited liability company that is not shown as a Named Insured in the Declarations.

Item 10. - BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION—MANAGERS OR LESSORS OF PREMISES

A. Section II - Who Is An Insured is amended to include as an insured any manager or lessor of premises leased by you in which the written lease agreement obligates you to procure additional insured coverage, provided that:

1. the "bodily injury", "property damage" or "personal and advertising injury" giving rise to liability occurs subsequent to the execution of the agreement; and
2. the written agreement is in effect at the time of the "bodily injury", "property damage", "personal and advertising injury" for which coverage is sought.

That person or organization shall be referred to as the additional insured.

The coverage afforded to the additional insured is limited to liability in connection with the ownership, maintenance or use of the premises leased to you and caused, in whole or in part, by some negligent acts or omissions of you, your employees, your agents, or your subcontractors. There is no coverage for the additional insured for "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured, except as provided below.

If the written agreement to indemnify an additional insured requires that you indemnify the additional insured for its sole negligence, then the coverage for the additional insured shall conform to that agreement; provided, however, that the contractual indemnification language of the agreement is valid under the law of the state where the agreement was formed. If the written agreement provides that a particular state's law will apply, then such provision will be honored.

B. Waiver Of Subrogation

For any additional insured that obtains insured status on this policy through paragraph A., above, we waive any right of recovery we may have against the additional insured because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies.

C. Exclusions

This insurance does not apply to:

1. Any "occurrence" that takes place after you cease to be a tenant in that premises.
2. Any construction, renovation, demolition or installation operations performed by or on behalf of the Additional Insured.
3. Any premises for which coverage is excluded by endorsement.

D. Other Insurance

The insurance provided by this endorsement applies only to coverages and limits of insurance required by written agreement, but in no event exceeds either the scope of coverage or the limits of insurance available within this policy.

This insurance shall be excess over any other insurance available to the additional insured, whether such insurance is on an excess, contingent or primary basis, unless you are obligated under a written agreement to provide liability insurance for that additional insured on any other basis. In that event, this policy will apply solely on the basis required by such written agreement.

To the extent that the additional insured has the right to pursue any other insurance carrier for coverage, including a defense, we shall share that right with the additional insured.

Item 11. - EXPANDED BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION (FOR INSTALLATION EXPOSURES)

A. Section II - Who Is An Insured is amended to include as an insured any person or organization to whom you are obligated by a written agreement to procure additional insured coverage, provided that:

1. the "bodily injury," "property damage," or "personal and advertising injury" giving rise to liability occurs subsequent to the execution of the written agreement; and
2. the written agreement is in effect at the time of the "bodily injury," "property damage," or "personal and advertising injury" for which coverage is sought.

That person or organization shall be referred to as the additional insured.

The coverage afforded to the additional insured is limited to liability caused, in whole or in part, by the negligent acts or omissions of you, your employees, your agents, or your subcontractors, in the performance of your ongoing operations.

This insurance does not apply to "bodily injury," or "property damage," "personal and advertising injury" arising out of "your work" included in the "products-completed operations hazard" unless you are required to provide such coverage for the additional insured by the written agreement, and then only for the period of time required by the written

agreement and only for liability caused, in whole or in part, by the negligent acts or omissions of you, your employees, your agents, or your subcontractors.

There is no coverage for the additional insured for "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured, except as provided below.

If the written agreement to indemnify an additional insured requires that you indemnify the additional insured for its sole negligence, then the coverage for the additional insured shall conform to that agreement; provided, however, that the contractual indemnification language of the agreement is valid under the law of the state where the agreement was formed. If the written agreement provides that a particular state's law will apply, then such provision will be honored.

B. Waiver Of Subrogation

For any additional insured that obtains insured status on this policy through paragraph A., above, we waive any right of recovery we may have against the additional insured because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies.

C. Exclusions

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

This insurance does not apply:

1. to "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. to "bodily injury" or "property damage" that occurs during the ongoing operations of a project where you have purchased an Owners & Contractors Protective Liability or Railroad Protective Liability Policy for the additional insured.
3. when coverage is available under a consolidated (wrap up) insurance program in which you are involved.

D. Other Insurance

The insurance provided by this endorsement applies only to coverages and limits of insurance required by written agreement, but in no event exceeds either the scope of coverage or the limits of insurance available within this policy.

This insurance shall be excess over any other insurance available to the additional insured, whether such insurance is on an excess, contingent or primary basis, unless the written agreement with you requires that the insurance provided for the additional insured be primary concurrent or primary non-contributory, in comparison to the additional insured's own policy or policies.

To the extent that the additional insured has the right to pursue any other insurance carrier for coverage, including a defense, we shall share that right with the additional insured.

Item 12. - BLANKET ADDITIONAL INSURED AND WAIVER OF SUBROGATION -- PERSON OR ORGANIZATION

A. Section II - Who Is An Insured is amended to include as an additional insured any person or organization to whom you are obligated by a written agreement to procure additional insured coverage, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with premises owned by you

provided that:

- (a) the "bodily injury", "property damage" or "personal and advertising injury" giving rise to liability occurs subsequent to the execution of the agreement; and
- (b) the written agreement is in effect at the time of the "bodily injury", "property damage", "personal injury" or "advertising injury" for which coverage is sought.

That person or organization shall be referred to as the additional insured.

There is no coverage for the additional insured for "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured, except as provided below.

If the written agreement to indemnify an additional insured requires that you indemnify the additional insured for its sole negligence, then the coverage for the additional insured shall conform to that agreement; provided, however, that the contractual indemnification language of the agreement is valid under the law of the state where the agreement was formed. If the written agreement provides that a particular state's law will apply, then such provision will be honored.

B. Waiver Of Subrogation

For any additional insured that obtains insured status on this policy through paragraph A., above, we waive any right of recovery we may have against the additional insured because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies.

C. Exclusions

This insurance does not apply to:

1. Any premises or equipment leased to you.
2. Any construction, renovation, demolition or installation operations performed by or on behalf of you, or those operating on your behalf.

D. Other Insurance

The insurance provided by this endorsement applies only to coverages and limits of insurance required by written agreement, but in no event exceeds either the scope of coverage or the limits of insurance available within this policy.

This insurance shall be excess over any other insurance available to the additional insured, whether such insurance is on an excess, contingent or primary basis, unless you are obligated under a written agreement to provide liability insurance for that additional insured on any other basis. In that event, this policy will apply solely on the basis required by such written agreement.

To the extent that the additional insured has the right to pursue any other insurance carrier for coverage, including a defense, we shall share that right with the additional insured.

Item 13. - ADDITIONAL INSURED - ARCHITECTS, ENGINEERS OR SURVEYORS

A. Section II - Who Is An Insured is amended to include as an additional insured any architect, engineer, or surveyor engaged by you but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In connection with your premises; or
2. In the performance of your ongoing operations.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
2. Supervisory, inspection, architectural or engineering activities.

Item 14. - ADDITIONAL INSURED - STATE, MUNICIPALITY OR POLITICAL SUBDIVISION - PERMITS

Section II - Who Is An Insured is amended to include as an additional insured any state, municipality or political subdivision with respect to any operations performed by you, or on your behalf, for which the state, municipality or political subdivision has issued a permit

However, this insurance does not apply to:

1. "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state, municipality or political subdivision; or
2. Any "bodily injury" or "property damage" included within the "products-completed operations hazard", except when required by written contract or agreement initiated prior to loss; or
3. "Bodily injury," "property damage" or "personal and advertising injury," unless negligently caused, in whole or in part, by you or those acting on your behalf.

Item 15. - ADDITIONAL INSURED AND WAIVER OF SUBROGATION - LESSOR OF LEASED EQUIPMENT

- A. Section II - Who Is An Insured is amended to include as an additional insured any person or organization from whom you lease equipment when you and such person or organization have agreed in a written agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

There is no coverage for the additional insured for "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured.

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

B. Waiver of Subrogation

For any additional insured that obtains insured status on this policy through paragraph A., above, we waive any right of recovery we may have against the additional insured because of payments we make 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.

C. Other Insurance

This insurance shall be excess over any other insurance available to the additional insured, whether such insurance is on an excess, contingent or primary basis, unless you are obligated under a written agreement to provide liability insurance for that additional insured on any other basis. In that event, this policy will apply solely on the basis required by such written agreement.

To the extent that the additional insured has the right to pursue any other insurance carrier for coverage, including a defense, we shall share that right with the additional insured.

Item 16. - KNOWLEDGE OF OCCURRENCE

Subparagraph 2.a., b. and c. of Condition 2, Section IV - Commercial General Liability Conditions are amended to add the following:

As used in this paragraph, the word "you" refers to an "executive officer", partner, member or legal representative, and any other "employee" with insurance or risk management responsibilities.

Item 17. - UNINTENTIONAL ERRORS AND OMISSIONS

Paragraph 6. of Section IV - Commercial General Liability Conditions is amended to add the following:

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this policy will not invalidate or affect coverage for those premises or operations. However, you must report such error or omission to us as soon as practicable after its discovery.

This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Item 18. - BODILY INJURY REDEFINITION

The definition of "bodily injury" in Section V - Definitions is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person. It includes death or mental anguish, which results at any time from such physical harm, physical sickness or physical disease. Mental anguish means any type of mental or emotional illness or distress.

Item 19. - MOBILE EQUIPMENT REDEFINITION

Paragraph 12. f.(1) (a), (b) and (c) of Section V - Definitions does not apply to self-propelled vehicles of less than 1000 pounds gross vehicle weight.

Item 20. - SUPPLEMENTARY PAYMENTS

Section I - Coverages, Supplementary Payments - Coverages A and B, item 1. b. and 1. d., respectively, are replaced with:

- 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.
- 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 substantiated loss of earnings up to \$500 a day because of time off from work.

Item 21. - LIBERALIZATION

Section IV - Commercial General Liability Conditions is amended to add the following:

10. Liberalization

If we adopt a change in our forms or rule which would broaden your coverage without an extra charge, the broader coverage will apply to this policy. This extension is effective upon the approval of such broader coverage in your state.

This endorsement is executed by the **WAUSAU UNDERWRITERS INSURANCE COMPANY**

Effective Date 03/15/10 Expiration Date 03/15/11
For attachment to Policy No. TBJZ91453980030

Dexter B. Jay *Edward F. Kelly*
SECRETARY PRESIDENT

Countersigned by

Robert J. McManis

Authorized Representative